

This Referral Partner Agreement is between Avalara, Inc., a Washington Corporation, ("**Avalara**") and the counterparty who has agreed to the terms of this Referral Partner Agreement ("**Partner**"). This Referral Partner Agreement, and the General Terms and Conditions for Avalara's Partner programs located at <http://partners.avalara.com/partnergeneralterms> (the "**General Partner Terms**," and together with this Referral Partner Agreement, the "**Agreement**"), governs Avalara's offering of the Referral Partner Program described below (this "**Program**") and Partner's participation in the Program. To the extent that the terms and conditions in this Referral Partner Agreement conflict with the General Partner Terms, the terms and conditions in this Referral Partner Agreement will govern. Terms not defined in this Referral Partner Agreement are defined in the General Partner Terms.

By clicking its acceptance on the enrollment page for this Referral Partner Agreement, Partner agrees to the terms of the Agreement, and applies to participate in the Program. The Agreement will become effective upon Avalara's acceptance of Partner's application to participate ("**Effective Date**"), and Partner will be eligible for Commission attributable to Referred Clients submitted by Partner after Effective Date. Avalara reserves the right to reject any application, in which case the Agreement will not become effective.

1. **Definitions.** The capitalized terms used herein have the meanings set forth below:
 - a. "**Commission**" means the amounts payable to Partner by Avalara as compensation for a Referred Client's purchase of Avalara's Services in accordance with Section 2 (*Commission*) below.
 - b. "**Referred Client**" means a new customer (other than Partner), that purchases Avalara's Services as a result of Partner's qualifying activities under this Program.
 - c. "**Service**" means the software or service provided to a Referred Client by Avalara that is eligible for Commission. The Services are set forth in **Exhibit A**.
 - d. "**Service Fees**" means the fee types that are eligible for Commission. The Service Fees are set forth in **Exhibit A**.

2. **Commission.** Subject to the Terms of the Agreement, Partner will earn Commission when a Referred Client purchases Services from Avalara either (a) after being referred to Avalara by Partner ("**Referral Commission**") or (b) after Partner materially assists in the sales of Services to Referred Client ("**Co-selling Commission**").
 - a. **Commission Eligibility.**
 - i. **General Eligibility.** To be eligible to earn any Commission, the following conditions must be met:
 - A. The Referred Client's purchase must not have been ordered through a third party (such as an Avalara reseller or distributor);

- B. Avalara must have received full payment of all applicable fees from the Referred Client.
- C. The Referred Client's right to a refund must have expired (*typically, the right to refund expires after 60 days*).
- D. Partner must have provided all tax documentation that Avalara needs to make payments to Partner, including Partner's W-9.

ii. **Referral Commission.** To be eligible to earn Referral Commission, the following conditions must be met:

- A. Partner must have submitted the Referred Client's contact information to Avalara through the Partner Portal, directly to the Avalara marketing and sales team, or through other means specifically defined by Avalara;
- B. At the time Partner submits the Referred Client's contact information to Avalara, the Referred Client must not be currently entered into Avalara's lead and customer management system as an active opportunity;
- C. The Referred Client must purchase Services from Avalara within six months of the initial referral by Partner, determined by the effective date of the Order Document;
- D. Any submission of a Referred Client's contact information must be made in good faith based on Partner's actual contacts with the Referred Client; and
- E. If two or more Avalara partners submit the same Referred Client to Avalara within a six-month period, the first partner to submit the Referred Client will earn the Commission unless (i) the referral by the first partner is "closed" in Avalara's systems due to inability to complete a sale, and (ii) the eventual sale is the direct result of the subsequent referral that occurs after the opportunity is "closed."

iii. **Co-selling Commission.** Avalara may pay Partner an amount of Co-selling Commission calculated using a percentage up to the Commission Rate set forth in Exhibit A, determined in Avalara's reasonable discretion based on the extent of Partner's participation in Avalara's sales process. Avalara may split Co-selling Commission among multiple partners that supported the sales process. For a Referred Client's purchase to be eligible for Co-selling Commission, the following conditions must be met:

- A. No Avalara partner is eligible for Referral Commission for the sale, including Partner.
 - B. Partner has actively supported Avalara in the sales process, including participating in sales calls (in person or remotely) and advocating for Avalara, as determined by Avalara in its reasonable, good faith discretion.
- iv. **Marketing Development Funds.** Partners who do not wish to receive payment of Commission may elect not to receive Commission by notifying Avalara at any time in writing. Alternatively, Partner may direct Avalara to allocate any Commission earned to marketing programs that Avalara makes available from time to time.
- b. **Calculation.**
- i. Commission is calculated by multiplying the applicable percentage set forth in Exhibit A and Net Revenue. "**Net Revenue**" means the gross invoiced amount of the first year's Service Fees for the Services set forth in Referred Client's first purchase of Services, less credited charges, refunds, charge backs, or invoice adjustment. Net Revenue excludes: (a) charges to a Referred Client for exceeding its Avalara subscription plan level (*such as exceeding the number of transactions or returns included in a subscription plan*); (b) charges in connection with a change made to a Referred Client's Avalara subscription plan during its subscription term; (c) postage, fax, insurance, or other administrative charges; and (d) any taxes, interest, fines, or other charges or assessments imposed or levied by a governmental agency.
 - ii. If Partner receives Commission under this Agreement, Partner will not be eligible to receive Commission under any other Avalara partner program for the same order of Services.

3. **Marketing.**

- a. **Partner Business Plan.** The Parties will collaborate to establish a detailed marketing and sales plan ("**Partner Business Plan**") to promote the Service within 90 calendar days after the Effective Date and will review and revise the Partner Business Plan on an annual basis thereafter. As part of the Partner Business Plan, Avalara and Partner will participate in regular reviews of the business and the marketing activities in the Partner Business Plan.
- b. **Leads.** Provided Partner has the rights to share Leads, Partner will submit all Leads generated through co-funded or co-sponsored promotion and marketing activities to

Avalara through the Partner Portal or other reasonable means as determined by Avalara in its sole discretion. If Avalara changes the required means of submission, Avalara will provide Partner 30 days' advance notice. Avalara and Partner will use commercially reasonable efforts to qualify Leads as potential Avalara customers and convert Leads into Referred Clients that purchase Services. If Avalara receives contact information from third parties that Avalara reasonably believes may have an interest in purchasing services from Partner's services ("**Partner-Leads**"), then, provided Avalara has the rights to share Partner-Leads, Avalara will submit all Partner-Leads generated through co-funded or co-sponsored promotion and marketing activities to Partner through reasonable means as determined by Partner in Partner's sole discretion and communicated to Avalara by 30 days' advance notice prior to submitting through a different means. Avalara and Partner will use commercially reasonable efforts to qualify Partner-Leads as potential mutual customers that purchase Partner's services. Nothing herein requires either Party to share Leads or Partner-Leads that it receives from sources other than co-funded or co-sponsored promotion and marketing activities.

c. **Training.** The Parties will collaborate to establish a training program whereby each Party will train the other regarding the use, operation, and support of such Party's services. Each Party will use commercially reasonable efforts to ensure that its marketing and sales staff undergo any applicable training available within 60 business days of the Effective Date.

d. **Links and Images.**

i. Avalara shall make available to Partner a variety of graphic and textual images that serve to identify Partner as a member of this Program ("**Avalara Images**") and that may be used in hypertext links from Partner's website to Avalara's website ("**Avalara Links**") and for marketing the Services. Partner may, subject to the terms and conditions herein, display Avalara Links as often and in as many areas on Partner's website as Partner desires; however, the Avalara Links must land on the page on Avalara's website designated by Avalara. Partner shall not use Avalara Images or Avalara Links to direct traffic to any other web site or page. Partner shall cooperate fully with Avalara in establishing and maintaining Avalara Links. Partner shall only display Avalara Images provided to Partner by Avalara. Avalara may change or remove Avalara Images from time to time in its sole discretion, and Partner shall promptly update its website and any affected Avalara Links.

ii. Partner shall make available to Avalara a variety of graphic and textual images that serve to identify Avalara as its partner ("**Partner Images**") and that will establish hypertext links from Avalara's website to Partner's website

(“**Partner Links**”) and for Avalara to use in marketing Partner’s services. Avalara may, subject to the terms and conditions herein, display Partner Links as often and in as many areas on Avalara’s website as Avalara desires; however, Partner Links must land on the page on Partner’s website designated by Partner. Avalara shall not use Partner Images or Partner Links to direct traffic to any other web site or page. Avalara shall cooperate fully with Partner in establishing and maintaining Partner Links. Avalara shall only display Partner Images provided to Avalara by Partner. Partner may change or remove Partner Images from time to time in its sole discretion, and Avalara shall promptly update its website and any affected Partner Links.

- iii. Each Party may add codes (“**Business Partner Codes**”) to its own graphic and textual images and links to identify the other Party as the originator of any Lead or Partner-Lead on the condition that Business Partner Codes do not, in any way, alter the look, feel, or functionality of the other Party’s website(s). Neither Party shall modify the Business Partner Codes added by the other Party
- iv. If a Party wishes to create, publish, distribute, or permit any other material that makes reference to the other Party, such Party must first obtain the other Party’s express written consent, which may be granted or withheld in the other Party’s sole discretion.

4. Fees and Payment.

- a. **Payment.** Avalara will pay Commission payments (“**Payment(s)**”) within 30 days from the end of the calendar month in which Avalara invoiced the Referred Client. For example, if Avalara invoices a Referred Client for a commissionable sale in May, Avalara will pay Partner Commission based on such invoice by June 30th. Avalara will track commissionable sales to Referred Clients and make those reports available to Partner. The form, content, and frequency of the reports may vary from time to time in Avalara’s sole discretion.
- b. **Offsets and Refunds.** Subject to Section 4(d) (*Claims*) below, Avalara may deduct or offset amounts owed by Partner to Avalara from any Payments. For example, if any amount is paid to Partner in error, Avalara may deduct such erroneously paid amount from subsequent Payments. If a Referred Client does not pay the invoiced amounts or a refund is issued to a Referred Client, and a Commission was previously paid to Partner based on the amount that was invoiced, Avalara may offset the amount of the Commission paid on the unpaid Referred Client invoice or refunded amount from a future Payment. If the amount owed by Partner under this section exceeds the Payments owed

to Partner, Partner will pay Avalara such excess amount owed within 30 calendar days of the date of Avalara's invoice.

- c. **Taxes.** Each Party will be responsible for any taxes on property it owns or leases, for any franchise or privilege tax on its business, and for any tax based on its income or gross receipts. If withholding of any tax is required under applicable law in respect of any payment by Avalara to Partner hereunder, Avalara will: (a) withhold the appropriate amount from such payment, and (b) remit such amount to the relevant authorities in accordance with applicable laws.
 - d. **Claims.** Any claim for any unpaid, underpaid, or overpaid Commission made by either Party must be submitted to the other Party in writing within 12 months after the event giving rise to the claim. Following the expiration of that 12-month period, each Party agrees to waive any and all rights to assert a claim for such unpaid, underpaid, or overpaid Commission.
5. **Term.** The initial term of the Agreement will begin on the Effective Date and will continue for one year, to the first anniversary of the Effective Date (the "**Initial Term**"). At the end of the then-current Initial Term or Renewal Term, the Agreement will automatically renew for an additional one-year period (a "**Renewal Term**") unless either Party provides written notice of non-renewal to the other Party. The Initial Term and each Renewal Term are collectively referred to as the "**Term**".
6. **Modification.** Except as may otherwise be provided in the Agreement, Avalara may modify this Referral Partner Agreement, including, for example, Exhibit A attached hereto. If Avalara modifies this Referral Partner Agreement, it will provide written notice to Partner of those modifications at least 30 days prior to the effectiveness of the modifications.
7. **Termination.**
 - a. **For Convenience.** Either Party may terminate this Referral Partner Agreement at any time, with or without cause, by giving the other party written notice of termination. Partner is eligible to earn Referral Commissions and Co-selling Commission only for orders that are placed by Referred Clients during the Term, and Commissions earned through the date of termination will remain payable only if the orders are not canceled or returned. Avalara may withhold Partner's final payment for a reasonable time to ensure that the correct amount is paid.
 - b. **Material Breach.** Either Party may immediately terminate this Referral Partner Agreement for cause by giving written notice of termination to the other if the other Party breaches any of its material obligations under this Referral Partner Agreement and does not cure the breach within 30 calendar days after the non-breaching Party gives written notice to the breaching Party.

- c. **Effect of Termination or Expiration.** Except as otherwise provided in the Agreement, upon termination or expiration of this Referral Partner Agreement:
- i. All rights and licenses granted under this Referral Partner Agreement will immediately cease;
 - ii. Each Party will immediately stop using and either destroy or delete any Confidential Information provided by the other Party under this Referral Partner Agreement, other than Confidential Information in automatic computer backups or that must be retained for regulatory, legal, or audit purposes or for compliance with its document retention policies, provided that any retained Confidential Information will be subject to the confidentiality provisions of the General Partner Terms for as long as it is retained; and
 - iii. Those provisions of the Agreement that by their nature should survive termination or expiration will survive, including, but not limited to, ownership provisions, confidentiality, disclaimers, indemnities, and limitations of liability.

Exhibit A: Commission Rates Table

Calendar Year Referrals	Commission Rate(1)
Net Revenue of \$1 - \$50,000	20%
Net Revenue of > \$50,000	40%

(1) Except as noted in the Services and Service Fees table below, once a Partner refers \$50,000 in Net Revenue during a calendar year, the Commission Rate will increase to 40% (“**Accelerated Rate**”) for all eligible transactions attributable to Partner that exceed the \$50,000 Net Revenue threshold for the remainder of the calendar year and for the next calendar year (“**Accelerated Rate Period**”). For clarity, Partners must refer \$50,000 in Net Revenue during the calendar year 2020 in order to be eligible for the Accelerated Rate in 2021. Partner will continue to receive the Accelerated Rate beyond the Accelerated Rate Period, provided that Partner refers at least \$50,000 in Net Revenue during each subsequent calendar year. In the event Partner refers less than \$50,000 in Net Revenue during a subsequent calendar year, the Commission Rate will reset to 20% on the first day of the next calendar year following the year in which the Partner refers less than \$50,000 in Net Revenue

Services and Service Fees

Service	Service Fee
Avalara 1099	<ul style="list-style-type: none"> • Subscription*1
AvaTax	<ul style="list-style-type: none"> • Activation • AvaTax Subscription • AvaTax Exemptions • AvaTax for Beverage Alcohol • Consumer Use Tax (Primary and Additive) • Customs Transactions • AvaTax for Hospitality • Tax Content Subscription (formerly known as Content Generation for POS) • Platform
Item Classification	<ul style="list-style-type: none"> • Activation • Managed Tariff Code Classification Subscription • Managed Tariff Code Classification Premium Subscription¹ • Self-Serve Tariff Code Classification Subscription
CertCapture	<ul style="list-style-type: none"> • Activation • Subscription • Platform

Exemption Certificate Management (ECM)	<ul style="list-style-type: none"> • Activation • ECM Essentials Subscription • ECM Premium Subscription • ECM Pro Subscription
Avalara Returns	<ul style="list-style-type: none"> • Activation
Avalara License Management	<ul style="list-style-type: none"> • Subscription
VAT Reporting	<ul style="list-style-type: none"> • Subscription • Platform
VAT Expert	<ul style="list-style-type: none"> • Subscription • Platform
Managed VAT Reporting**	<ul style="list-style-type: none"> • VAT Reporting for Small Business Subscription • Managed VAT Reporting Subscription • Managed VAT Reporting Premium Subscription • Avalara Fiscal Representation Subscription
Avalara for Communications	<ul style="list-style-type: none"> • AvaTax for Communications Subscription

	<ul style="list-style-type: none"> • Platform
Avalara for Energy	<ul style="list-style-type: none"> • AvaTax for Energy Subscription • Returns for Energy Subscription • Platform
Avalara for Tobacco	<ul style="list-style-type: none"> • AvaTax for Tobacco Subscription • Returns for Tobacco Subscription • Platform
Content	<ul style="list-style-type: none"> • Avalara MatrixMaster • Sales Tax Risk Assessment • Tax Research Standard • Tax Research Essentials • Tax Research Premium
Avalara Transfer Pricing	<ul style="list-style-type: none"> • Transfer Pricing Reports Subscription¹
Avalara India	<ul style="list-style-type: none"> • Avalara India GST e-Invoicing Subscription • Avalara India GST e-Way Bills Subscription • Avalara India GST Returns Subscription

Avalara for Insurance	<ul style="list-style-type: none"> • AvaTax for Insurance Activation • AvaTax for Insurance Subscription • Fiscal Representation for Insurance Subscription** • Managed Returns for Insurance Subscription**
Avalara e-Invoicing and Live Reporting	<ul style="list-style-type: none"> • Subscription
Avalara-led Support	<ul style="list-style-type: none"> • Support

* Partner is eligible to receive Commission for these Services and Service Fees only for purchases made through an Order Document and not for purchases made through the Track1099 by Avalara website.

** These Services and Service Fees are not eligible for the Accelerated Rate and do not count as Net Revenue toward the \$50,000 Net Revenue threshold.

¹ Service Fees are eligible for Commission on sales of the associated Service from and after January 1, 2023.