

Please note that these updated Service-Specific Supplemental Terms will apply to your Avalara Service upon any renewal, upgrade, or Service purchase made on or after January 1, 2025.

These Avalara Managed VAT Reporting Service-Specific Supplemental Terms (“**MVR Terms**”), formerly called Managed Return Services, govern Customer’s purchase and use of Avalara’s Managed VAT Reporting and related Services. These MVR 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 MVR Terms have the meaning given in the Terms.

1. Definitions.

- a. “**Avalara Fiscal Representation**” means the service where Avalara serves as Customer’s fiscal representative in Filing Jurisdictions selected by Customer.
- b. “**Avalara IOSS Intermediary**” means the service where Avalara or its Affiliate established in the European Union is appointed by Customer carrying out distance sales of goods imported into the European Union from third territories or third countries as the person liable for payment of VAT and for fulfilling certain other obligations in the name of and on behalf of Customer under the IOSS (‘Import One-Stop Shop’) special scheme.
- c. “**E-Portal Credentials**” means log-in credentials for a Filing Entity’s account with the online portal for a Filing Jurisdiction.
- d. “**Filing Approval Deadline**” means the deadline by which Customer must review and request adjustment of a draft filing prepared by Avalara, as specified in the Filing Calendar. The document will be deemed approved by Customer as of the Filing Approval Deadline, and Customer authorizes the document to be filed or submitted.
- e. “**Filing Calendar**” means the dates and deadlines relating to the performance of the applicable Service that Avalara makes available to Customer through the Service, in the Documentation or otherwise. The Filing Calendar for Managed VAT Reporting includes, for example, the date by which VAT Data must be received from Customer, the Filing Approval Deadline, the filing date for the MVR Return, and the due date for the VAT payment associated with the MVR Return.
- f. “**Filing Entity**” means the entity (e.g., Customer or its Affiliate) for which Customer requests that Avalara provide the applicable Service.
- g. “**Filing Information**” means the Filing Entities and, for each Filing Entity, the Filing Jurisdiction(s), VAT Registration Number(s), other information supporting identification and filing with the Filing Jurisdiction(s), E-Portal Credentials (if applicable), and other information requested by Avalara to provide the applicable Service.
- h. “**Filing Jurisdiction**” means a taxing jurisdiction supported by Avalara for which Customer requests Avalara to provide the applicable Service.
- i. “**Managed VAT Reporting**” means Avalara’s service for preparation and filing of VAT returns and, as applicable, notice management related thereto.
- j. “**MVR Return**” means a Standard MVR Return or a Non-Standard MVR Return.
- k. “**Non-Standard MVR Return**” means (i) a form that is not offered by Avalara as a Standard MVR Return; or (ii) a Standard MVR Return that requires non-standard modifications.
- l. “**Payment Services**” means, (i) within the European Union, any service relating to payment services, including those services that may be regulated in accordance with Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market; (ii) within the United Kingdom, the

services listed at Part 1 of Schedule 1 of the Payment Services Regulations 2017, the provision of which would require authorisation or registration under the Payment Services Regulations 2017 in the UK; and (iii) outside the European Union, any service relating to money remittance, money transmission, issuing of payment instruments, acquiring or executing payment transactions, or payment initiation services.

- m. “**Registration**” means the process of registering a Filing Entity with the taxing authority in a Filing Jurisdiction to report and pay VAT.
- n. “**Standard MVR Return**” means (i) a standard VAT return; (ii) a VAT return available under a special scheme or arrangement as provided for under the VAT Directive (both Chapters 6 and 7 of Title XII); or (iii) a Supplementary Filing required with a standard VAT return.
- o. “**Supplementary Filing**” means Intrastat, European Sales Listing, or other forms required by a Filing Jurisdiction.
- p. “**VAT Agent**” means a person or entity authorized to prepare and file online VAT returns or perform related duties as prescribed by Applicable Laws.
- q. “**VAT Data**” means all the Customer Data necessary to properly complete the applicable MVR Return.
- r. “**VAT De-Registration**” means Avalara's Service for de-registering Filing Entities in Filing Jurisdictions.
- s. “**VAT Registration**” means Avalara’s Service for registering Filing Entities in Filing Jurisdictions or transferring the role of VAT Agent.
- t. “**VAT Registration Number**” means a unique number provided by the tax authority in the applicable Filing Jurisdiction for use by a Filing Entity.

2. The Services.

- a. **Customer’s Account Setup.** Customer shall promptly provide Avalara with all information requested by Avalara to begin providing Managed VAT Reporting (and, if applicable, the additional Services described in Section 2(e) below), including (i) the Filing Information; (ii) copies of previous filings in the Filing Jurisdictions; (iii) completed power(s) of attorney for each Filing Entity as described in Section 2(c)(vii) below; and (iv) such other information as Avalara reasonably requests to provide the Service. Customer shall provide such information through the method designated by Avalara. When applicable, Customer authorizes Avalara to access Customer’s accounts with the Filing Jurisdictions, using Customer’s E-Portal Credentials, for the purpose of providing the applicable Service.
- b. **VAT Registration Numbers.** If Customer has a VAT Registration Number for a Filing Entity in a Filing Jurisdiction, Customer shall appoint Avalara as VAT Agent for the Filing Entity with that VAT Registration Number. If a new VAT Registration Number is required for a Filing Entity, Customer shall (i) obtain the new VAT Registration Number for such Filing Entity in the applicable Filing Jurisdiction and appoint Avalara as VAT Agent, or (ii) purchase VAT Registration.
- c. **Customer Obligations.**
 - i. **VAT Requirements; Accurate Information.** Customer is solely responsible for determining Customer’s VAT-related requirements and providing and maintaining accurate, complete, and current Filing Information and VAT Data. Avalara has no obligation to audit, verify, correct, or maintain any Filing Information or VAT Data.

- ii. **Changes to Filing Information.** Customer shall review its Filing Information periodically and shall submit any changes to Filing Information to Avalara by the date specified in the applicable Filing Calendar. Any changes received after the date specified in the Filing Calendar will be implemented and become effective in a subsequent month.
- iii. **Prior Compliance.** Customer is solely responsible for ensuring that it is compliant in all Filing Jurisdictions with respect to all required filings, including VAT returns attributable to filing periods prior to the date that Avalara begins filing MVR Returns under Managed VAT Reporting. Customer may request that Avalara prepare or correct VAT returns and other required filings for prior periods as described in Section 2(e)(ii) below (*MVR Back Filing (Retrospective) and Corrective Filing Services*).
- iv. **VAT Data.** Customer shall transmit to Avalara all VAT Data for each of Customer's MVR Returns, by the deadline specified in the Filing Calendar, in the format and through the method reasonably designated by Avalara. If accurate and complete VAT Data is provided late, if VAT Data is not in the form and frequency specified by Avalara, or if Customer fails to timely provide additional information requested by Avalara to clarify the Filing Information or VAT Data provided by Customer, Avalara may charge for any excess preparation time or data transformation services as provided in Section 5(c)(v) (*Excessive Preparation Time; Data Transformation*), the MVR Return may not be prepared or filed on time, and Customer or the Filing Entity may incur additional charges or penalties. Avalara has no obligation to prompt or remind Customer to timely provide or clarify VAT Data or Filing Information.
- v. **MVR Return Approval.** Customer shall review and, if applicable, request adjustment to each draft MVR Return prepared by Avalara pursuant to Section 2(d)(i) (*MVR Returns*) by the Filing Approval Deadline. Customer's MVR Return will be deemed approved by Customer as of the Filing Approval Deadline, and Customer authorizes its filing as an MVR Return. If accurate and complete VAT Data is not timely provided (as reasonably determined by Avalara), Avalara reserves the right to prepare a draft nil-transaction MVR Return (i.e., a return reporting no VAT obligations for the period) based on the available information and, if and as required by the applicable Filing Jurisdiction, to file such MVR Return. Any corrections or additions to an MVR Return (or, if required by the Filing Jurisdiction, a new MVR Return) required to be made based on changed or additional information provided by Customer after the Return Approval Deadline will be made in a later period for an additional fee.
- vi. **VAT Payment.** Customer shall timely remit to the Filing Jurisdiction (or to the fiscal representative if applicable or, if agreed by Avalara, to Avalara) sufficient funds to pay the VAT due for the applicable MVR Return ("**VAT Funds**") prior to the deadline specified in the Filing Calendar for the applicable MVR Return. Avalara will not provide any VAT Funds. Customer shall defend, indemnify, and hold Avalara, its Affiliates and licensors, and its and their officers, directors, employees, representatives, and agents harmless from any loss, cost, damage, liability, or expense (including, but not limited to, reasonable attorneys' fees) arising out of or related to Customer's failure to timely and correctly remit sufficient VAT Funds. In the event that Avalara agrees for Customer to remit VAT Funds to Avalara, if and to the extent available and/or applicable in the relevant jurisdiction(s), Customer expressly authorizes Avalara to act as a commercial agent within the meaning of Directive (EU) 2015/2366 (Payment Services Directive 2) in respect of the provision of Payment Services thereby authorizing Avalara to negotiate or conclude the sale or purchase of goods or services on behalf of Customer acting as the payer in the relevant payment transactions.

- vii. **Power of Attorney.** Customer shall execute a limited power of attorney for each Filing Entity, in the form requested by Avalara, for purposes of providing the applicable Service. As reasonably requested by Avalara, Customer shall execute a new power of attorney. Upon termination of Avalara's provision of the applicable Service with no balance due, Avalara will cease to use any power or authority granted by a Customer power of attorney.
- viii. **Background Check.** Customer will provide all information requested by Avalara (or, if applicable, a third-party subcontractor engaged by Avalara for this purpose (a "**Screeener**")) regarding Customer's legal existence, equity owners and other affiliated persons, and otherwise related to its operations or circumstances, to conduct "know your customer," anti-money laundering, customer suitability, tax information exchange requirements or related checks or inquiries based on Avalara's legal and regulatory obligations or commercial considerations ("**Background Screen**"). Customer expressly authorizes all such activities and will provide additional information and cooperate with Avalara or the Screener in connection with the Background Screen. If Customer provides any information related to its Background Screen directly to the Screener, Customer expressly authorizes Avalara to receive, obtain copies of, transmit to its Affiliates and third parties for processing, and use such information and data from the Screener and any analyses, conclusions, or assessments made by the Screener in connection with such Background Screen as Avalara determines to be appropriate. Avalara may, in its discretion, elect not to provide Customer with, or terminate, Managed VAT Reporting and related Services due to the results of the Background Screen or Customer's failure to timely provide the information requested by Avalara or the Screener for the Background Screen; provided that, if Avalara elects not to provide or terminates Services under this Section 2(c)(viii), Avalara will not refund any prepaid unused fees related to such Services. At any time, in Avalara's discretion, and without notice to Customer, Avalara may report any information related to Customer's use of the Services or its Background Screen process (including, without limitation, Customer Data and Personal Information) to a regulator, law enforcement agency, or government department or unit in any Filing Jurisdiction, in each case as Avalara determines to be appropriate and in accordance with Applicable Laws.

d. **Avalara Obligations.**

- i. **MVR Returns.** Using the VAT Data and each Filing Entity's VAT Registration Number and other Filing Information, Avalara shall prepare a draft MVR Return and provide it to Customer. In addition, Avalara shall provide Customer with a payment memo documenting the VAT amounts due to the Filing Jurisdiction for the MVR Return. An approved MVR Return (without tax payment) will be filed in the applicable Filing Jurisdiction, provided that Customer timely transmits to Avalara all VAT Data and Filing Information and the MVR Return is approved (or deemed approved) before or on the Return Approval Deadline. Avalara reserves the right to prepare a draft (and, if and as required by the applicable Filing Jurisdiction, file) a nil return as provided in Section 2(c)(v) (*MVR Return Approval*). For Filing Jurisdictions in which filings are made through the taxing authority's online portal, Avalara has no liability for a filing that is delayed because the portal is not accessible at the time of the filing (for example, due to technical difficulties with the portal, internet outages outside of Avalara's reasonable control, or missing or incorrect E-Portal Credentials provided by Customer or the Filing Entity). Avalara has no liability for a late or missed filing (including any fees, penalties, interest, or other charges assessed by the Filing Jurisdiction) resulting from Customer's failure to timely provide VAT Data or Filing Information, to timely request adjustment of a draft VAT Return, or to timely remit VAT Funds.

- ii. **Ongoing Representation Services.** Avalara shall serve as the appointed VAT Agent for the Filing Entities with the Filing Jurisdictions and shall receive, forward, and, for an additional fee, handle basic and regular tax correspondence as described in Section 3 (*Notice Management*). This representation does not include fiscal representation (unless Customer purchases Avalara Fiscal Representation for the applicable Filing Jurisdiction) or audit defense.

e. **Additional Services.**

- i. **VAT Registration.** If Customer requests, Avalara will provide VAT Registration. As promptly as possible after the Effective Date of VAT Registration, Customer shall provide the Filing Entities' E-Portal Credentials (if applicable), copies of certificates of incorporation or articles of organization for the Filing Entities, and all other information requested by Avalara, including, for example, a completed Avalara registration questionnaire. Avalara will confirm filing requirements with Customer, check that Customer has provided the required responses and documents, and submit the application for registration, de-registration, or change of VAT Agent to the applicable Filing Jurisdiction. For the avoidance of doubt, Registration under VAT Registration includes only the one-time Registration effort and does not include any maintenance of registrations, fiscal representation registrations (unless Customer purchases Avalara Fiscal Representation for the applicable Filing Jurisdiction), EORI applications, VAT deferment or similar schemes, any negotiations with tax authorities, or preparation or filing of any back filings or corrective filings.
- ii. **MVR Back Filing (Retrospective) and Corrective Filings Service.** If Customer requests, Avalara will prepare (or correct) and file MVR Returns in Filing Jurisdictions for prior reporting periods, as specified in an Order Document.
- iii. **Avalara Fiscal Representation.** If Customer requests, Avalara may provide Avalara Fiscal Representation to Customer in Filing Jurisdictions selected by Customer. Customer's use of Avalara Fiscal Representation is subject to the Service-Specific Supplemental Terms available at <https://www.avalara.com/FR-terms>.
- iv. **Fiscal Representation Offered Through an Avalara Partner.** If Customer requests (or if Avalara elects not to provide Avalara Fiscal Representation to Customer), Avalara may arrange for the provision by one or more third parties of fiscal representation services in connection with the MVR Returns prepared using Managed VAT Reporting. In such case, Customer will provide Avalara or the third party with an executed third-party power of attorney and, if requested, appointment letter or other documentation or agreements required for the third party to provide the fiscal representation services to Customer in the applicable Filing Jurisdiction. Avalara will coordinate the partner's fiscal representation services on Customer's behalf in connection with the MVR Returns. Notwithstanding anything to the contrary in the Agreement, Customer and such third party, and not Avalara, shall be responsible for such fiscal representation and such fiscal representation services will be provided under the third party's terms and not under the Agreement.
- v. **Avalara IOSS Intermediary.** If Customer requests, Avalara may provide Avalara IOSS Intermediary to Customer. Customer's use of Avalara IOSS Intermediary is subject to the Service-Specific Supplemental Terms available at <https://www.avalara.com/IOSS-intermediary-terms>.
- vi. **IOSS Intermediary Offered Through an Avalara Partner.** If Customer requests (or if Avalara elects not to provide Avalara IOSS Intermediary to

Customer), Avalara may arrange for the provision by one or more third parties of IOSS intermediary services in connection with the MVR Returns prepared using Managed VAT Reporting. In such case, Customer will provide Avalara or the third party with an executed third-party power of attorney and, if requested, appointment letter or other documentation or agreements required for the third party to provide the IOSS intermediary services to Customer. Avalara will coordinate the partner's IOSS intermediary services on Customer's behalf in connection with the MVR Returns. Notwithstanding anything to the contrary in the Agreement, Customer and such third party, and not Avalara, shall be responsible for such IOSS intermediary and such IOSS intermediary services will be provided under the third party's terms and not under the Agreement.

- f. **License.** Avalara grants Customer and Filing Entity, where applicable, 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, MVR Return, or other filing for which it was provided.

3. Notice Management.

- a. Avalara and Customer will request that Filing Jurisdictions send correspondence relating to Customer's MVR Returns (each such correspondence, a "**Notice**") to Customer. If Avalara receives a Notice, Avalara will forward it to Customer. If Customer receives a Notice, Customer shall promptly, and no later than 5 business days after receipt of the Notice (or such earlier deadline specified in Section 3(b), if applicable), deliver such Notice to Avalara by email to noticemanagement@avalara.com or through such other method designated by Avalara. Except as provided in this Section 3, however, Avalara is not responsible for managing or responding to Notices, even if delivered to Avalara by Customer.
 - b. If Customer requests that Avalara assist Customer in assessing or responding to a Notice, Avalara will assist Customer in responding for the fees set forth in Section 5(c)(iii) (*Additional Fees/Notices*), provided that Avalara receives Customer's request for assistance (together with a copy of the Notice, if Customer has not already provided it to Avalara) sufficiently in advance of the response deadline for the Notice established by the Filing Jurisdiction, as follows: (i) if the response deadline for the Notice is within 7 days after the date of Customer's request, then Customer's request must be made at least 4 business days before the response deadline; (ii) if the response deadline is between 7 and 14 days after the date of Customer's request, then Customer's request must be made at least 6 business days before the response deadline; and (iii) if the response deadline is more than 14 days after the date of Customer's request, then Customer's request must be made at least 8 business days before the response deadline. If Customer so engages Avalara to assist Customer in assessing or responding to a Notice, Customer shall provide timely responses to Avalara's requests for information relating to the Notice (including, without limitation, about Customer's remittance of VAT Funds) and otherwise provide assistance as requested by Avalara in responding to the Notice. If Customer fails to request assistance to respond to the Notice in accordance with the deadlines above, Avalara will not be responsible for managing or responding to the Notice. If Avalara agrees to assist Customer in responding to a Notice for which Customer did not timely request assistance, or if Customer timely requests assistance but fails to timely respond to Avalara's requests for information relating to the Notice, the response to the Notice may be delayed and Customer or the Filing Entity may incur additional charges and penalties from the Filing Jurisdiction.
 - c. In no event does notice management include audit defense services.
4. **Services in Germany.** Avalara provides technology services but not tax agent services in Germany. If Customer is a nonresident filer in Germany and wishes for Avalara to provide VAT Registration in Germany, Avalara may provide domicile agent services through subcontractors. To

file MVR Returns, Customer must directly engage a licensed tax professional (a “**Steuerberater**”) to file MVR Returns. Customer authorizes Avalara to share Customer Data with the subcontracted domicile agent and authorized Steuerberater, as applicable.

5. **Fees.** Customer shall pay all fees and expenses for the applicable Service specified in each Order Document or as otherwise described herein. Service fees are subject to annual increases as provided in the Terms.
 - a. **Subscription-Based MVR Return Fees.** If Customer purchases Managed VAT Reporting with subscription-based pricing, Customer will pay the periodic service fee specified in the Order Document based on the Filing Jurisdictions in which Customer will be filing MVR Returns and the service tier purchased by Customer.
 - b. **Usage-Based MVR Return Fees.** If Customer has Managed VAT Reporting with usage-based pricing, Customer will pay fees based on Customer’s usage of the Service and the service tier purchased by Customer, as described in this Section 5(b).
 - i. **Standard MVR Returns.** Fees for Standard MVR Returns are based on the MVR Filing Information and the quoted number of Standard MVR Returns. The estimated preparation time per Standard MVR Return is specified in the Order Document. Returns for certain countries and certain Standard MVR Returns (such as annual returns) take longer to prepare. If a Standard MVR Return takes longer to prepare for any reason other than Avalara’s failure to perform under this Agreement, Avalara may, in Avalara’s sole discretion, bill on an hourly-rate basis (in 0.25-hour increments) for the excess preparation time, at the hourly rate specified in the Order Document.
 - ii. **Non-Standard MVR Returns.** Fees for Non-Standard MVR Returns are billed on an hourly-rate basis (in 0.25-hour increments), at the hourly rate specified in the Order Document. There is a 0.25-hour minimum per Non-Standard MVR Return.
 - c. **Additional Fees.**
 - i. **VAT Registration; VAT De-Registration.** For each Registration or de-Registration of a Filing Entity or transfer of the role of VAT Agent, Customer shall pay the fee specified in the Order Document. Notwithstanding anything to the contrary in the Order Document, Avalara may require the applicable fees for this Service to be paid in full before beginning work. In any event, Customer shall provide Avalara with the information requested by Avalara for the Service as set forth in these MVR Terms.
 - ii. **MVR Back Filing and Corrective Filings Service.** For each back filing or corrective filing, Customer shall pay the fee specified in the Order Document. Notwithstanding anything to the contrary in the Order Document, Avalara may require the applicable fees for this Service to be paid in full before beginning work. In any event, Customer shall provide Avalara with the information requested by Avalara for the Service as set forth in these MVR Terms.
 - iii. **Notices.** For reviewing and summarizing a Notice that relates to a penalty, Avalara will charge on an hourly-rate basis (with a 0.5-hour minimum), at the hourly rate specified in the Order Document, except to the extent included as part of Customer’s service tier. If Customer requests Avalara’s assistance with assessing and/or responding to a Notice, Avalara’s time will be charged on an hourly-rate basis (in 0.25-hour increments) at the hourly rate specified in the Order Document.
 - iv. **Other Filings and Support Services.** Some country-specific support tasks or

filings, such as data storage, EORI or VIES registrations, VAT deferment filings, and provision of additional information or certificates required by certain countries, are charged on a fixed-fee basis, and Customer shall pay the fee specified in the Order Document. Other services, such as audit support, changing Customer's details with a Filing Jurisdiction, and other support services, are charged on an hourly rate basis (in 0.25-hour increments) at the hourly rate specified in the Order Document.

- v. **Excessive Preparation Time; Data Transformation.** If Customer fails to timely provide accurate and complete Filing Information or VAT Data (including additional information requested by Avalara to clarify the Filing Information or VAT Data), fails to provide VAT Data that meets Avalara's minimum transactional data requirements for the Service, or fails to fulfill any other obligation under these MVR Terms, or if Customer requires a change to Avalara's standard process for the applicable Service, Avalara may charge on an hourly-rate basis (in 0.25-hour increments) for any resulting additional time spent by Avalara in providing the Service or in providing data transformation services, at the hourly rate specified in the Order Document.
 - d. **Expenses.** Customer shall be responsible for translation fees, legal fees, courier fees, apostille costs, and any other reasonable costs and expenses Avalara incurs when providing the Services.
6. **MVR Guarantee.** Avalara provides a guarantee of the timeliness of MVR Returns prepared and filed through Managed VAT Reporting (the "**MVR Guarantee**") under the following terms:
- a. If Customer receives a Notice of a late filing or a failure to file an MVR Return that results in liability for penalties or interest due solely to Avalara's failure to timely prepare and file an MVR Return it was obligated to file (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 elected by Avalara are exhausted, or (ii) the amount of Managed VAT Reporting fees paid by Customer to Avalara during the 365 days preceding the final assessment of penalties or interest for the Avalara Error (calculated as described in subsection (c) below).
 - b. The following conditions apply to the MVR Guarantee:
 - i. Customer must have met all of its obligations under these MVR Terms and the Terms, including providing and maintaining accurate, complete, and current Filing Information and VAT Data and timely paying Managed VAT Reporting fees. To the extent that the Avalara Error was caused by Customer's failure to perform any of the obligations in these MVR Terms or the Terms, the MVR Guarantee will not apply. For the avoidance of doubt, the MVR Guarantee does not apply to claims resulting from Customer's failure to timely submit VAT Funds due for an MVR Return.
 - ii. Customer must not have requested adjustments to the draft MVR Return after the Return Approval Deadline.
 - iii. Customer must promptly forward any Notices and relevant information from the Filing Jurisdiction within the deadlines for Notice management specified in Section 3(b).
 - 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 in any efforts by Avalara to abate or reduce the amount of penalties or interest imposed by the Filing Jurisdiction.

- c. For purposes of calculating the amount of Managed VAT Reporting fees paid that are eligible for the MVR Guarantee payment, the amount will be the fees actually paid by Customer to Avalara for Managed VAT Reporting in all Filing Jurisdictions, and the time period will be the 365 days preceding the final assessment of penalties or interest after all appeals and abatement options have been exhausted (e.g., in the case of a final assessment issued by a taxing authority on March 31, 2022, the period used in the calculation will be from April 1, 2021, to March 31, 2022). For clarity, the parties acknowledge that fees paid for Managed VAT Reporting do not include any one-time fees.
- d. If the Notice(s) or other circumstances related to the alleged Avalara Error implicate other issues in addition to the alleged Avalara Error, the amount to be paid by Avalara under the MVR 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 will make the MVR Guarantee payment 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 elected by Avalara are exhausted. Avalara may also, in its sole discretion, make the payment at an earlier date, in which case Customer's obligations to continue to assist Avalara in contesting the Avalara Error will cease on the date of the payment.
- f. Customer must have a current Managed VAT Reporting account in good standing when the claim is submitted to Avalara to be eligible to receive payment under this MVR Guarantee.

7. Termination.

- a. **Avalara Cancellation Option.** If Customer has not provided the Filing Information for its first Filing Entity within a reasonable time after the Effective Date (as determined by Avalara in its reasonable discretion) or if Customer does not pay the invoice for fees due under its initial Order Document for Managed VAT Reporting within 15 days after its due date, Avalara reserves the right to cancel Customer's Managed VAT Reporting (and, if applicable, VAT Registration or Avalara Fiscal Representation) by giving written notice to Customer, and retain all prepaid fees for the cancelled Service.
 - b. **Avalara Termination Right.** In addition to Avalara's cancellation and termination rights described elsewhere in these MVR Terms and the Terms if: (i) Customer fails to adhere to the deadlines in the Filing Calendar for three or more months within a 12-month period; (ii) Customer fails to provide Filing Information requested by Avalara for VAT Registration or the Back Filings or Corrective Filings Service despite at least two requests from Avalara; (iii) Avalara cannot provide Managed VAT Reporting in a particular Filing Jurisdiction (for example, if by doing so Avalara would be treated as Customer's agent for tax types not supported by Avalara); (iv) a power of attorney granted by Customer to Avalara or the applicable Affiliate of Avalara terminates, or the applicable appointment of Avalara or Affiliate of Avalara is terminated for any reason; or (v) Customer has purchased Avalara Fiscal Representation and Avalara terminates Customer's subscription to such Service, Avalara may terminate the applicable Service immediately by giving written notice to Customer. Customer remains responsible for all accrued fees, and except in the case of (iii) or (v), Avalara may retain all prepaid fees for the terminated Service.
8. **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 that cannot be excluded or limited under Applicable Laws.
9. **Deviations from the Terms.** The sections of the Terms entitled *Automatic Upgrades and Overages* and *Governing Law; Jurisdiction and Venue* and any provisions relating to Services delivered as "software as a service" (such as provisions relating to status updates and downtime) do not apply to Managed VAT Reporting or other Services offered pursuant to these MVR Terms.

10. **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.
11. **Governing Law; Arbitration.** The governing law of the Agreement shall be the substantive law of England and Wales. Any dispute arising out of or in connection with the Agreement will be referred to and finally resolved by binding arbitration under the Rules of the London Court of International Arbitration, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators will be one. The seat, or legal place, of arbitration will be London. The language to be used in the arbitral proceedings will be English.