

These Avalara for Communications Service-Specific Supplemental Terms (“**AFC Terms**”) govern Customer’s use of one or both of Avalara’s transaction tax calculation and return services for telecommunications products and services, including AvaTax for Communications and Avalara Returns for Communications (“**AFC Services**”). These AFC Terms are in addition to, and incorporate by reference, the Avalara Service Terms and Conditions available at <https://www.avalara.com/terms> (the “**Terms**”). Any capitalized terms used in these AFC Terms and not defined have the meanings given in the Terms.

1. **Definitions.**

- a. “**Avalara Returns for Communications**” means the Service that uses the information from the tax calculation service used by Customer to produce and remit federal, state, and local AFC Returns.
- b. “**AvaTax for Communications**” means the Service for transaction taxes, surcharges, and fees calculated on telecommunications products and services.
- c. “**AFC Return**” means a standard tax compliance return or remittance prepared for one filing period for one Filing Entity.
- d. “**Billed Charges**” means the gross sum of fees and charges included in a Transaction.
- e. “**Taxes Calculated**” means the total of all taxes, surcharges, and fees in the compliance report (or a successor report that Avalara may designate by notifying Customer in writing) generated from Customer’s usage of AvaTax for Communications (the “**Compliance Report**”). If no Compliance Report is generated, all taxes, surcharges, and fees calculated by the Service will be considered Taxes Calculated.
- f. “**Transaction**” means each transaction tax, surcharge, or fee calculation for a line item on an invoice, sales order, quote, or other document submitted electronically by Customer to AvaTax for Communications, irrespective of the calculation result, and, if applicable, each API call to Avalara requesting location information. A Transaction may be referred to on a Sales Order by the letter “T” when preceded by an amount.

2. **AvaTax for Communications Service Usage Calculations.** Fees for usage of AvaTax for Communications are based on one of three methods; the method applicable to Customer is based on Customer’s Order Document. Avalara will calculate Customer’s ratio of uncommitted Transactions to committed Transactions on a monthly basis by dividing the sum of uncommitted Transactions by the sum of committed Transactions during the month (the “**Monthly Commit Ratio**”) which may be written as follows, “uncommitted Transactions: committed Transactions). If applicable, Avalara may perform any currency conversion to calculate usage on a monthly basis.

a. **Billed Charges.**

- i. Customer’s usage of the Service will be calculated based on the following:
 - A. If the Monthly Commit Ratio is less than 5:1, Customer’s usage of the Service will be calculated based on Billed Charges for committed Transactions.
 - B. If the Monthly Commit Ratio is greater than or equal to 5:1 and less than 20:1 then Customer’s usage of the Service for that month will be calculated as the sum of Billed Charges for committed Transactions multiplied by the Monthly Commit Ratio divided by 5. For example, if Customer’s Monthly Commit Ratio is 8:1, and the sum of the Billed Charges for committed Transactions is \$50,000,

then the Billed Charges for that month will be revised to $\$50,000 * 8 / 5 = \$80,000$.

- c. If the Monthly Commit Ratio is greater than or equal to 20:1, then Customer's usage of the Service will be calculated based on the larger of either (A) Billed Charges for committed Transactions, or (B) Billed Charges for uncommitted Transactions.
 - ii. If Customer makes subsequent alterations or recalculations of Transactions, the full amount of the Transaction will count each time.
 - iii. In addition to the foregoing, Avalara will calculate Customer's average Billed Charge per Transaction ("**Average Billed Charge Per Transaction**") on a monthly basis by dividing Billed Charges calculated pursuant to Section 2(a)(i) by either (A) the sum of Customer's committed Transactions for that month or (B) the sum of uncommitted Transactions for that month in the event Billed Charges for the month are calculated based on uncommitted Transactions (i.e. the Monthly Commit Ratio for that month is greater than or equal to 20:1), and usage of the Service will be calculated as follows:
 - A. If the Average Billed Charge Per Transaction is \$10.00 USD or greater, Customer's usage for that month shall be based on Billed Charges as calculated in Section 2(a)(i).
 - B. If the Average Billed Charge Per Transaction is less than \$10.00 USD, then Customer's usage of the Service that month will be calculated by multiplying the Billed Charges calculated in Section 2(a)(i) by \$10.00 divided by Customer's Average Billed Charges Per Transaction for that month. For example, if Customer's Billed Charges that month are \$50,000 and Average Billed Charges are \$5.00 then the Billed Charges for that month will be revised to $\$50,000 * \$10.00 / \$5.00 = \$100,000$.
 - iv. If Customer's Billed Charges exceed Customer's subscription tier during a Subscription Term, Customer shall pay overages based on the Order Document.
- b. **Taxes Calculated.** Customer's usage of AvaTax for Communications is calculated based on a percentage of the Taxes Calculated by the Service.
- i. If the Monthly Commit Ratio is less than 5:1, Customer's usage of the Service will be calculated based on Taxes Calculated for committed Transactions.
 - ii. If the Monthly Commit Ratio is greater than or equal to 5:1 and less than 20:1 then Customer's usage of the Service for that month will be based on Taxes Calculated for committed Transactions multiplied by the Monthly Commit Ratio divided by 5. For example, if Customer's Monthly Commit Ratio is 8:1, and the Taxes Calculated for committed Transactions is \$50,000, then the Taxes Calculated for that month will be revised to $\$50,000 * 8 / 5 = \$80,000$.
 - iii. If the Ratio is greater than or equal to 20:1, then Customer's usage of the Service will be calculated based on the larger of either (a) Taxes Calculated for committed Transactions, or (b) Taxes Calculated for uncommitted Transactions.
- c. **Transactions.** Fees for usage of AvaTax for Communications are based on the number of Transactions used in AvaTax for Communications by Customer. Avalara calculates

Customer's Transaction usage on a monthly or annual basis as indicated on Customer's Order Document. Customer shall pay overages on a per-Transaction basis for Transactions that exceed Customer's subscription tier in a Subscription Term.

The following Sections in this column apply to Customers of Avalara Returns for Communications using the portal at: <https://complianceportal.eztax.com>

The following Sections in this column apply to Customers of Avalara Returns for Communications using the portal at: <https://admin.avalara.com>

3. **Avalara Returns for Communications Service.**

- a. **Account Setup.** Customer shall provide Avalara with all information requested by Avalara to establish and set up Customer's Account for Avalara Returns for Communications and produce the AFC Returns (the "**Filing Information**"). Filing Information includes: (i) a list of taxing jurisdictions for Customer's AFC Return preparation (the "**Filing Jurisdictions**"); (ii) the filing frequency for AFC Returns in each of the Filing Jurisdictions (the "**Filing Calendar**"); (iii) the entities (e.g., Customer or its Affiliate) for which Avalara will be preparing AFC Returns (each, a "**Filing Entity**") and which Filing Jurisdictions apply to each Filing Entity; (iv) tax registration numbers and login information for each Filing Entity in each Filing Jurisdiction sufficient to allow Avalara to identify and access each Filing Entity's account in that Filing Jurisdiction (the "**Account Information**"); (v) copies of each Filing Entity's previous filings in the Filing Jurisdictions, as requested by Avalara; (vi) completed power(s) of attorney for each Filing Entity, including the power of attorney described in Section 3(e)(i) (*Avalara Funding Account*) below, and (vii) any other information necessary to properly configure Customer's Account and produce the AFC Returns. Customer is solely responsible for timely providing and maintaining accurate, complete, and current Filing Information, and Avalara has no obligation to audit, verify, correct, or maintain any Filing Information.
- b. **Changes to Filing Information.** Customer shall review its Filing Information periodically and shall

3. **Avalara Returns for Communications Service.**

- a. **Account Setup.** Customer shall provide Avalara with all information requested by Avalara to establish and set up Customer's Account for Avalara Returns for Communications and produce the AFC Returns (the "**Filing Information**"). Filing Information includes: (i) a list of taxing jurisdictions for Customer's AFC Return preparation (the "**Filing Jurisdictions**"); (ii) the filing frequency for AFC Returns in each of the Filing Jurisdictions (the "**Filing Calendar**"); (iii) the entities (e.g., Customer or its Affiliate) for which Avalara will be preparing AFC Returns (each, a "**Filing Entity**") and which Filing Jurisdictions apply to each Filing Entity; (iv) tax registration numbers and login information for each Filing Entity in each Filing Jurisdiction sufficient to allow Avalara to identify and access each Filing Entity's account in that Filing Jurisdiction (the "**Account Information**"); (v) copies of each Filing Entity's previous filings in the Filing Jurisdictions, as requested by Avalara; (vi) completed power(s) of attorney for each Filing Entity, including the power of attorney described in Section 3(e) (*Avalara Funding Account*) below, and (vii) any other information necessary to properly configure Customer's Account and produce the AFC Returns. Customer is solely responsible for timely providing and maintaining accurate, complete, and current Filing Information, and Avalara has no obligation to audit, verify, correct, or maintain any Filing Information.

promptly communicate any changes to Avalara. Avalara shall implement changes to the Filing Information no later than two months after Customer has submitted those changes to Avalara. If Customer requests to add a Filing Jurisdiction that is not supported by Avalara, Avalara will not implement a change to add filings in that Filing Jurisdiction.

c. **Tax Data.**

- i. Customer is solely responsible for the accuracy and completeness of all the data necessary to properly complete AFC Returns (the "**Tax Data**") and all Filing Information. Avalara does not audit, validate, or verify Tax Data. Customer shall provide the Tax Data in the format specified by Avalara or in a format agreed to by the parties in writing.
- ii. If Customer uses AvaTax for Communications, Avalara will pull Customer's Tax Data directly from AvaTax for Communications.
- iii. If Customer uses a tax calculation system other than AvaTax for Communications:
 - A. Each month, Customer shall provide its Tax Data to Avalara in an electronic file supported by Avalara by the third calendar day of the month in which the AFC Return is due.
 - B. If Customer fails to provide the Tax Data by the third calendar day, Avalara may, in Avalara's sole

- b. **Changes to Filing Information.** Customer shall review its Information periodically and promptly communicate any changes to Avalara. Customer shall communicate any changes to the Filing Information to Avalara by the deadline set forth in the Documentation. Any changes received after the deadline set forth in the Documentation will not be implemented and become effective in the subsequent month.

c. **Tax Data.**

- i. Customer is solely responsible for the accuracy and completeness of all the data necessary to properly complete AFC Returns (the "**Tax Data**") and all Filing Information. Avalara does not audit, validate, or verify Tax Data. Customer shall provide the Tax Data in the format specified by Avalara or in a format agreed to by the parties in writing.
- ii. If Customer uses AvaTax for Communications, Avalara will pull Customer's Tax Data directly from AvaTax for Communications.
- iii. If Customer uses a tax calculation system other than AvaTax for Communications:
 - A. Each month, Customer shall provide its Tax Data to Avalara in an electronic file supported by Avalara by the third calendar day of the month in which the AFC Return is due.
 - B. If Customer fails to provide the Tax Data by the third calendar day, Avalara may, in Avalara's sole

discretion,
charge
Customer an
additional fee to
expedite
Customer's AFC
Return, file the
AFC Return
late, or decline
to file
Customer's AFC
Return in that
month.

c. Avalara, in its
sole discretion,
may require
Data
Transformation
Services. "**Data
Transformation
Services**" are
Services where
Avalara
converts
Customer's
transactional
data to a form
that meets
Avalara's
minimum
transactional
data
requirements.
Data
Transformation
Services are
performed at
Customer's
direction and
expense,
pursuant to an
Order
Document, and
the resulting
data set is part
of Customer's
Tax Data.

d. **Tax Liability.** If Customer uses
AvaTax for Communications, by the
end of the second calendar day of
each month Avalara shall provide
Customer, based on Customer's Tax
Data and Filing Information, an
estimate of Customer's tax liabilities
incurred in the just-ended filing period
that will be contained in the AFC

Tax
thir
day
ma
Ava
disc
cha
Cus
adc
exp
Cus
Ret
AF
late
to f
Cus
Ret
mo

c. Ava
sol
ma
Dat
Tra
Ser
Tra
Se
Ser
Ava
con
Cus
trar
dat
Ava
min
trar
dat
req
intc
dat
per
intc
Acc
Tra
Ser
per
Cus
dire
exp
pur
Orc
Doc
the
dat
of C
Tax

d. **Tax Liability.** Customer v

Returns due to each Filing Jurisdiction between the 16th of that month and the 15th of the following month (the “**Estimated Taxes**”). Customer is solely responsible for the accuracy and completeness of Customer’s Estimated Taxes and may modify its Estimated Taxes up to the end of the fourth calendar day of the month for AFC Returns to be filed between the 16th of that month and the 15th of the following month (“**Estimated Taxes Approval Deadline**”). After the Estimated Taxes Approval Deadline, Customer’s Estimated Taxes are locked and deemed approved by Customer, Customer may not submit additional Tax Data for that period, and any AFC Returns and tax amounts due (the “**Taxes**”) will be submitted based on the Estimated Taxes and Filing Information.

- e. **Funding.** If the applicable AFC Return is due between the 1st and 15th of the month, then Customer shall make sufficient funds available to pay the Taxes (“**Tax Funds**”) by or on the 20th of the prior month. If the applicable AFC Return is due between the 16th and the end of the month, then Customer shall make the Tax Funds available by or on the 5th of that month. Avalara will draw the Tax Funds from the Avalara Funding Account and/or the Customer Bank Account (as applicable) after the date the Customer is obligated to make Tax Funds available pursuant to this section (e). Avalara may make more than one draw in a month. Avalara will not provide any Tax Funds. Notwithstanding any other provision of this Agreement, Customer shall defend, indemnify, and hold Avalara, its Affiliates, and their respective officers, directors, employees, and representatives harmless from any Losses arising out of or related to Customer’s failure to timely and adequately provide available Tax Funds for Taxes due. For timely remittance of the Tax Funds to the applicable Filing Jurisdiction, Customer must do the following:

- i. **Avalara Funding**

view and approve Customer liabilities to Filing Jurisdiction are based on the Tax Data (“**Tax Liability**”). Customer is solely responsible for the accuracy and completeness of Customer’s Tax Liability and may modify its Tax Liability up to the deadline for the Documentation for Returns to be filed in that month (“**Tax Liability Approval Deadline**”). Customer’s Tax Liability is updated daily to reflect new or edited data until the deadline for approval by Customer or the Tax Liability Approval Deadline, whichever is earlier of (i) Customer’s Tax Liability Approval Deadline, and (ii) the Tax Liability Approval Deadline, Customer’s Tax Liability is locked and deemed approved by Customer. Customer’s Tax Liability will display any tax amounts due (“**Taxes**”) based on the applicable Tax Liability. Customer acknowledges and agrees that its failure to provide accurate, current, and complete Account Information (for registration numbers) may impair Avalara’s ability to file Returns and remit Taxes.

- e. **Funding.** In accordance with Section 3(e), Customer shall make sufficient funds available to pay the Taxes for any applicable Filing Jurisdiction (“**Tax Funds**”) prior to the deadline specified in the Documentation for Returns. Avalara will not provide any Tax Funds. Notwithstanding any other provision of this Agreement, Customer shall defend, indemnify, and hold Avalara, its Affiliates, and their respective officers, directors, employees, and representatives harmless from any Losses arising out of or related to Customer’s failure to timely provide immediate Tax Funds for Taxes due. For timely remittance of the Tax Funds to the applicable Filing Jurisdiction, Customer must do the following:
 - i. **Avalara Fund Account.** Customer shall provide bank account information for the Tax Fund Account (“**Account**”) from the date of Customer authentication.

Account. With Avalara's approval, Customer may use Avalara's account (the "**Avalara Funding Account**") for tax remittance. In order to use the Avalara Funding Account, Customer must provide a bank account for Avalara to draw the Tax Funds and any applicable Avalara Returns for Communications fees by ACH or wire transfer, at Avalara's sole discretion (the "**Customer Bank Account**"). Any interest earned on the Tax Funds accrues for the benefit and is the sole property of Avalara. Customer shall execute a limited power of attorney in the form requested by Avalara by the 25th day of the month prior to the first month in which the Taxes are to be paid. For example, for Taxes and AFC Returns for December to be filed in January, the limited power of attorney is due by December 25th. Customer shall ensure the Customer Bank Account is adequately funded to pay Tax Funds and, if applicable, Customer's Avalara Returns for Communications fees and Expenses, by the deadlines provided by Avalara. If Customer fails to timely and adequately fund the Customer Bank Account, Avalara may require Customer to remit payment for the Taxes directly to the applicable Filing Jurisdiction, and Customer will be responsible for payment of any interest or penalties that may accrue. If the ACH payment Avalara draws from the Customer Bank Account is cancelled or returned other than by

Avalara to draw pay Customer any applicable Returns fees & Expenses, by specified in the Documentatio interest earned Funds accrue: benefit and is property of Av Customer sha limited power the form requ Avalara. Cust ensure the Ba is adequately pay Tax Funds applicable, Cu Avalara Return Communicatio Expenses, by deadlines spe Documentatio Customer fails and adequatel Bank Account shall remit pay Taxes plus an penalties that directly to the Filing Jurisdict ACH payment draws from the Account is car returned other Avalara, that v considered a f timely fund the Account. Aval: suspend or ter Customer's su Avalara Return Communicatio immediately u Customer fails and sufficient! Bank Account applicable. Up termination of subscription to Returns for Communicatio balance due, / cease to use & authority gran power of attor by Customer.

Avalara, that will be considered a failure to timely fund the Customer Bank Account. Avalara may suspend or terminate Customer's subscription to Avalara Returns for Communications immediately upon notice if Customer fails to timely and sufficiently fund the Customer Bank Account, as applicable. Upon termination of Customer's subscription to Avalara Returns for Communications with no balance due, Avalara shall cease to use any power or authority granted by a power of attorney signed by Customer.

- ii. **Bank Authorization.** Customer authorizes Avalara to (1) withdraw the Tax Funds from Customer Bank Account to pay the Taxes in accordance with the Filing Calendar, including making any required prepayments; and (2) if applicable, withdraw Customer's Avalara Returns for Communications fees and Expenses.

f. **Avalara Responsibilities.** For those Filing Jurisdictions and for those Filing Entities for which Avalara and Customer have agreed Avalara will file, if Customer timely provides Avalara all Filing Information and Tax Data, Avalara will (i) remit the applicable AFC Returns; (ii) if applicable, remit Taxes; (iii) correspond with the Filing Jurisdictions; and (iv) provide to Customer a monthly tax filing report. Avalara is not responsible for any of Customer's Taxes under any circumstances. During the Subscription Term, if Customer (or its Affiliate, if applicable) receives any notice from a Filing Jurisdiction, Customer shall immediately, and no later than 10 business days after the

- ii. **Bank Authori**
Customer autl
Avalara to (1)
Tax Funds fro
Account to pa
in accordance
Scheduled Re
including mak
required prep
(2) if applicabl
Customer's Av
Returns for
Communicatic
Expenses.

f. **Avalara Responsibilitie**

- i. **Returns Prep Filing.** Avalara and file Return Filing Entities Filing Jurisdiction by Avalara and Avalara may be Return as soon Customer app related Tax Lic (i) standard telecommunic sales and use filing, (ii) Non-Form (as defin Section 4(c)(ii (iii) prepaymer by a Filing Jur submitted with prepared for o Jurisdiction fo period will cou "**Return.**"

- ii. **Funding.** Ava Taxes for the : Filing Entities upon Filing Ju provided Cust timely made T available. Ava provide funds Taxes. If Tax F timely availabl for remitting, / file the Return payment.

A. Ava
dra
Bar
pay

date of such notice, electronically deliver such notice to Avalara. Such notice must be submitted by following the instructions in the Documentation. During the Subscription Term, Avalara will respond to notices for AFC Returns and Taxes remitted by Avalara. In the case of notices received by Avalara more than 10 business days after the date of the notice, Avalara reserves the right to delay response or not to respond or, if Customer asks Avalara to expedite the notice response and Avalara agrees, to charge an additional fee. Avalara shall have no responsibility for any notice management upon expiration or termination of the Subscription Term.

- g. **Termination.** If the financial institution providing the Customer Bank Account instructs Avalara that Avalara must terminate this Agreement (for example, because Customer is conducting its business in violation of Applicable Law), Avalara may immediately terminate this Agreement upon written notice to Customer. In the event of such termination, Avalara will not refund any amounts to Customer.

4. **Pricing.** The pricing for AvaTax for Communications and Avalara Returns for Communications includes an annual subscription fee ("**Subscription Fee**") and usage-based fees for each Service.

- a. **Subscription Fee.** Avalara will invoice Customer for the Subscription Fee at the beginning of the Initial Subscription Term and each Renewal Subscription Term.
- b. **Usage Fees.** Avalara will invoice Customer for usage-based fees as set forth in the Order Document.
- c. **Other Fees.**
 - i. **Registrations/De-Registrations.** If Customer requests to be registered or to have its registration cancelled in a tax jurisdiction, Customer shall pay a fee per registration or de-registration performed.

Typ
dra
or l
6th
of t
ma
with
any
the
App
De:
Not
the
Cu:
any
pre
Fili
Jur
the
occ

B. Eac
app
Ava
dra
Bar
pay
Rel
anc
due

C. Ava
holi
Fur
acc
dist
the
Fili
Jur
Ava
Tax
trus
ber
app
Jur
sha
con
Tax
its (g
but
con
Tax
fun
trus
of c
cus
inte
on

- ii. **Non-Standard Forms.** If Customer requests (1) a form that is not offered by Avalara as a standard form; or (2) a standard form that requires non-standard modifications to the standard form (each a “**Non-Standard Form**”), Customer shall pay Avalara’s then-current per-hour rate, in 1/10 hour increments, for preparation and filing of the Non-Standard Form (one hour minimum per Non-Standard Form).
- iii. **Back Filings.** If Customer requests an AFC Return or Non-Standard Form be filed that is past due, Customer shall pay the per-AFC Return fee in addition to Avalara’s then-current per-hour rate, in 1/10 hour increments, for preparation and filing of the AFC Return or Non-Standard Form (one hour minimum per back filing).
- iv. **Multiple Remittances.** If a taxing authority requires Avalara to remit Customer’s AFC Return multiple times, each remittance will count as one AFC Return.
- v. **Additional Fees.** If Customer fails to timely and completely provide accurate Filing Information, Tax Data, or Tax Funds, as applicable, or otherwise fails to fulfill any obligations under these AFC Terms, or if Customer requires a change to the standard process described in these AFC Terms, Avalara may charge Customer additional fees. For example, Avalara may charge a fee: (i) for Avalara to unlock Customer’s Estimated Taxes after the Estimated Taxes are

Fur
for
anc
pro
Ava

- iii. **Carry-over Credit.** Filing Entity has liability credit i records (a “**Carry-over Credit**”) due to invoice corres particular Filing Jurisdiction, A apply the Carry to the next Re Filing Entity in Jurisdiction wi equal to or in Carry-over Credit that if it cannot within the time in the Document Carry-over Credit expire and Customer file an amendment with the Filing if it wishes to r liability associated credit invoice.

- g. **Termination.** If the financial providing the Customer E instructs Avalara that Ava terminate this Agreement example, because Customer conducting its business in Applicable Law), Avalara immediately terminate this upon written notice to Customer the event of such termination will not refund any amount Customer.

Notwithstanding anything contrary in the Terms, the Subscription Term for Customer Avalara Returns for Customer subscription will terminate calendar day of the month the Subscription Term would otherwise have terminated Terms. Customer may instead not to file Returns in that month by revising its Schedule Returns.

- h. **Notice Management.** Customer receive all notices relating

approved; (ii) for Avalara to change or reconcile requests received after the Estimated Taxes Approval Deadline; or (iii) for Avalara to make a change to Customer's Estimated Taxes, Filing Information, AFC Return(s), Tax Data, Tax Funds to be remitted, or any other standard process.

Customer's Returns direct Filing Jurisdictions. Some informational in nature (for changes to the Schedule tax rate changes) while other error notices relating to Filing the Documentation, Avalara recommended actions for to resolve informational notices. During the Subscription Term, if an error notice relating to a filing or Taxes remitted by Avalara, Customer shall immediately later than 10 business days after the date of such notice, elect to deliver such notice to Avalara; notice must be submitted in accordance with the instructions in the Documentation. During the Subscription Term, Avalara will respond to notices for informational notices for Returns and Taxes remitted by Avalara. In the case of an error notice that Avalara determines is not the Customer's action or inaction, if Customer attempts to resolve the error, Avalara may charge an additional fee. In the case of notices received by Avalara more than 10 business days after the date of the notice, Avalara reserves the right to delay its response or not to respond or, if Customer requests Avalara to expedite the response and Avalara agrees, Avalara may charge an additional fee. Customer is responsible for responding to notices and otherwise addressing all notices. Avalara shall have no responsibility for any notices or notices management upon expiration or termination of the Subscription.

4. **Pricing.** The pricing for AvaTax for Avalara Communications and Avalara Return Communications includes an annual fee ("**Subscription Fee**") and usage fees for each Service.
 - a. **Subscription Fee.** Avalara will invoice Customer for the Subscription Fee at the beginning of the Subscription Term and each year thereafter during the Subscription Term.
 - b. **Usage Fees.** Avalara will invoice Customer for usage-based fees set forth in the Order Documentation.
 - c. **Other Fees.**

- i. **Registrations**
Registrations requests to be or to have its r cancelled in a jurisdiction, Cu pay a fee per i or de-registrat performed.
- ii. **Non-Standard**
Customer req form that is nc Avalara as a s form; or (2) a s form that requ standard modi the standard f "**Non-Standard** Customer sha Avalara's then for preparator the Non-Stanc
- iii. **Back Filings.**
requests an A Non-Standard filed that is pa Customer sha per-AFC Retu addition to Av; preparation ar AFC Return o Standard Forr
- iv. **Multiple Rem**
taxing authorit Avalara to ren Customer's Al multiple times remittance will one AFC Retu
- v. **Additional Fe**
Customer fails and completel accurate Filing Tax Data, or T applicable, or fails to fulfill ar under these A if Customer re change to the process descr AFC Terms, A charge Custor additional fees example, Aval charge a fee: i

Customer doe
Tax Funds pri
deadline; (ii) fo
unlock Custon
Liability after i
approved by C
for Avalara to
reconcile requ
received after
Liability Appro
(iv) for Avalara
the funding pr
because Cust
timely funded
Account; or (v
to make a cha
Customer's Tax
Filing Informat
Return(s), Tax
Funds to be re
any other stan
process.

5. **AFC Returns Guarantee.** Avalara provides a guarantee of the timeliness of AFC Returns prepared and filed through Avalara Returns for Communications (the "**AFC Returns Guarantee**") under the following terms:

- a. If Customer receives a notice of late filing, failure to file, or a failure to remit Taxes that results in liability for penalties or interest due solely to Avalara's failure to timely prepare and file an AFC Return it was obligated to file or timely remit Taxes it was obligated to remit (an "**Avalara Error**"), Avalara will pay Customer the lesser of either: (i) the amount of the penalties and interest that directly result from the Avalara Error, as specified in the final assessment notice received from the applicable Filing Jurisdiction after all administrative appeals and abatement options are exhausted, or (ii) the amount of AFC Return fees paid by Customer during the month in which the Avalara Error occurred (as calculated in accordance with subsection (c) below).
- b. The following limitations apply to the AFC Returns Guarantee:
 - i. Customer must have met its obligations under the Terms and these AFC Terms, including providing and maintaining accurate, complete, and current Filing Information and Tax Data; timely and sufficiently providing all Tax Data and Tax Funds; and timely paying AFC Returns fees. To the extent the Avalara Error was caused by Customer's failure to perform any of its obligations in these AFC Terms or the Terms, the AFC Returns Guarantee will not apply.
 - ii. Customer must not have requested changes to Customer's Tax Liability after the Tax Liability Approval Deadline.
 - iii. Customer must promptly forward any notices and relevant information from the Filing Jurisdiction within 10 days of the date of the notice.
 - iv. Customer must assist Avalara in challenging the Filing Jurisdiction's findings if Avalara deems it appropriate in Avalara's sole discretion.
 - v. Customer must assist Avalara's efforts to abate or reduce the amount of

penalties and/or interest imposed by the Filing Jurisdiction.

- c. For purposes of calculating the amount of the AFC Returns fees paid that are eligible for the AFC Returns Guarantee payment, the amount will be the fees actually paid by Customer to Avalara for AFC Returns during the month in which the Avalara Error occurred. For clarity, the parties acknowledge that fees paid for AFC Returns do not include any fees paid for ancillary Professional Services or any other one-time fees.
 - d. If the audit implicated other issues in addition to the alleged Avalara Error, the amount to be paid by Avalara under this AFC Returns Guarantee will be the percentage of the final assessment amount equal to the percentage of the final assessment related to the alleged Avalara Error.
 - e. Avalara shall make the AFC Returns Guarantee payment to Customer within 30 days after the date that Avalara receives the final assessment notice from the applicable Filing Jurisdiction, after all administrative appeals and abatement options are exhausted. Avalara may also, in its sole discretion, make the payment at an earlier date, in which case Customer's obligation to continue to assist Avalara in contesting the Avalara Error will cease on the date of the payment.
 - f. Customer must have a current AFC Returns subscription in good standing when the claim is submitted to Avalara to be eligible to receive payment under this AFC Returns Guarantee.
6. **Trial Period.** During the Initial Subscription Term only, Customer may immediately terminate Customer's subscription to its AFC Service by submitting a notice to Avalara in accordance with the instructions provided in the Documentation within 60 days of the Effective Date. If Customer exercises Customer's termination rights under this Section 6 (*Trial Period*), then Avalara shall refund Customer the fees Customer paid to Avalara for the terminated Service.

7. **License.**

- a. For AvaTax for Communications, 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 (i) in connection with the specific Transaction for which it was provided or (ii) aggregated with other content to produce a tax return or similar filing for Customer.
 - b. For Avalara Returns for Communications, 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 business purposes in connection with the specific AFC Return for which it was provided.
8. **Compliance with NACHA Operating Rules.** The funding process described in Section 3(e) (*Funding*) of these AFC Terms may be subject to the Operating Rules of NACHA, the organization that regulates the ACH network in the United States.

- a. To the extent that Customer's funding is governed by the NACHA Operating Rules, Customer specifically agrees to the following NACHA requirements:
 - i. Customer will comply with all applicable requirements under the then-current version of the NACHA Operating Rules;
 - ii. Customer authorizes Avalara to originate the funding requests described in Section 3(e) (*Funding*); and
 - iii. Customer will comply with the laws of the United States in providing such funding.
- b. In addition to any other applicable termination rights, Avalara may terminate the

Agreement for Customer's non-compliance with the NACHA Operating Rules if such breach or non-compliance is not cured within 10 days of Avalara first notifying Customer of its non-compliance.

- c. Avalara has the right to audit Customer's funding process, at a time and location mutually agreeable to both Customer and Avalara, to ensure compliance with the NACHA Operating Rules and the Agreement.