

These Avalara Licensing for Hospitality Service-Specific Supplemental Terms (“**ALH Terms**”) govern Customer’s use of Avalara Licensing for Hospitality and the purchase and use of any other Avalara services that incorporate these ALH Terms by reference. These ALH 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 ALH Terms and not defined have the meanings given in the Terms.

1. **Definitions.**

- a. “**Licenses**” means the federal, state, county, and local lodging tax-related business licenses or permits needed for a Location.
- b. “**Location**” means the physical location that Customer identifies for registration or licensing.
- c. “**Avalara Licensing for Hospitality**” means the Service where Avalara provides the preparation, filing, and renewal of the local and state lodging tax registrations and licenses for a Location.
- d. “**Registration**” means the federal, state, county, and local lodging tax registrations needed for a Location.
- e. “**Research**” means the Service where Avalara contacts jurisdictions related to the list of Locations that Customer provides to Avalara to obtain information regarding Registration or Licensing requirements (if any).

2. **Avalara Licensing for Hospitality.** Customer shall pay fees for Avalara for Hospitality based on Customer’s subscription plan. Fees for the usage of these Services are based on the number of Locations.

a. **The Services.**

- i. **Lodging Registrations and Licenses.** For each Location, Avalara shall prepare and file the forms for the Registrations and Licenses. Avalara will collect Registration and License application fees from Customer and remit to the applicable jurisdiction on Customer’s behalf. Avalara will provide support with the jurisdiction for the application process. Avalara will notify Customer if filing and registration or license fee remittance is not available from Avalara for a Registration or License (for example, for a local Registration or License), in which case, Avalara will provide the application to Customer, and Customer shall file the Registration or License application and remit Registration fees directly to the applicable jurisdiction. Upon Customer’s written request, Avalara shall provide Research Services to Customer and will provide Customer with a list summarizing its Research activities (the “**Research Report**”). For clarity, the Research Report will include a list of Licenses or Registrations applied for, as well as a list of the Locations for which no License or Registration is required as of the time of the Research Report.
- ii. **Maintenance.** For Customers that purchase a maintenance subscription, Avalara will provide ongoing support, maintenance, and renewals for each Location’s Registrations and Licenses.
- iii. **Customer Responsibilities.** Customer is solely responsible for ensuring the Customer Data provided to Avalara is correct. Customer is solely responsible for timely and fully funding the License and Registration fees as requested by Avalara or described in the Documentation.

- iv. **Exclusions.** If Customer fails to timely or fully fund the License and Registration application fees: (1) Avalara has no obligation to prepare or file the Licenses, Registrations, or renewals; (2) Avalara will have no liability of any kind to Customer which arises as a result of not completing any filing; and (3) Customer will not be entitled to and Avalara will not refund any fees paid by Customer for Services not completed pursuant to this Section 2(a)(iv).
 - v. **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 Registration or License for which it was provided.
 - vi. **Warranty.** In addition to the Warranties and the Disclaimer of Implied Warranties in the Terms, Research Services will be performed in a professional manner consistent with generally accepted industry practice. If Avalara fails to conform to the warranty in this Section 3 of the Addendum, then Customer shall, as its sole and exclusive remedy, be entitled to reperformance of the Research Services or a refund of fees paid for the non-conforming Research Services.
 - vii. **Fees.** Fees for usage of the Lodging Registrations and Licensing Services are based on the number of Locations where Licenses and Registrations are required or where Avalara performs the Research Service and reports that no License or Registration is required as of the time of the Research Report.
- b. **Authorization.** By purchasing Avalara Licensing for Hospitality, Customer authorizes Avalara to prepare and file, where applicable, the Customer's Registrations and Licenses. Customer also authorizes Avalara to interact with relevant jurisdictions and other third parties on Customer's behalf in connection with Avalara's provision of the Services.
 - c. **One-Time Services.** One-time Services for filing initial Registrations and Licenses expire at the end of the Initial Subscription Term.

3. **Deviations from the Terms.**

- a. **Customer Affiliates.** Unless otherwise agreed to in writing, Customer's Affiliates are not permitted to use Avalara Licensing for Hospitality.

4. **Compliance with NACHA Operating Rules.** Customer's responsibilities described in the Agreement and Customer's access to and use of Services 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 operations are governed by the NACHA Operation 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; and
 - ii. Customer will comply with the laws of the United States in providing such funding. In addition to any other applicable termination rights, Avalara may terminate this 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.
- b. Avalara has the right to audit Customer's access to and use of the Services, at a time and location mutually agreeable to both Customer and Avalara, to ensure compliance with the NACHA Operating Rules and the Agreement.