

Last updated May 1, 2023.

These Avalara VAT Reporting Supplemental Terms ("**VAT Reporting Terms**") govern Customer's access to and use of Avalara's VAT reporting solution for creating and electronically filing VAT returns and other indirect compliance reports ("**VAT Reporting**"). These VAT Reporting Terms are in addition to and incorporate by reference the Avalara Service Terms and Conditions available at www.avalara.com/terms (the "**Terms**"). Any capitalized terms used and not defined in these VAT Reporting Terms have the meaning given in the Terms.

1. Order Document; Customer Responsibilities; License.

- a. **Order Document.** The specific VAT Reporting Services purchased by Customer and the associated fees will be specified on the Order Document.
 - b. **Customer Tax Requirements; Tax Data.** Customer is solely responsible for (i) any analysis of its VAT-related tax requirements; (ii) the accuracy and completeness of all Customer Data necessary to calculate VAT, complete a VAT return, or otherwise provide or use VAT Reporting (the "**Tax Data**"); (iii) confirming the accuracy and completeness of any results of VAT Reporting; and (iv) properly setting up, configuring, and maintaining Customer's tax profile and correctly classifying items it sells. Avalara does not audit, validate, or verify Tax Data. Customer will cooperate with reasonable requests from Avalara related to VAT Reporting.
 - c. **License.** Avalara grants Customer a limited, nonexclusive, nontransferable, nonassignable, worldwide license to use and retain the Content that is returned by the Services to Customer solely for its internal compliance purposes in connection with the specific VAT return or other indirect compliance report for which it was provided.
- 2. Pricing.** Except as otherwise provided in the Order Document, Customers will pay an annual subscription fee for VAT Reporting consisting of (i) a base service fee based on the number of unique VAT registrations for which Customer files VAT returns; and (ii) service fees for specific activity modules purchased for the countries for which Customer uses VAT Reporting (which fees may be referred to as "country activity service fees"); and (iii) if applicable, a service fee for substantial invoice volume.
- 3. Hosted Software.** If Customer accesses and uses VAT Reporting through a dedicated software instance for Customer that is hosted by Avalara through a third-party service (the "**Hosted Software**"), the following terms apply:
- a. **Services.** For the avoidance of doubt, Customer's access and use through the Hosted Software of VAT Reporting constitutes "Services" under the Terms.
 - b. **Fees.** Except as otherwise provided in the Order Document, Customers will pay an annual subscription fee for VAT Reporting accessed through Hosted Software consisting of (i) a base service fee; (ii) a service fee based on the number of unique VAT registrations for which Customer files VAT returns (which may be referred to as the "registration module"); (iii) a service fee based on the number of unique countries in which Customer files VAT returns (which may be referred to as the "country module"); and (iv) a fee for hosting services.
 - c. **Remote Access.** Avalara may change the method by which Authorized Users access VAT Reporting in the hosted environment with advance notice to Customer.
 - d. **Updates and Upgrades.** Avalara may from time to time release versions of the Hosted Software that include updates, modifications, and corrections ("**Updates**"), or new versions or releases that include significant function and feature enhancements ("**Upgrades**"). Updates and Upgrades may include, without limitation, updates to tax rates and forms, other modifications reflecting changes in laws or regulations, virus updates, security patches, bug fixes, error corrections, other maintenance releases, or function or feature

modifications or enhancements. The determination of whether and when to release Updates or Upgrades will be made by Avalara in its sole discretion. Customer agrees that Avalara may apply such Updates and Upgrades to the Hosted Software at any time without advance notice to Customer, provided that Avalara will notify Customer by email or on Customer's console after applying an Update or Upgrade.

4. **Liability Which Cannot Be Excluded.** Nothing in the Agreement shall be construed as limiting either Party's liability for death or personal injury caused by negligence, for fraud, or for fraudulent misrepresentation or any other liability which cannot be excluded or limited under Applicable Laws.
5. **Deviations from the Terms.** The following provisions of the Terms do not apply to VAT Reporting:
 - a. The section of the Terms entitled *Automatic Upgrades and Overages*; and
 - b. The section of the Terms entitled *Governing Law; Jurisdiction and Venue*.
 - c. The obligations of Avalara relating to VAT Reporting that Avalara delivers on a software as a service ("**SaaS**") basis and to uptime statistics, status updates, and Service availability, in each case contained in the section of the Terms entitled *Avalara's Responsibilities*, do not apply to VAT Reporting that Avalara delivers other than on a SaaS basis; provided that such obligations relating to Service availability apply to VAT Reporting that are accessed through Hosted Software.
6. **Audit; Excess Use.** Customer will be responsible for any use of VAT Reporting in excess of the amounts specified in the applicable Order Document and will cooperate with Avalara to ensure that Avalara is properly compensated for any excess usage. Avalara has the right to audit Customer's use of VAT Reporting, both during the Subscription Term and upon renewal of a Subscription Term. Without limiting the generality of the foregoing, Customer agrees that (a) upon Avalara's request, Customer will promptly provide to Avalara such information as Avalara may reasonably request with respect to Customer's usage of VAT Reporting, including (if applicable) a report generated from VAT Reporting detailing Customer's usage over the period specified by Avalara in its request; and (b) in the case of VAT Reporting provided by Avalara on a SaaS or Hosted Software basis, Avalara may generate such a report without notice to Customer. Customer will pay the applicable fees associated with any excess usage upon receipt of an invoice from Avalara.
7. **AvaTax for VAT.** For the avoidance of doubt, these VAT Terms do not govern Avalara's AvaTax for VAT service. Supplemental Terms for AvaTax, including AvaTax for VAT, are located at <https://www.avalara.com/avatax-terms>.
8. **Third Party Rights.** No third party, other than an Avalara Affiliate, may enforce any term of the Agreement. The rights of the parties to terminate or modify the Agreement (as provided in the Agreement or Applicable Laws) are not subject to the consent of any other person.
9. **Governing Law; Jurisdiction and Venue.** The Agreement and all matters in connection with the Agreement are governed by the laws of England and Wales. Each Party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with these Agreement or their subject matter or formation.