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Tijuana  
Toronto  
Valencia  
Washington, DC

\* Associated Firm  
\*\* In cooperation with  
Trench, Rossi e Watanabe  
Advogados

July 03, 2020

Illinois Independent Tax Tribunal  
160 N. LaSalle Street, Room N506  
Chicago, Illinois 60601

**Via email and UPS**

**RE: Petition of Best Buy Stores, L.P.**

To Whom It May Concern,

Enclosed, please find the Petition of Best Buy Stores, L.P., requesting the Illinois Independent Tax Tribunal reverse retailers' occupation tax assessed by the Illinois Department of Revenue by Notice of Tax Liability dated May 7, 2020.

Please contact me if you have any questions regarding this matter.

Regards,



Drew Hemmings  
Associate

+1 312 861 3711  
Drew.Hemmings@bakermckenzie.com

**IN THE ILLINOIS INDEPENDENT TAX TRIBUNAL**

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<b>BEST BUY STORES, L.P.,</b>	)	
	)	
Petitioner,	)	
	)	
v.	)	
	)	Case No. _____
<b>ILLINOIS DEPARTMENT OF REVENUE,</b>	)	
	)	
	)	
Respondent.	)	

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**NOTICE OF FILING**

TO: Illinois Department of Revenue  
Office of Legal Services  
100 West Randolph Street, 7-900 (7th Floor of the Thompson Center)  
Chicago, IL 60601

**PLEASE TAKE NOTICE** that on July 3, 2020, Petitioner, Best Buy Stores, L.P., by and through its attorneys, Baker & McKenzie LLP, filed the attached Petition with the Clerk of the Illinois Independent Tax Tribunal, a copy of which is attached and hereby served upon you.

**Best Buy Stores, L.P.**  
Illinois Account ID: 2658-8781  
Taxpayer Telephone: (612) 291-3587  
Tax Type: Retailers' Occupation Tax  
Reporting Period: Jan. 1, 2014 - Dec. 31, 2016

Date: July 3, 2020

By: /s/ David Andrew Hemmings  
Attorney for Petitioner,  
Best Buy Stores, L.P.

David A. Hemmings (ARDC No. 6307850)  
Baker & McKenzie LLP (Attorney No. 90080)  
300 E. Randolph Street, Ste. 5000  
Chicago, IL 60601  
Telephone: (312) 861-3711  
Fax: (312) 698-2050

drew.hemmings@bakermckenzie.com

*Attorney for Petitioner,  
Best Buy Stores, L.P.*

IN THE ILLINOIS INDEPENDENT TAX TRIBUNAL

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<b>BEST BUY STORES, L.P.,</b>	)	
	)	
Petitioner,	)	
	)	
v.	)	
	)	Case No. _____
<b>ILLINOIS DEPARTMENT OF REVENUE,</b>	)	
	)	
	)	
Respondent.	)	

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**PETITION**

The Petitioner, Best Buy Stores, L.P. (“Best Buy”), by and through its attorneys, Baker & McKenzie LLP, who are duly authorized to represent Petitioner in this regard pursuant to the Power of Attorney attached hereto as Exhibit A, hereby petitions the Illinois Independent Tax Tribunal (the “Tribunal”) to review and reverse the Notice of Tax Liability issued to Best Buy on May 7, 2020 (the “Notice”) by the Illinois Department of Revenue (the “Department”).

The Department improperly asserts that Best Buy owes additional Retailers’ Occupation Tax, 35 ILCS 120/1, *et seq.* (“ROT”) on the combined sale, delivery, and installation of certain appliances incorporated into real estate. Illinois law specifically states that a “construction contractor” is not required to collect ROT on the combined sale, delivery and installation of tangible personal property incorporated into real estate. Instead, a construction contractor incurs Illinois Use Tax, 35 ILCS 105/1, *et seq.* (“Use Tax”) on the cost of the tangible personal property that is incorporated into such real estate. Best Buy is a “construction contractor” when it sells, delivers, and installs appliances incorporated into real estate as an integral part thereof, and properly remits Use Tax based on the price Best Buy paid to its supplier for the appliance.

Accordingly, the Department's assessment of ROT liability is improper and Best Buy petitions as follows:

### **The Parties**

1. The parties involved in this matter are Best Buy and the Department.
2. Best Buy is a Virginia limited partnership with its corporate offices in Minnesota.
3. Best Buy is a retailer of consumer electronics, computing and mobile phone products, entertainment products, appliances, and related services.
4. In the regular course of its business, Best Buy installs appliances in customers' homes pursuant to construction contracts.
5. Best Buy conducts its retail and service operations in Illinois and throughout the United States.
6. Best Buy's mailing address is 7601 Penn Avenue South, Richfield, Minnesota 55423-3645 and its telephone number is (612) 291-3587.
7. Best Buy's Illinois account identification number is 2658-8781.
8. Best Buy's federal identification number is 41-1822872.
9. The Department is an agency of the State of Illinois and is responsible for administering and enforcing Illinois's revenue laws.

### **Jurisdiction**

10. The Department issued the Notice, assessing a total liability of \$925,163.81, consisting of \$359,521.58 of tax and \$565,642.23 of interest for the audit period January 1, 2014 through December 31, 2016 (the "Audit Period"). A copy of the Notice is attached as Exhibit B.
11. Best Buy brings this action under the Illinois Independent Tax Tribunal Act of 2012. The Illinois Independent Tax Tribunal Act of 2012 is codified at 35 ILCS 1010, *et seq.*

### **Factual Background**

12. Each of Best Buy's big box retail store locations, including its Illinois locations, have a section dedicated to appliances, where customers can view dishwashers, refrigerators, ranges, cook-top stoves, microwaves, washers and dryers, and other appliances.

13. Best Buy obtains these appliances from brand name manufacturers for resale to its customers.

14. Best Buy's purchasing entity provides a resale certificate to the manufacturer and does not pay any ROT pursuant to the resale exemption on those transactions.

15. When a customer purchases an appliance, the customer has the option of (a) picking up the appliance and installing it on their own (or having their contractor install the appliance), (b) purchasing the appliance and later hiring Best Buy for installation services, or (c) hiring Best Buy for delivery and installation services at the time of purchase.

16. If the customer chooses not to hire Best Buy for delivery and installation services at the time of purchase (e.g., options "(a)" and "(b)" in paragraph 12, above), Best Buy charges ROT based on the retail price of the appliance and remits the tax to the Department.

17. If the appliance is delivered and installed by Best Buy (or one of its subcontractors) (e.g., options "(c)" in paragraph 12, above), the taxation of the transaction depends on whether the appliance becomes incorporated into the real estate as an integral part thereof or retains its character as tangible personal property.

18. Best Buy collects ROT on sales of appliances with delivery and installation services to Illinois customers based on the retail price of the appliance if the appliance remains classified as tangible personal property pursuant to Illinois law after installation (e.g., a portable dishwasher, free-standing refrigerator, or countertop microwave) and remits the tax directly to the Department.

19. Certain built-in appliances purchased from Best Buy require specialty installation services to install / permanently affix the appliance to real estate.

20. Appliances that are permanently affixed include built-in dishwashers, over-the-range microwaves, and other built-in appliances such as wall ovens, cooktops, and range hoods.

21. Best Buy and its customers agree to a detailed Scope of Work, explaining the intricacies of these specialty installation services, and specified Terms and Conditions prior to performing the work. A copy of the Scope of Work is attached as Exhibit C, and a copy of the Terms and Conditions is attached as Exhibit D.

22. Best Buy does not collect ROT on sales of appliances with delivery and installation services to Illinois customers if such appliance is incorporated into real estate as an integral part thereof. In this situation, Best Buy is the end user of the property.

23. Best Buy self-assesses Use Tax based on the cost of the built-in appliance incorporated into the real estate and remits the tax directly to the Department.

24. To ensure proper tax treatment on all appliance transactions, Best Buy assigns all built-in appliances SKUs with a real property flag / indicator based on whether the item becomes permanently attached to realty.

25. To trigger the sales tax treatment as an appliance permanently affixed to real estate, a built-in appliance SKU containing the real property flag / indicator must be sold with delivery and installation charges on the same order, thereby indicating to Best Buy's taxing software that a contract has been entered between Best Buy and the Illinois customer to deliver and install / permanently affix the tangible property to real estate.

### **Procedural Background**

26. Best Buy received a "Notice of Audit Initiation" from the Department for the Audit

Period on August 10, 2016.

27. Based on the audit summary report comprised of tax, interest and penalty dated September 10, 2019, Best Buy made a partial tax payment pursuant to the 2019 Illinois Tax Amnesty Program in November 2019.

28. Best Buy submitted a penalty abatement request for the full penalty assessment of \$527,575.86 on November 14, 2019, and the Department granted such request based on reasonable cause.

29. Best Buy received the Notice, dated May 7, 2020, from the Department assessing \$359,521.58 in tax and \$565,642.23 in interest for the Audit Period.

30. Best Buy does not oppose \$485,049.04 of interest assessed relating to the 2019 Illinois Tax Amnesty Program payment, and remitted such interest to the Department on or about July 1, 2020.

31. The remaining \$440,114.77 of tax and interest assessed relate to the taxability of certain sales of appliances when sold with installation and delivery, which Best Buy contests as set forth herein.

#### **Related Best Buy Proceedings For Earlier Tax Periods**

32. Unrelated to the tax years at issue in this petition, the Department audited Best Buy for the tax period July 1, 2012 through December 31, 2013 and issued of a Notice of Proposed Liability dated January 25, 2016.

33. Best Buy requested that the Department's Informal Conference Board ("ICB") review the Notice of Proposed Liability dated January 25, 2016 and set aside specified tax and interest assessed.

34. The ICB denied Best Buy's request on January 21, 2017, and issued a Notice of Tax



Liability dated April 4, 2017.

35. Best Buy paid the ROT assessment stated on the Notice of Tax Liability dated April 4, 2017 to the Department pursuant to the State Officers and Employees Money Disposition Act, 30 ILCS 230/1, *et seq.* (the “Protest Monies Act”) and filed a Verified Complaint under the Protest Monies Act with the Circuit Court of Cook County on June 21, 2017.

36. Best Buy and the Department filed cross motions for summary judgment.

37. On July 29, 2019, the Circuit Court of Cook granted the Department’s Motion for Summary Judgment and denied Best Buy’s Motion for Summary Judgment.

38. Best Buy appealed the Circuit Court of Cook County’s decision to the Appellate Court of Illinois, First Judicial District on August 19, 2019.

39. The Appellate Court of Illinois, First Judicial District issued an order on June 30, 2020 pursuant to Illinois Supreme Court Rule 23(b) that affirmed the ruling of the Circuit Court of Cook County (“Rule 23 Order”).

40. Best Buy is in the process of determining whether to petition the Illinois Supreme Court for leave to appeal the Rule 23 Order issued by the Appellate Court of Illinois (currently due August 4, 2020).

41. The issues addressed by the Rule 23 Order are identical to the issues in this petition.

#### **Illinois Law**

42. Illinois imposes ROT on businesses “engaged in [...] selling at retail tangible personal property [...]” 35 ILCS 120/2.

43. Illinois imposes Use Tax on persons “using in this State tangible personal property purchased at retail from a retailer [...]” 35 ILCS 105/3.

44. Illinois defines “sale at retail” as “any transfer of the ownership of or title to tangible

personal property to a purchaser [...].” 35 ILCS 105/2 and 35 ILCS 120/1.

45. “A construction contract to improve real estate” generally is “not subject to the tax imposed by the ‘Retailers’ Occupation Tax Act’ [...].” See 35 ILCS 120/1 and 35 ILCS 105/2.

46. “Construction contract” means “a contract, written or oral, to ‘construct’ [...] a ‘structure’ or to otherwise incorporate tangible personal property into real estate.” Ill Admin. Code 130.1940(a)(6).

47. “Construct” means to “build, erect, construct, reconstruct, install, plant, repair, renovate, or remodel.” Ill Admin. Code 130.1940(a)(3).

48. “Construction contractors” incur ROT liability “when they engage in selling any kind of tangible personal property without installation to purchasers for use or consumption.” Ill. Admin. Code 130.1940(b)(1).

49. “A construction contractor does not incur ROT liability as to receipts from labor furnished and tangible personal property (materials and fixtures) incorporated into a structure as an integral part thereof for an owner when furnished and installed as an incident of a construction contract.” Ill. Admin. Code 130.1940(c).

50. Instead, “[t]he construction contractor incurs Use Tax on the cost price of the tangible personal property that is incorporated into real estate.” *Id.*

51. The term “construction contractor” includes a “general contractor, subcontractor and specialized contractor [...].” Ill. Admin. Code 130.1940(a)(1).

52. “Contractor” means “any person who is engaged in the occupation of entering into and performing construction contracts for owners.” *Id.*

53. The Department has stated that “[s]toves and refrigerators that are not free standing and are built into the structure” are “obvious” examples of “the type of tangible personal property

that is permanently affixed or incorporated into a structure [...]” Ill. Dept. of Rev. Gen. Info. Ltr. No. ST 09-0145-GIL (Nov. 2009).

54. The Department has specifically addressed whether the installation of a dishwasher becomes part of real estate in a Private Letter Ruling (“PLR”). Ill. Dept. of Rev. Private Ltr. Rul. No. ST 93-0336-PLR (June 1993).<sup>1</sup>

55. In PLR ST 93-0336-PLR, a taxpayer received two quotes, from two separate retailers, on the purchase of a dishwasher. *Id.*

56. The PLR’s facts assume that the quote from the first store was for both the sale and installation of the dishwasher, while the quote from the second store was only for the sale of the dishwasher itself (i.e., no installation). *Id.*

57. The first store excluded sales tax from the purchase price, while the second store included sales tax in the quote. *Id.*

58. In response to the taxpayer’s inquiry regarding the sales tax treatment of this transaction, the Department advised: “When you spoke to [Store 1] about purchasing a dishwasher,

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<sup>1</sup> Please note that an Illinois regulation states, “every letter ruling is revoked on the date that is 10 years after the date of issuance of the ruling.... No ruling may be cited or relied upon for any purpose after the date of its revocation, and the ruling will cease to bind the Department after the date of revocation” Ill. Admin. Code 1200.110(e). Although the Department’s regulation states that rulings older than 10 years may not be “cited” or “relied upon” for any purpose, this regulation is not law and administrative guidance remains, at a minimum, evidence that the Department has previously determined that an installed dishwasher was not subject to Illinois’s ROT. *See Kean v. WalMart Stores, Inc.*, 387 Ill. 3d 262 (1st Dist. 2008) (while private letter rulings and general information letters “have no precedential value and are not binding ... they may be considered instructive in understanding how the regulatory authority interprets the statute at issue.” (citing *Subway Rests. of Bloomington-Normal, Inc. v. Topinka*, 322 Ill. App. 3d 376 (4th Dist. 2001) and *Union Electric*)). Moreover, when private letter rulings “contain any policy of general applicability”, e.g., whether common built-in appliances are incorporated into real estate pursuant to construction contracts, “the Department is required, by statute, to adopt such policy as a rule.” *Union Electric Co. v. Dept. of Revenue*, 136 Ill.2d 385, 400-01 (1990); *see also Container Corp. of Am. v. Wagner*, 293 Ill. App. 3d 1089 (1997).

[Store 1] intended to act as a construction contractor by permanently affixing the tangible personal property to real property, your house. In this situation [Store 1] is considered the end user of the dishwasher and is responsible for Use Tax based upon its cost price of the dishwasher. [Store 1] would not then be responsible for charging the customer tax because [Store 1] is not transferring tangible personal property to the customer. The dishwasher becomes part of real property as a result of the installation by a construction contractor.” *Id.*

59. The Department further stated, “The ability to act as a construction contractor is, of course, not limited to [Store 1]. [Store 2] may also act as a construction contractor if it contracts with a customer to permanently affix tangible personal property to real property. *See* enclosed, 86 Ill. Adm. Code 130.1940.” *Id.*

60. In another PLR, the Department stated that it employs “an intention test to determine whether items remain tangible personal property after installation or become part of realty. ‘If circumstances indicate that the parties obviously intended that the item remain with the realty, we give effect to that intention ... If the item cannot be removed without damage to the item or to the real estate, that is an indication that the parties intended that the item become part of the realty.’” Ill. Dept. of Rev. Private Ltr. Rul. No. ST 13-0002-PLR (Jul. 2013), quoting Ill. Dept. of Rev. Private Ltr. Rul. No. ST 05-0016-PLR (Oct. 2005).

61. Additionally, a business “can act as either a retailer or a construction contractor, depending on the nature of his arrangement with a customer.” Compliance Alert, Illinois Department of Revenue (June 2015).

## COUNT I

### **The Department’s Assessment of ROT Liability Against Best Buy Violates Illinois Law and Department Guidance**

62. Petitioner re-alleges paragraphs 1 through 61.

63. The portion of the Notice assessing tax and interest against Best Buy with respect to construction contracts for built-in appliances that are installed / permanently affixed to real estate is in error.<sup>2</sup>

64. Under these construction contracts, Best Buy did not make “sales at retail” to customers subject to Illinois ROT liability because there was never a transfer or sale of tangible personal property.

65. Rather, Best Buy entered into construction contracts with these customers to install and incorporate appliances—such as built-in dishwashers, over-the-range microwaves, and other built-in appliances—into these customers’ homes as *real estate*.

66. Installation of these appliances were intended to become part of the structure itself.

67. Best Buy retained possession of and risk of loss relating to the appliances until it fulfilled its obligations under contract by installing / permanently affixing the appliances into customers’ real estate.

68. As the end user of the tangible personal property installed / permanently affixed to real estate, Best Buy properly self-assessed and remitted Use Tax to the Department based on the price Best Buy paid its supplier for the item and which Best Buy subsequently incorporated into real estate pursuant to a construction contract with its Illinois customer.

69. The Department’s assessment of ROT on built-in appliances installed / permanently affixed to real estate pursuant to Best Buy’s construction contracts with its customers violates Illinois law, the Department’s own regulations, and the Department’s published guidance / letter rulings. *See, e.g.*, 35 ILCS 120/1; 35 ILCS 105/2; Ill Admin. Code 130.1940, generally; Ill. Dept.

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<sup>2</sup> Please note that Best Buy paid \$485,049.04 of interest assessed in the Notice and only contests \$440,114.77 of tax and interest relate to the taxability of certain sales of appliances when sold with installation and delivery.

of Rev. Gen. Info. Ltr. No. ST 09-0145-GIL (Nov. 2009); Ill. Dept. of Rev. Private Ltr. Rul. No. ST 93-0336-PLR (June 1993); Ill. Dept. of Rev. Private Ltr Rul. No. ST 13-0002-PLR (Jul. 2013).

WHEREFORE, Petitioner prays that the Tribunal enter judgment in its favor and against the Respondent and award Petitioner the following relief:

A. The issuance of a determination that the Notice and corresponding assessment of tax and interest have been issued in error.

B. Such other and further relief as the Tribunal deems appropriate in the circumstances.

## **COUNT II**

### **The Department's Assessment of ROT Liability Against Best Buy Violates the Uniformity Clause of the Illinois Constitution**

70. Petitioner re-alleges paragraphs 1 through 69.

71. The Illinois Constitution includes a Uniformity Clause, which states: "In any law classifying the subjects or objects of non-property taxes or fees, the classes shall be reasonable and the subjects and objects within each class shall be taxed uniformly." Ill. Const. 1970., Art. IX, § 2.

72. To survive scrutiny under the Uniformity Clause, a classification must be based on a real and substantial difference between those objects taxed and those not taxed, and the classification must bear some reasonable relationship to the object of the legislation or to public policy. *See Milwaukee Safeguard Ins. Co. v. Selcke*, 179 Ill. 2d. 94, 98 (1997).

73. As noted, a construction contractor does not incur ROT liability as to receipts from labor furnished and tangible personal property permanently incorporated into real estate. *See, e.g.*, 35 ILCS 120/2, Ill. Admin. Code 130.1940(c), Letter Nos. ST 09-0145-GIL, ST 13-0002-PLR, and ST 93-0336-PLR, among others.

74. There is no real and substantial difference between construction contractors, who

are treated as construction contractors pursuant to Ill. Admin. Code 130.1940(c) when they install built-in appliances to real estate and retailers acting as construction contractors when they install and affix these same appliances to real estate.

75. Best Buy is a retailer that also acts as a construction contractor pursuant to Ill. Admin. Code 130.1940(c) when it installs / permanently affixes to real estate built-in appliances pursuant to construction contracts with certain Illinois customers.

76. In issuing the Notice, the Department has created an unreasonable and illogical tax classification between Best Buy, who is generally recognized as an appliance retailer and acts as construction contractors pursuant to Ill. Admin. Code 130.1940(c) when it installs / permanently affixes to real estate built-in appliances and other construction contractors who may not generally be recognized as appliance retailers but perform the exact same activity under construction contracts in violation of Illinois's Uniformity Clause.

WHEREFORE, Petitioner prays that the Tribunal enter judgment in its favor and against the Respondent and award Petitioner the following relief:

- A. The issuance of a determination that the Notice and corresponding assessment of tax and interest have been issued in error.
- B. Such other and further relief as the Tribunal deems appropriate in the circumstances.

Respectfully submitted,

By: /s/ David Andrew Hemmings  
Attorney for Petitioner

Date: July 3, 2020

David A. Hemmings  
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# **EXHIBIT A**



**Read this information first**

Submit your completed form to **REV.POA@illinois.gov**. Do **not** attach to your tax return. You also may be required to provide a copy of this form to a representative of the Illinois Department of Revenue. This power of attorney automatically expires 10 years from the date it is signed. If you do not properly complete this form, you will be required to submit a new Form IL-2848. See the instructions for additional information. **Note:** A separate form may need to be completed for each taxpayer. An asterisk (\*) below indicates a required field.

**Step 1: Complete the following taxpayer information**

Name of individual or business*	41-1822872
Street address*	Identification number (i.e., FEIN or SSN)* - <b>All nine digits required.</b>
City* State* ZIP*	2658-8781
	Illinois Account ID (if known)
	( 612 ) 291-3587
	Daytime phone number*

**Step 2: Identify the authorized agent or fiduciary executing this form - Signature required in Step 6**

Complete the following if the taxpayer is a corporation, partnership, trust, or estate (i.e., not an individual taxpayer) or if someone other than the taxpayer is authorizing the power of attorney and the taxpayer is an individual. If you are not the taxpayer and you already have been designated by the courts as power of attorney, do **not** complete this form. Instead complete Form IL-56, Notice of Fiduciary Relationship. See instructions for who can execute this form.

Name*	Title*
Street address*	( )
City* State* ZIP*	Daytime phone number*
	Email address

**Step 3: Identify the representative(s) - If more than two representatives, list the total number here: 3**

Attach a copy of page one for every two additional representatives. (See instructions.) **Note:** If any representative listed is a person who is **not** an attorney, a certified public accountant, or an enrolled agent, you must complete the notary section of Step 6.

The taxpayer named above appoints the following representative as attorney-in-fact:

**Scott L. Brandman**  
 Name of individual\*  
 Check one:  Attorney  CPA  Enrolled agent (if applicable)  
**Baker & McKenzie LLP**  
 Name of firm, if applicable  
**2575785 (New York)**  
 Identification number (Attorney License No., PTIN, FEIN, or SSN)\* - See instr.  
**452 Fifth Avenue**  
 Street address\*  
**New York NY 10018**  
 City\* State\* ZIP\*  
**(212) 891-3747 (212) 310-1747**  
 Daytime phone number\* Fax number  
**scott.brandman@bakermckenzie.com**  
 Email address

Check this box if you want to authorize the Department to send duplicate copies of notices to the representative listed above.

**Complete the following if a box above is checked to indicate that the representative is an attorney, CPA, or enrolled agent**

- I declare that I am **not** currently under suspension or disbarment and that I am
- a member in good standing of the bar of the highest court of the jurisdiction indicated below; or
  - duly qualified to practice as a certified public accountant in the jurisdiction indicated below; or
  - enrolled as an agent pursuant to the requirements of United States Treasury Department Circular Number 230.

Signature of representative Date  
**6/26/2020**  
**Scott L. Brandman NY**  
 Print name Jurisdiction (state(s), etc.)

**David A. Pope**  
 Name of individual\*  
 Check one:  Attorney  CPA  Enrolled agent (if applicable)  
**Baker & McKenzie LLP**  
 Name of firm, if applicable  
**4606018 (New York)**  
 Identification number (Attorney License No., PTIN, FEIN, or SSN)\* - See instr.  
**452 Fifth Avenue**  
 Street address\*  
**New York NY 10018**  
 City\* State\* ZIP\*  
**(212) 626-4289 (212) 310-1606**  
 Daytime phone number\* Fax number  
**david.pope@bakermckenzie.com**  
 Email address

Check this box if you want to authorize the Department to send duplicate copies of notices to the representative listed above.

Signature of representative Date  
**6/26/2020**  
**David A. Pope NY**  
 Print name Jurisdiction (state(s), etc.)

**Step 4: Revocation of power of attorney appointments**

This power of attorney revokes all powers of attorney on file with the Illinois Department of Revenue with respect to the same matters and years or periods covered. If you do not want to revoke prior powers of attorney, check this box:

**Step 5: Identify the tax matters and the type of appointment** — *Designate the Tax Matters to which the power of attorney applies and the Type of Appointment.*

**Tax Matters**

Notice of Tax Liability; Letter ID: CNXXX19577937763

Tax Type/Tax Form(s) or Notices\*

January 2014 -December 2016

Tax Year(s) or Filing Period(s)\*

Form EDA-105-R, ROT and E911 Surcharge Audit Report

Tax Type/Tax Form(s) or Notices

January 2014 -December 2016

Tax Year(s) or Filing Period(s)

Tax Type/Tax Form(s) or Notices

Tax Year(s) or Filing Period(s)

**Type of Appointment** — *Check either General or Specific Appointment. Do not check both boxes. See instructions.*

**General Appointment**

The attorneys-in-fact named above shall have, subject to revocation, full power of attorney to perform any act that the principals can and may perform, including the authority to receive and discuss confidential information for the tax matters listed above.

**Specific Appointment**

The attorneys-in-fact named above shall have, subject to revocation, power of attorney to receive and discuss with the Illinois Department of Revenue confidential information for the tax matters listed above and to perform only those additional acts that the principals can and may perform designated below. *(Check the following, as applicable.)*

- Yes** Endorse or collect checks in payment of refunds.
- Yes** Receive checks in payment of any refund of Illinois taxes, penalties, or interest.
- Yes** Execute waivers (including offers of waivers) of restrictions on assessment or collection of deficiencies in tax and waivers of notice of disallowance of a claim for credit or refund.
- Yes** Execute consents extending the statutory period for assessments or collection of taxes.
- Yes** Delegate authority or substitute another representative.
- Yes** Execute offers in compromise or settlement of tax liability.
- Yes** Represent the taxpayer before the Illinois Department of Revenue in administrative hearings or the Illinois Independent Tax Tribunal (requiring representation by an attorney).
- Yes** Represent the taxpayer before the Illinois Department of Revenue in proceedings other than administrative hearings, such as proceedings before the Informal Conference Board or the Board of Appeals.
- Yes** Obtain a private letter ruling on behalf of the taxpayer.
- Yes** Other (Please describe.) \_\_\_\_\_

**Step 6: Signature (Required)** - *This form must be signed by the taxpayer listed in Step 1 or the individual listed in Step 2.*

If signing as a corporate officer, partner, fiduciary, or individual on behalf of the taxpayer, I certify that I have the authority to execute this power of attorney on behalf of the taxpayer.

Kristi K. Carlson  
Taxpayer's Signature\*

Kristi K. Carlson  
Print name\*

SVP, Finance – Tax, Treasury & Internal Audit 6/29/2020  
Title, if applicable Date\*

Spouse's signature (required if spouse is listed in Step 1) \_\_\_\_\_ Print name \_\_\_\_\_ Date \_\_\_\_\_

**Complete the following if any representative listed in Step 3 is a person other than an attorney, a certified public accountant, or an enrolled agent.**

If the power of attorney is granted to a person other than an attorney, a certified public accountant, or an enrolled agent, this document must be witnessed or notarized below. Please check and complete one of the following:

Any person signing as or for the taxpayer

- is known to and this document is signed in the presence of the two disinterested witnesses whose signatures appear here, **OR**

\_\_\_\_\_  
Signature of witness Date

\_\_\_\_\_  
Signature of witness Date

- appeared this day before a notary public and acknowledged this power of attorney as his or her voluntary act and deed.

\_\_\_\_\_  
Signature of notary Date

**Notary seal**





**Read this information first**

Submit your completed form to **REV.POA@illinois.gov**. Do **not** attach to your tax return. You also may be required to provide a copy of this form to a representative of the Illinois Department of Revenue. This power of attorney automatically expires 10 years from the date it is signed. If you do not properly complete this form, you will be required to submit a new Form IL-2848. See the instructions for additional information. **Note:** A separate form may need to be completed for each taxpayer. An asterisk (\*) below indicates a required field.

**Step 1: Complete the following taxpayer information**

Name of individual or business*	<u>41-1822872</u>
	Identification number (i.e., FEIN or SSN)* - <b>All nine digits required.</b>
Street address*	<u>2658-8781</u>
	Illinois Account ID (if known)
City* State* ZIP*	<u>( 612 ) 291-3587</u>
	Daytime phone number*

**Step 2: Identify the authorized agent or fiduciary executing this form - Signature required in Step 6**

Complete the following if the taxpayer is a corporation, partnership, trust, or estate (i.e., not an individual taxpayer) or if someone other than the taxpayer is authorizing the power of attorney and the taxpayer is an individual. If you are not the taxpayer and you already have been designated by the courts as power of attorney, do **not** complete this form. Instead complete Form IL-56, Notice of Fiduciary Relationship. See instructions for who can execute this form.

Name*	Title*
Street address*	( )
City* State* ZIP*	Daytime phone number*
	Email address

**Step 3: Identify the representative(s) - If more than two representatives, list the total number here: 3**

Attach a copy of page one for every two additional representatives. (See instructions.) **Note:** If any representative listed is a person who is **not** an attorney, a certified public accountant, or an enrolled agent, you must complete the notary section of Step 6.

The taxpayer named above appoints the following representative as attorney-in-fact:

**David A. Hemmings**

Name of individual\*  
**Check one:**  Attorney  CPA  Enrolled agent  
**Baker & McKenzie LLP**  
 Name of firm, if applicable  
**ARDC No. 6307850**  
 Identification number (Attorney License No., PTIN, FEIN, or SSN)\* - See instr.  
**300 E. Randolph Street, Ste. 5000**  
 Street address\*  
**Chicago IL 60601**  
 City\* State\* ZIP\*  
**(312) 861-3711 (312) 698-2050**  
 Daytime phone number\* Fax number  
**drew.hemmings@bakermckenzie.com**  
 Email address

Check this box if you want to authorize the Department to send duplicate copies of notices to the representative listed above.

**Complete the following if a box above is checked to indicate that the representative is an attorney, CPA, or enrolled agent**

- I declare that I am **not** currently under suspension or disbarment and that I am
- a member in good standing of the bar of the highest court of the jurisdiction indicated below; or
  - duly qualified to practice as a certified public accountant in the jurisdiction indicated below; or
  - enrolled as an agent pursuant to the requirements of United States Treasury Department Circular Number 230.

David A. Hemmings 6/26/2020  
 Signature of representative Date  
**David A. Hemmings IL**  
 Print name Jurisdiction (state(s), etc.)

Name of individual\*  
**Check one:**  Attorney  CPA  Enrolled agent  
 Name of firm, if applicable  
 Identification number (Attorney License No., PTIN, FEIN, or SSN)\* - See instr.  
 Street address\*  
 City\* State\* ZIP\*  
 Daytime phone number\* Fax number  
 Email address

Check this box if you want to authorize the Department to send duplicate copies of notices to the representative listed above.

Signature of representative Date  
 Print name Jurisdiction (state(s), etc.)

# **EXHIBIT B**

# Notice of Tax Liability



#BWNKMGV  
#CNXX X195 7793 7763#  
BEST BUY STORES LP  
BEST BUY  
PO BOX 9312  
MINNEAPOLIS MN 55440-9312

May 7, 2020



**Letter ID:** CNXXX19577937763  
**Account ID:** 2658-8781  
**Reporting period:** December 31, 2016

We have audited your Sales/Use Tax & E911 Surcharge account for the reporting periods January 01, 2014, through December 31, 2016, and the liability has been processed on Form EDA-105-R, ROT and E911 Surcharge Audit Report. As a result, we have assessed the amounts shown below.

**If you agree**, pay the assessment total as soon as possible to minimize additional penalty and interest. Mail a copy of this notice and your payment with the voucher on the enclosed Taxpayer Statement. By including a copy of this notice, your payment will be properly applied to the audit liability.

**If you do not agree**, you may protest this notice within specific time periods. See the "Protest Rights" section on the following page of this notice for additional information and instructions.

If you do not protest this notice or pay the assessment total in full, we may take collection action against you for the balance due, which may include levy of your wages and bank accounts, filing of a tax lien, or other action to satisfy your liability.

Note: If you are under bankruptcy protection, see the "Bankruptcy Information" section on the following pages of this notice for additional information and instructions.

	<u>Liability</u>	<u>Payments/Credit</u>	<u>Unpaid Balance</u>
Tax	4,701,494.00	(4,341,972.42)	359,521.58
Interest	828,880.00	(263,237.77)	565,642.23
<b>Assessment Total</b>	<b>\$5,530,374.00</b>	<b>(\$4,605,210.19)</b>	<b>\$925,163.81</b>

If you have questions, write or call us weekdays between 8:00 a.m. and 4:00 p.m. Our contact information is listed below.

**AUDIT BUREAU  
TECHNICAL REVIEW SECTION  
ILLINOIS DEPARTMENT OF REVENUE  
PO BOX 19012  
SPRINGFIELD IL 62794-9012**

**217 785-6579**

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## Taxpayer Bill of Rights

- You have the right to call the Department of Revenue for help in resolving tax problems.
- You have the right to privacy and confidentiality under most tax laws.
- You have the right to respond, within specified time periods, to Department notices by asking questions, paying the amount due, or providing proof to refute the Department's findings.
- You have the right to appeal Department decisions, in many instances, within specified time periods, by asking for Department review, by a filing a petition with the Illinois Independent Tax Tribunal, or by filing a complaint in circuit court.
- If you have overpaid your taxes, you have the right, within specified time periods, to file for a credit (or, in some cases, a refund) of that overpayment.

The full text of the Taxpayers' Bill of Rights is contained in the Illinois Compiled Statutes, 20 ILCS 2520/1, *et seq.*

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## Bankruptcy Information

If you are currently under the protection of the Federal Bankruptcy Court, contact us and provide the bankruptcy case number and the bankruptcy court. The bankruptcy automatic stay does not change the fact that you are required to file tax returns. For those under bankruptcy protection this notice is not an attempt to collect tax debt. Illinois law requires issuance of this notice to advise you of an amount due or a missing return that must be filed.

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## Explanation of Penalties and Fees

For more detailed information, see Publication 103, Penalties and Interest for Illinois taxes.

### Are penalties ever abated?

If you were unable to either timely pay the required amount of payments, pay the tax you owe by the due date, or file your tax return by the extended due date because of a casualty, disaster, or other similar circumstance, you may request a waiver of penalties due to reasonable cause. A bad check or negligence penalty may also be waived due to reasonable cause. To request this waiver, send us a detailed explanation of the cause of the delay and any documentation you have to support your request. Reasonable cause will be determined on a case-by-case basis according to our rules and regulations. A fraud penalty or cost of collection fee cannot be waived.

### How is interest figured?

Interest is calculated on your tax from the day after the original due date of your return through the date you pay the tax. Interest cannot be waived.

**Late-filing or Nonfiling penalty** - You owe this penalty if you do not file a return by the due date, including any extended due date, or you file a return that is not processable and you do not correct it within 30 days of the date we notify you.

**Late-payment penalty for underpayment of estimated or accelerated tax due** - You owe this penalty if you were required to make estimated or accelerated tax payments and failed to do so, or if you failed to pay the required amount by the payment due date.

**Late-payment penalty for regular tax payments** - You owe this penalty if you did not pay the tax you owed by the due date of the payment or the original due date of the return.

**Cost of collection fee** - You owe this fee if you do not pay the total amount you owe within 30 days after a bill has been issued.

**Bad check penalty** - You owe this penalty if you send a remittance to the Department that is not honored by your financial institution.

**Negligence penalty** - You owe this penalty if, in preparing a return or amended return, you do not make a reasonable attempt to comply with the provisions of any tax act, including showing careless, reckless, or intentional disregard for the law or regulations.

**Fraud penalty** - You owe this penalty if any part of a deficiency is due to fraud.

**Audit penalty** - You owe this penalty if you did not pay the tax you owed before the start of an audit or investigation.

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## Protest Rights

If you do not agree, you may protest this notice by following the instructions listed below.

If the amount of this tax liability, exclusive of penalty and interest, is more than \$15,000, or if no tax liability is assessed but the total penalties and interest is more than \$15,000, file a petition with the Illinois Independent Tax Tribunal within **60 days** of this notice. Your petition must be in accordance with the rules of practice and procedure provided by the Tribunal (35 ILCS 1010/1-1, *et seq.*).

In all other cases that do not fall within the jurisdiction of the Illinois Independent Tax Tribunal, file a protest with us, the Illinois Department of Revenue, and request an administrative hearing within 60 days of the date of this notice, which is **July 06, 2020**. Submit your protest on Form AH-4, Protest and Request for Administrative Hearing with the Illinois Department of Revenue (available on our website at [tax.illinois.gov](http://tax.illinois.gov)). Mail Form AH-4 along with a copy of this notice to the address on the form. If you do not file a protest within the time allowed, you will waive your right to a hearing, and this liability will become final. An administrative hearing is a formal legal proceeding conducted pursuant to the rules adopted by the Department and is presided over by an administrative law judge. A protest of this notice does not preserve your rights under any other notice.

Instead of filing a petition with the Illinois Independent Tax Tribunal or a protest with us, the Illinois Department of Revenue, you may, under Sections 2a and 2a.1 of the State Officers and Employees Money Disposition Act (30 ILCS 230/2a, 230/2a.1), pay the total liability under protest using Form RR-374, Notice of Payment Under Protest (available on our website at [tax.illinois.gov](http://tax.illinois.gov)), and file a complaint with the circuit court for a review of our determination.

# **EXHIBIT C**



## SCOPE OF WORK – If your installation is not detailed on this form, see a Customer Specialist for details.

### EVERY INSTALLATION INCLUDES:

- Direct replacement of an existing similar appliance only (excluding Refrigerator Waterline, window Air Conditioners, Electric Hardware and Frigidaire Refrigerator/Freezer w/Trim Kit).
- Obtain permit, if necessary. Customer is responsible for price of permit.
- A pre-site survey to determine if the service can be completed, including testing electrical service and ensure that it has the proper amperage to support product.
- Survey and document, on Installation Control Form (ICF), any existing damages, blemishes and/or defects on surrounding property including, but not limited to, walls, flooring, cabinets, countertop, ceilings and appliances.
- Inspect plumbing and electrical services and document on ICF any existing defects, corrosion, substandard hookups or code violations.
- Determine and document on the ICF any charges necessary for additional labor, parts or permits.
- Advise customer to prepare for shut-down of services, as necessary.
- Review ICF with customer and receive authorization to perform services from customer by obtaining signature on ICF prior to beginning service.
- Provide adequate protection to all surrounding walls, flooring, cabinets, countertops, ceilings, fixtures and appliances.
- Unpack, inspect and prepare appliance for service.
- Ensure work area is adequately ventilated during service process.
- Disconnect and remove existing similar appliance from surrounding cabinets and fixtures.
- Accommodate services, if necessary and possible, to meet all plumbing, electric, and building codes and all manufacturers' installation specifications, but not to exceed authorized additional charge estimate provided to customer.

### AIR CONDITIONER (standard opening windows only) – Installer will:

- Ensure that the window isn't higher than the 2<sup>nd</sup> floor, otherwise additional charges may be assessed.
- Ensure that there are existing brackets or support platform for units to be installed above the first floor, if the AC is over 8000 BTU. Otherwise, additional charges will be assessed.
- May elect not to perform an installation due to legitimate safety concerns.
- Ensure the selected window air conditioner (AC) has adequate BTUs for desired area.
- Measure window opening to ensure new AC is correct size and type.
- Perform installation in casement window only (bottom to top opening).
- Test electrical service and ensure it has the proper amperage to support selected AC.
- Determine and document on the ICF any charges necessary for additional removal, coolant evacuation and/or product disposal charges.
- Extract existing AC and all sealants, brackets, woodwork and fasteners as necessary.
- Unpack, inspect and prep appliance for installation insuring drain plug is removed, if necessary.
- Seat AC chassis into opening and ensure unit is secured according to manufacturer's requirements.
- Fabricate and install any additional filler boards, support, and/or perform any modifications necessary (but not to exceed authorized estimate) to window, sill, jamb and/or storm window to ensure unit is adequately supported.
- Seat storm window and upper sash onto AC or chassis and install all gaskets and seals.
- Provide and install any additional caulking or sealant to ensure AC is weather-tight.
- Ensure unit is tilted to allow for proper drainage.
- Provide and install any piping to ensure AC drainage is safely routed.
- Ensure upper sash is properly secured to prevent window from being opened from outside.
- Install all knobs, controls, filters and accessory covers as necessary.
- Connect AC cord to receptacle and secure or conceal as necessary to prevent tripping.
- Ensure the receptacle is properly grounded according to N.E.C. codes and provide adequate amperage without overloading circuit.
- Test AC by activating and monitoring the compressor at all settings, the fan at all speeds, all accessories (louvers, directional air controls, timer, etc.) and the exhaust control.
- Ensure any drainage piping installed is not leaking.
- Due to Federal, State or Local requirements, installer may charge an additional disposal fee for haul away.

### BUILT-IN OVEN– Installer will:

- Typically a two-person team will install Double Wall Ovens.
- Terminate gas service from shut-off valve, verify gas is turned off at shut-off valve and then disconnect gas from appliance. If no shut-off valve is present, additional charges can be applied to terminate gas service and install a shut-off valve, but not to exceed authorized additional charge estimate provided to customer.
- Ensure line is capped and there are no leaks.
- Terminate electrical service for electric oven and disconnect from appliance.
- Ensure electrical cord has been unplugged to prevent damage to receptacle.
- Connect gas service to new gas oven.
- Connect electrical service to new electric oven.
- Turn gas service back on and test all connections for leaks.
- Install anti-tip bracket.
- Monitor gas service and ensure there are no leaks.
- Ensure all accessories (grates, pans, racks, burner caps, etc.) are installed on appliance.
- Test wall oven by activating and monitoring all surface burner elements, all broiler, oven or interior heating elements, all controls, accessories (clock, timer, settings, etc.) oven door, storage drawer, and ensure all burner elements are adjusted accordingly to display proper flame characteristics.
- If a new shut-off valve was installed, installer will verify that all pilot lights are lit.

### COOKTOP – Installer will:

- Terminate gas service from shut-off valve, verify gas is turned off at shut-off valve and then disconnect gas from appliance. If no shut-off valve is present, additional charges can be applied to terminate gas service and install a shut-off valve, but not to exceed authorized additional charge estimate provided to customer.
- Ensure line is capped and there are no leaks.
- Terminate electrical service for electric cooktop and disconnect from appliance.
- Ensure electrical cord has been unplugged to prevent damage to receptacle.
- Connect the electrical supply according to all local codes.
- Connect gas service and ventilation to new gas appliance.
- Set cooktop into opening.
- Extend leveling brackets to floor of cabinet so cooktop sits straight.
- Secure the cooktop to the countertop.
- Screw leveling brackets to bottom of cabinet.
- Run appropriate power cable into cabinet.
- Connect cooktop to electrical box and receptacle.
- Plug cooktop power cord into outlet.
- Turn gas service back on and test all connections for leaks.
- Monitor gas service and ensure there are no leaks.
- Ensure all accessories (grates, pans, racks, burner caps, etc.) are installed on appliance.
- Test cooktop by activating and monitoring all surface burner elements, all controls, accessories (clock, timer, settings, etc.), and ensure all burner elements are adjusted accordingly to display proper flame characteristics.
- If a new shut-off valve was installed by installer, installer will verify that all pilot lights are lit.
- Cooktop with Downdraft only – Remove shipping brackets from downdraft chimney.
- Cooktop with Downdraft only – Align mounting brackets into downdraft chimney.
- Cooktop with Downdraft only – Ensure any moving parts such as a periscope or telescope venting system is fully operational.
- Cooktop with Downdraft only – Test downdraft by activating and monitoring ventilation connections (check exterior wall cap for debris).

### DISHWASHER – Installer will:

- Terminate hot-water service and electrical service.
- Disconnect mechanical services from existing dishwasher and cap as necessary.
- Modify existing Dishwasher, if necessary, to allow clearance through existing opening but not to exceed authorized additional charge estimate to customer.
- Perform appropriate drilling if side-mounting is necessary and possible.
- Utilize as many mounting tabs as needed.
- Connect hot-water feed to Dishwasher and discharge hose to drain system as required by Federal, State and Local plumbing codes.
- Ensure discharge hose is properly looped to prevent backflow into dishwasher.
- Connect electrical service as required by National Electric Code.

### ADDITIONAL CHARGE EXAMPLES

- **Air Conditioners** – Any gap fillers, wall brackets, extended drain lines, dedicated 110-volt electrical line, services above the 2<sup>nd</sup> floor.
- **Built-In Ovens** – Shelf build-up when new unit is shorter than old, flex lines, shut-off valves, converting from gas to electric or vice versa (may require electrician and/or local gas provider), custom carpentry work to allow the new appliance to fit.
- **Cooktops** – Custom carpentry work to allow the new appliance to fit, working in crawl spaces, flex lines, shut-off valves, converting from gas to electric or vice versa (may require electrician and/or local gas provider).
- **Dishwashers** – Any waterlines, risers, air gaps, pigtails, elbows, on/off switches, working in crawl spaces, or any custom carpentry work to remove old unit.
- **Gas Ranges/Gas Dryers** – Any flex lines, shut-off valves, vent-less exhaust kits, conversion kits, vent hose, stacking of laundry, expansion and reduction adapters, or any custom carpentry work to allow the new appliance to fit.
- **Liquid Propane Conversions** – Any conversion of an appliance to (Liquid Propane) if service is not purchased during the sales process.
- **Over-The-Range Microwaves** – Dedicated 110-volt electrical line, changing a round vent to a rectangular vent or vice versa, installing an electrical receptacle box if improper service was sold, additional duct work to allow transition from external exhaust to recirculating or vice versa, or any custom carpentry work to allow new OTR to fit.
- **Refrigerator Waterlines** – Any lines over 20 feet, drill-outs for no-saddle valves, crawl space installations or low attic installations.
- Any carpentry work to cabinets, closets or any custom work for non-direct replacement appliances.
- Any modification of services, if necessary, to meet all plumbing, electric, local building codes and all manufacturers service specifications.
- Other services that may be requested by the customer.

- Connect electrical service as required by National Electric Code.
- Upon extraction of existing appliance, Installer determines and confirms with customer and documents on the ICF charges necessary for additional labor, parts, or permits that are needed to proceed with the service, due to the conditions found after extraction. Installer has the customer initial the ICF.
- Install new appliance to customer's satisfaction in accordance with local code and regulation or to manufacturer specifications.
- Double-check all connections.
- Check and verify that all user functions are operational. When performing this check, the Installer sets the clock and presets, if applicable.
- Correct any defects in the installation (if applicable) and retest appliance.
- Level appliance.
- Remove carton and packing materials from premises.
- Ensure all work areas are neat, clean and dry.
- Walk through a demo with the customer to show the customer basic operations of their new appliance.
- Review service warranty terms and informs customer of the Best Buy® in-home installation and service 800 phone number.
- Record service date and Installer's company name on customer's Best Buy® receipt.
- Sign, date and have customer sign two copies of the Installation Control Form after the service is completed.
- Recycle old appliance if desired. (see BestBuy.com® for full details.)

### DISHWASHER (cont.) – Installer will:

- Ensure dishwasher is properly grounded.
- Turn on hot water feed and check all connections.
- Test dishwasher by manually advancing timer to fill cycle.
- Advance timer to "wash" cycle and ensure pump, spray arms and/or towers are functioning properly.
- Advance timer to "drain" cycle and ensure drain discharge pump is functioning properly.
- Monitor all connections.
  - a. Shut-off valves, packing nut and fittings.
  - b. State-approved tubing and dishwasher coupling.
  - c. Discharge hose connection to disposer, air gap or drain stem.
  - d. All visible drain line and supply line connections.
- Inspect and ensure any surrounding mechanical services are intact and free of leaks.
- Inspect and ensure dishwasher tub, all motor seals, pump seals, fill-valve tubing, etc. are free of leaks at all visible locations.
- Reverse door and access cover color panels if desired by customer.
- Dual Drawer Dishwasher only – Ensure all accessories (panels, etc.) are installed on dual drawer dishwasher.

### GAS RANGE/GAS DRYER – Installer will:

- Terminate gas service from shut-off valve, verify gas is turned off at shut-off valve and then disconnect gas from appliance. If no shut-off valve is present, additional charges can be applied to terminate gas service and install a shut-off valve, but not to exceed authorized additional charge estimate provided to customer.
- Ensure line is capped and there are no leaks.
- Ensure electrical cord has been unplugged to prevent damage to receptacle.
- Disconnect exhaust connection from gas dryers.
- Connect gas service and ventilation to new gas appliance.
- Turn gas service back on and test all connections for leaks.
- Install anti-tip bracket on gas range.
- Monitor gas service and ensure there are no leaks.
- Ensure all accessories (grates, pans, racks, burner caps, lint filter, etc.) are installed on appliance.
- On dual-fuel ranges only: Connect 220 volt range cord to oven and plug into 220 volt receptacle.
- Test gas appliance by activating and monitoring all surface burner elements, all broiler, oven or interior heating elements, all controls, accessories (clock, timer, settings, etc.), all ventilation connections (check exterior wall cap for debris), oven door, storage drawer or dryer door, dryer timer and accessories, and ensure all burner elements are adjusted accordingly to display proper flame characteristics.
- If a new shut-off valve was installed by the installer, verify that all pilot lights are lit.

### LIQUID PROPANE – Installer will:

- Perform this installation in conjunction with a gas installation.
- For most dryers - Remove the front of dryer and remove the igniter switch.
- For dryers - Remove old gas orifice and install new propane orifice.
- For ranges - Turn all burner controls down to proper level.
- Complete conversion according to the manufacturer's specifications and to customer's satisfaction.
- Ensure all burner elements are adjusted accordingly to display proper flame characteristics.

### OVER-THE-RANGE MICROWAVE – Installer will:

- Disconnect electrical service to existing OTR or range hood.
- Disconnect duct (if necessary).
- OTR Plus only – Install grounded, code-approved receptacle to meet electric codes when replacing a range hood (power must exist at receptacle site).
- If grounded receptacle pre-exists, installer will test for proper ground and ensure that service provides adequate amperage for new OTR.
- Mount, center (if possible) and secure support bracket for new OTR as required by manufacturer's specifications.
- Check and rotate, if necessary, exhaust fan, as required, for existing ventilation.
- Connect and seal to existing duct, if necessary.
- Plug OTR cord into receptacle and secure with hardware provided.
- Install all accessory filters, covers, panels and/or racks.
- Test OTR by activating and monitoring a heating cell (using container filled with water), the exhaust fan and all lights and remaining accessories.
- If OTR is mounted using ductless application, installer will ensure accessory charcoal filter is properly installed.

### REFRIGERATOR WATERLINE– Installer will:

- Survey kitchen and locate nearest accessible cold water service.
- Ensure electrical cord is unplugged, if necessary, to prevent damage to electrical receptacle.
- De-pressurize main cold water system as required.
- Provide labor and parts to install shut-off valve and fittings and up to 20' of 1/4" cold water supply line (ensuring that adequate coil is available for customer to roll refrigerator away from wall) to meet all Federal, State and Local plumbing codes.
- Pressurize main water supply and check all connections.
- Purge air from system as required.
- Double-check openings that are to be created to route cold water feed to ensure no damage occurs to other mechanical systems or visible surfaces.
- Supply labor to install in-line water filter (if applicable).
- Pressurize new cold water feed to rinse any contaminants out of line.
- Connect tubing to refrigerator and pressurize new cold water feed.
- Check all connections.
  - a. Shut-off valve into main cold water supply line.
  - b. 1/4" tubing connection at new shut-off valve.
  - c. Packing nuts on all valves affected.
  - d. 1/4" tubing connection to refrigerator.
  - e. Refrigerator's plastic supply tube from solenoid to ice maker.
  - f. Mechanical couplings (if necessary) on models with through-door water dispenser.
- Ensure new state-approved tubing is secured to refrigerator, to new shut-off valve and to surrounding house framing.
- Ensure cord is plugged back into receptacle, properly secured, and refrigerator is turned on.
- Re-locate refrigerator in opening and adjust for proper door swing if necessary.
- Activate ice maker by placing control arm in ready position.
- Activate through-door water dispenser by filling refrigerator reservoir and dispensing several cups of water.

# **EXHIBIT D**

# APPLIANCE INSTALLATION TERMS & CONDITIONS



For information regarding your installation, please call 1-888-BEST BUY (1-888-237-8289) or contact your store.

Phone # \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_ Employee Name/# \_\_\_\_\_

## CUSTOMER INFORMATION REQUIRED FOR RESIDENTIAL INSTALLATION

Last Name \_\_\_\_\_ First Name \_\_\_\_\_ MI \_\_\_\_\_ E-mail \_\_\_\_\_

Street Address \_\_\_\_\_ RR# \_\_\_\_\_ Apt.# \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP Code \_\_\_\_\_

Phone # (Site where installation will occur) \_\_\_\_\_ Phone # (Day) \_\_\_\_\_ Phone # (Evening) \_\_\_\_\_

## SPECIALTY INSTALLATION SERVICES PURCHASED

### KITCHEN

___ Built-in Microwave Trim Kit	#8259528
___ Built-in Oven Double	#4001207
___ Built-in Oven Single	#5357455
___ Cooktop	#4001225
___ Cooktop w/ Down Draft	#6641752
___ Dishwasher	#3793069
___ Dishwasher/Disposal Combo	#3653629
___ Drop-in/Slide-in Range	#5357598
___ Garbage Disposal	#3797485
___ Gas Range/Dryer (market driven)	#3822812
___ OTR (Note: For replacing OTR w/ OTR)	#3533689
___ OTR Plus (Note: For replacing range hood w/ OTR)	#3581895
___ Range Hood	#3581868
___ Refrigerator Built-In	#5357428
___ Refrigerator Trim Kit	#8464066
___ Refrigerator Waterline	#3533705
___ Trash Compactor	#4001234

### KITCHEN (cont.)

___ Under Counter Ice Maker	#5356955
___ Warming Drawer	#8259403

### LAUNDRY

___ Gas Range/Dryer (market driven)	#3822812
___ Gas Stack Laundry (market driven)	#4129623

### OTHER

___ AC Split Basic	#8690124
___ AC Split Direct Replacement	#9848109
___ AC Split New	#9848127
___ AC Window AC 12,000+ BTUs	#3581939
___ AC Window AC < 12,000 BTUs	#3581920

### ADD ON

___ Electric Hardwire	#4001314
___ LP Conversion (in conjunction with Gas Installation)	#5351166
___ On/Off Switch Dishwasher	#5357605
___ Pickup	#5395921
___ Pre-Measurement	#5357348

## CUSTOMER MUST REVIEW ALL LINES

- SCOPE OF WORK** We have reviewed in detail with you the scope of work to be performed, which may be found on the reverse side of this form.
- INSTALL DATE** We have reviewed the scheduling options with you.
- ADDITIONAL CHARGES** For work that requires an additional charge, installers will provide an estimate prior to the work, (regional permits or additional parts or labor needed.) Most additional charges are not known until the installer does an inspection in the home; some things can be hidden behind appliances that cannot be seen until work is underway. Reference the bottom of the reverse side of this form for examples of additional charges.
- RESPONSIBILITY** We will not be responsible for moving any furniture or valuables.
- SAFETY OF OUR WORKFORCE** To ensure the health and safety of our service providers, we reserve the right to refuse or reschedule work due to unsafe conditions, which include, without limitation, extreme temperatures, natural disasters or the existence of other hazards, real or perceived.
- INSTALLATION AUTHORIZATION** Someone at least 18 years of age must be present at all times on the day of installation and review and approve all work completed.
- LABOR ONLY** The installation does not include any parts or accessories (dishwasher kits, shut-off valves, etc.), except where specifically listed on the reverse side of this form.
- PARTS AND ACCESSORIES** New parts and all necessary accessories must be purchased at Best Buy® in order for your appliance to be connected. Examples of accessories that must be purchased from Best Buy include: power cords, gas flex lines, dryer ducts and dishwasher kits.
- CUSTOMER INFORMATION** Is all your customer information accurate? If not, our installation teams will not be able to reach you to confirm the correct installation address. Providing your e-mail address will allow us to send you installation updates on your order.
- HOME ACCESS** Verify our teams have access to your home via their truck and there is a clear path free of ice, snow, toys, debris, etc.
- SCHEDULING** Within two hours of your purchase, you will receive an auto-generated call confirming that your installer has received your order. The installer will call you the evening prior to your scheduled installation appointment to provide you a four-hour time window for your installation.
- DAMAGES/FUNCTIONALITY** When your new appliance(s) arrive(s), look for dents, scratches and dings. If there is damage, confer with delivery teams on options. Ensure delivery team or installer tests the appliance for functionality. Ensure your home has been left in its original condition.
- ANTI-TIP BRACKET** You agree that if you are purchasing a range, the installer will install Anti-Tip brackets which may require drilling into the floor under the range.
- OPEN BOX** The Customer Specialist should have filled out an Appliances open box form for each open box product you are purchasing to verify current condition.
- 3RD PARTY** Installations may be performed by third party, non-Best Buy® employees.
- NON-REFUNDABLE** Installation fees are non-refundable after installation is completed.
- DIMENSIONS** Verify dimensions (Height, Width and Depth) of the appliance and of the path the appliance will pass through (entry ways, doors, etc.) in addition to the appliance opening.
- VERIFY PRODUCT** Verify color, gas/electric fuel, brand/model selection. When we install your new major appliance in your home, we will recycle your old appliance for free, if you choose. This is done on a 1:1 basis.
- DELIVERY OF PRODUCT** Some products are delivered by the installer at the time of installation and other products are delivered by a separate team on a separate day from installation. Note: If separate, refer to the Home Delivery Terms and Conditions for that appointment. Products will be delivered up two flights of stairs.
- ONLY DIRECT REPLACEMENT** You must have an existing appliance we are replacing (excluding refrigerator waterline and air conditioner installations.)
- PERMITTING** If necessary, installer will obtain any necessary permits and you are responsible for the cost of any such permits.
- DISCLAIMER** We and/or our third party service provider shall not be liable for any failure or delay in performance due to any cause beyond our control. If our or our third party service provider's ability to render services is impaired by you or circumstances beyond the control of us or our third party service provider, we and/or our third party service provider may choose not to provide services. Service can also be denied if dangerous or unhealthy conditions are present, including possible code violations. For any un-installation services provided, you agree that neither we nor our third party service provider shall be responsible for repairing any changes made to your residence. Neither we nor our third party service provider will disassemble, deconstruct or break down any product for haul-away services even if necessary for removal.
- LIMITATION OF LIABILITY & RELEASE** By your signature below, you agree that, except for direct property damage that results from negligence, under no circumstances shall we or our third party service provider be liable to you or any other person for any damages, including without limitation, any indirect, incidental, special or consequential damages, expense, costs, lost savings or earnings or liability arising out of, or related to, the services provided by us or our third party service provider for the installation, un-installation, use of or inability to use your products. Further, you affirmatively release and hold harmless Best Buy and third party service provider from and against any loss, liability or damage that you or the owner or lessee may suffer, included but not limited to, any changes or alterations to your residence (changes to walls, base boards, floors, etc.). Some states do not allow limitations or release of certain damages or liability, so the above limitation of liability and release may not apply to you.

**FOR ANY FURTHER QUESTIONS FOLLOWING YOUR INSTALLATION, OR IF YOU REQUIRE REPAIR SERVICE, PLEASE CALL 1-888-BEST BUY.**

I have read and agree to the above terms and conditions. I understand that I will be charged for any additional labor, parts and any necessary permits that may be required.

\_\_\_\_\_  
CUSTOMER SIGNATURE / DATE

\_\_\_\_\_  
CUSTOMER SPECIALIST / DATE

**CERTIFICATE OF SERVICE**

I, the undersigned counsel, certify a copy of the foregoing **PETITION** has been served upon the Illinois Independent Tax Tribunal and upon the below-named party by UPS on this 3rd day of July, 2020 before 5:00 p.m.

<b>Illinois Independent Tax Tribunal</b> 160 N. LaSalle Street, Room N506 Chicago, Illinois 60601 ITT.TaxTribunal@illinois.gov  <i>By UPS; copy by email</i>	<b>Illinois Department of Revenue</b> Office of Legal Services 100 W. Randolph Street, Level 7-900 Chicago, Illinois 60601  <i>By UPS</i>
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*/s/ David Andrew Hemmings* \_\_\_\_\_  
Attorney for Petitioner, Best Buy Stores, L.P.

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