

## Table of Contents

- I. [Definitions](#)
- II. [Extension of Scope](#)
- III. [Professional Fees](#)
- IV. [Assumptions and Obligations](#)
- V. [The Professional Services](#)
  - 1. [Avalara Implementation Services](#)
    - a. [Implementation Services Generally](#)
    - b. [Advanced Transaction Rules Implementation](#)
    - c. [Avalara Tax Content Implementation](#)
    - d. [AvaTax Implementation](#)
    - e. [AvaTax for Communications Implementation](#)
    - f. [Exemption Certificate Management Implementation](#)
    - g. [Exemption Certification Management Implementation Service for API Integration](#)
    - h. [Exemption Certification Management Implementation Service for eCommerce Module](#)
    - i. [Implementation Service for Cross-Border](#)
    - j. [Implementation Service for Returns](#)
    - k. [License Managed Services Implementation](#)
    - l. [License Management for Accountants Implementation](#)
    - m. [License Management Implementation](#)
    - n. [Managed Tariff Code Classification Implementation](#)
    - o. [Property Tax Implementation](#)
  - 2. [CertCapture Services](#)
    - a. [CertCapture Validation](#)
    - b. [CertCapture Campaigns](#)
    - c. [CertCapture Tax ID Verification](#)

- d. [CertCapture One-Time Managed Services](#)
3. [Customer Data Formatting Services](#)
4. [Licenses Services](#)
  - a. [License Filing](#)
  - b. [License Guidance](#)
  - c. [License Professional Services](#)
5. [Sales Tax De-Registration](#)
6. [Sales Tax Registration](#)
7. [Sales Tax Registration Name or Address Change](#)
8. [Sales Tax Risk Assessment](#)
9. [Backfiling Services](#)
10. [Voluntary Disclosure Agreement](#)

This Avalara Professional Services Electronic Statement of Work ("**SOW**"), governs Customer's purchase of certain Professional Services. This SOW is in addition to and incorporates by reference the Avalara Professional Services Terms located at [www.avalara.com/ps-terms](http://www.avalara.com/ps-terms) (the "**Professional Services Terms**") (collectively, the "**PS Agreement**"), constitute a binding agreement between Avalara and Customer under which Avalara or its Affiliates provides Professional Services to Customer.

#### I. **Definitions.**

1. "**Account**" means an account enabled by Avalara for Customer to access the services.
2. "**AvaTax**" means the service for calculating transaction taxes and certain fees and surcharges on the sale of goods and services, including sales, use, and value added taxes.
3. "**Certificate**" means any compliance document image, such as a tax exemption certificate, excise license, or federal withholding form, that is entered, uploaded, or otherwise recorded in CertCapture for use in a single jurisdiction.
4. "**License**" means a business license or permit.
5. "**Registration**" means a state or local sales tax registration.
6. "**Services Effective Date**" means the date on which Avalara processes Customer's signed Services Schedule.

II. **Extension of Scope.** This SOW applies only to the specific purchases set forth in the Services Schedule. Any change in the scope of this SOW or undue delay by Customer in meeting its obligations under this SOW may require an extension in the schedule, an adjustment in the fees and expenses, or an adjustment in the work Avalara is to perform, which shall be documented in an additional Services Schedule signed by the Customer.

III. **Professional Fees.** Customer shall pay all fees specified in the Services Schedule. Payment obligations are non-cancellable, and fees paid are non-refundable. Unless otherwise stated in a Services Schedule, Avalara charges a fixed fee for the Professional Services set forth in this SOW.

#### IV. **Assumptions and Obligations.**

1. Customer is responsible for the accuracy, quality, legality, completeness, and integrity of information, documentation, and data provided by Customer and the means by which Customer acquired it.

2. Customer is responsible for all tax and Certificate management positions and decisions. The scope does not include local jurisdictions unless otherwise stated in a Services Schedule or this SOW.
3. Customer is responsible for timely providing Avalara with information, documentation, and data needed for Avalara to perform the Professional Services, formatted as required by Avalara.
4. Customer is responsible for approving or facilitating any authorizations which may be required by the applicable jurisdictions in the course of Avalara providing the Professional Services.
5. The scope of this SOW does not include specific tax research or determination of taxability of Customer's products or services.
6. Customer should consult third party tax advisors regarding other tax concerns, such as state income or franchise tax reporting requirements. Registering for tax collection and reporting can impact federal, state, and other tax reporting requirements, all of which are outside the scope of this SOW.
7. If Customer engages a third party to provide services, Customer shall be responsible for all third-party contracts, costs, and projects including management of all third-party personnel and delivery issues.
8. Avalara shall use commercially reasonable efforts to provide consistent personnel for the duration of this SOW. However, Avalara may reassign personnel at its sole discretion.
9. All work shall be performed remotely during Avalara business hours. Avalara shall not travel to Customer's premises under this SOW.
10. Customer is responsible for ensuring the information Customer provides in connection with the Professional Services, such as billing information and purchase orders, is current, accurate, and complete.
11. Customer is responsible for the payment of any additional tax, interest, and penalties due related to the effort in this SOW.
12. Avalara shall begin performing the Professional Services within 30 days of the Services Effective Date unless otherwise agreed in writing by the Parties.
13. If Customer terminates this SOW without cause before the Professional Services are completed, Customer shall pay the full cost of the Professional Services set forth in the Services Schedule.
14. This SOW shall expire one year after Services Effective Date. Any Professional Service outlined in this SOW and not used by Customer shall expire at that time and no fees shall be refunded.
15. Unless otherwise purchased, Implementation Services available under this SOW apply to implementations for the U.S. and up to five additional countries only and do not include implementations for other countries or configurations for international transactions, customs transactions, or estimated customs transactions.
16. This SOW applies to sales tax only and does not include implementation of use tax functionality if not supported by the applicable connector.
17. Support for the use of Avalara AvaTax APIs to support offline transactions are out of scope for Professional Services available under this SOW.

#### V. The Professional Services.

1. **Avalara Implementation Services.** Avalara provides implementation support services for Customers who have purchased certain Professional Services (collectively, the "**Implementation Services**").
  - a. **Implementation Services Generally.** Customer shall have overall responsibility for implementation, including project management, testing, and the technical aspects of installation, configuration, and code modifications and merges. Avalara shall assist Customer and provide consulting expertise during the implementation process, including the following project elements:

- i. **Solution Design and Project Planning.** Avalara shall confirm the solution design and project logistics with Customer's project team, including resources, roles and responsibilities, timing, and deployment process. Avalara shall propose a plan for Customer to incorporate into its overall project plan.
  - ii. **Environment Validation.** Avalara shall collaborate with Customer's project team on the solution to be used (test and production), including relevant configurations and functionality, system architecture, and patch levels.
  - iii. **Solution Testing.** Customer shall create test scripts and Avalara shall provide feedback. Avalara shall provide support during Customer testing and support issue resolution and troubleshooting related to the Avalara solutions. Customer is responsible for ensuring the scenarios tested are complete, the tests are executed to the level required, and the results are accepted at the end of the testing cycle.
  - iv. **Production Deployment.** Avalara shall participate in solution deployment activities, including data migrations and cutover planning.
  - v. **Post-Production Support.** Basic customer support is included in most purchases. Additional support may be separately purchased.
  - vi. **Timing.** The length of time necessary to complete the project depends largely on Customer's internal resources. In some cases, for an expedited project start date fee, Avalara shall begin the Implementation Services within ten business days of Customer's signed order form being processed by Avalara.
- b. **Advanced Transaction Rules Implementation.**
  - i. **Configurations.** Avalara shall support Customer in setting up rules in AvaTax by providing guidance and best practices related to use and configuration of the Advanced Transaction Rules service which allows Customer to establish rules to modify transactions before or after tax calculation.
  - ii. **Training and Support.** Avalara shall provide training to Customer on the Advanced Transaction Rules service which allows Customer to import, assess, calculate, and accrue consumer use tax. Avalara shall support Customer in troubleshooting issues such as the service not returning the expected result (for up to 10 rules only).
  - iii. **Customer Obligations.** Customer is responsible for defining business requirements and logic regarding configuration of rules established in the Advanced Transaction Rules service; adjustments to enterprise resource planning, e-commerce, and point of sale systems to pass the data points and provide a full solution; configuring rules in AvaTax; and maintaining rules after initial implementation.
- c. **Avalara Tax Content Implementation.** Avalara shall provide training and guidance on the configuration of the transaction tax export (TTE) files. Avalara shall provide training and guidance on creating and managing jobs to create the export file. The Avalara Tax Content Implementation Services include implementation for up to 10 physical addresses where Customer has one or more point-of-sale devices.
- d. **AvaTax Implementation.**
  - i. **Platform Connector Installation.** Avalara charges for AvaTax Implementation Services for each connector. For an Avalara-Built Platform Connector, Avalara shall provide the current installation package for the connector. Customer shall install the connector and incorporate the Avalara solution into Customer's processes or engage with a partner to do so. Avalara shall

provide technical support in troubleshooting installation issues. For customers implementing a Microsoft D365 connector, the fee set forth in the Services Schedule assumes that Customer is using the latest version of Microsoft D365; use of prior versions may require a change in project duration, scope, and fees. For a Partner-Built Connector, Customer shall install the connector and incorporate the Avalara service into Customer's processes or engage with a partner to do so. For an AvaTax API, Avalara shall provide guidance for the best practices of developing the AvaTax integration to Customer's custom system.

- ii. **Tax Logic Matrix and Tax Code Mapping.** Avalara shall conduct a workshop with Customer's tax department to develop a tax logic matrix that defines the business rules for tax exemption ("**Tax Logic Matrix**") and assist with identifying and mapping to the appropriate AvaTax system tax codes for tax exemption processing.
- iii. **Configurations.** AvaTax configuration shall be completed by Customer's tax team with guidance and support from Avalara. Avalara shall guide Customer in the configuration of Avalara AvaTax with the appropriate reporting entities. Avalara shall guide Customer through the configurations in Avalara AvaTax to enable tax collection in the various state and local taxing jurisdictions in which Customer has identified a reporting requirement. Avalara shall guide Customer in the configurations to map Customer's product tax categories to the appropriate Avalara tax categories based on the Tax Logic Matrix. Avalara shall guide Customer on best practices for handling Customer's customer exemptions within AvaTax and assist Customer in configuration.
- iv. **Training.** Avalara shall provide key user training on the use and maintenance of AvaTax. The training shall include two sessions: an initial introductory session to familiarize the key business users and project team members with the Avalara functionality and an advanced session on the use and maintenance of the tax-related functionality before solution deployment.

**e. AvaTax for Communications Implementation.**

- i. **Customer Obligations.** Customer shall complete Avalara's AvaTax for Communications questionnaire. Avalara will not commence work until Customer completes the questionnaire. Customer will provide any additional information Avalara may require in order to provide the Professional Services. Customer is responsible for passing all required data fields for AvaTax for Communications tax calculation.
- ii. **Avalara Obligations.** Avalara will assist Customer in implementing AvaTax for Communications by providing guidance and best practices related to its use. Avalara shall support Customer in troubleshooting issues, such as AvaTax for Communications not returning the expected result.
- iii. **Exclusions.** Development, deployment, and maintenance of the connector between Customer's billing platform and AvaTax for Communications is Customer's responsibility and out of scope of this SOW.

**f. Exemption Certificate Management Implementation.**

- i. **Configurations.** Configuration of the Exemption Certificate Management service shall be completed by Customer's tax team with guidance and support from Avalara. Avalara shall provision the Exemption Certificate Management service with the entities in which Customer has identified a need for exemption management. Avalara shall guide Customer on the configurations and company content within the Exemption Certificate Management service. Avalara shall guide Customer on the import or entry of Customer's customers in the appropriate format for Customer's business requirements.

- ii. **Training.** Avalara shall provide user training on the use and maintenance of Exemption Certificate Management. The training shall include two sessions: an initial introductory session to familiarize Customer's key business users and project team with the functionality of the Exemption Certificate Management Service, and a follow-up advanced session on customer data maintenance, Certificate requests, managing Certificates, and business process flow.
- g. **Exemption Certification Management Implementation Service for API Integration.** Avalara shall provide guidance and best practices related to development using the Exemption Certificate Management service. Customer shall develop and test the Exemption Certificate Management service in accordance with the specifications set by Avalara. Avalara shall support Customer in troubleshooting issues during Customer testing. Any enhancement to the Exemption Certificate Management service is outside the scope of this SOW.
- h. **Exemption Certification Management Implementation Service for eCommerce Module.** Avalara shall support Customer in setting up Exemption Certificate Management for eCommerce in Customer's web environment by providing guidance and best practices related to the use of the service. Avalara shall support Customer in troubleshooting issues, such as Exemption Certificate Management for eCommerce not returning the expected result. To implement Exemption Certificate Management for eCommerce, Customer must define business requirements regarding the collection of exemption Certificates and determination of exemption, program Exemption Certificate Management for eCommerce into Customer's web environment, and perform end-to-end systems integration testing using data passed to, and created by, Exemption Certificate Management for eCommerce.
- i. **Implementation Service for Cross-Border.** Avalara will assist Customer in implementing AvaTax Cross-Border by providing guidance and best practices related to its use. Avalara will support Customer in setup and configuration within the service. Avalara will support Customer in testing and troubleshooting issues for standard configurations.
- j. **Implementation Service for Returns.** Avalara shall guide Customer on the filing calendar setup process for up to five reporting jurisdictions. Avalara shall provide key user training on the returns monthly process. The training shall include assistance with the appropriate documentation for implementation and then follow up training on the monthly tax liability worksheet review and approval processes.
- k. **License Managed Services Implementation.**
  - i. **Customer Obligations.** Customer shall provide data for implementation. Upon Avalara's request, Customer shall provide the required data to Avalara in a format determined by Avalara. Customer shall timely respond to Avalara's questions regarding Customer's data. Upon completion of the License Managed Services Implementation, Customer shall notify Avalara if there are additional records to be added that are not derived from Avalara License Filing services performed on behalf of Customer.
  - ii. **Avalara Obligations.** During account set-up, Avalara shall onboard license data records provided by Customer with a read-only account, which allows Customer to view content. After successful data migration, Avalara shall provide Customer with a web portal account which allows Customer to view order status and use the messaging and reporting modules. Avalara shall provision License Managed Services for the entities, licenses, and locations that Customer identifies. Avalara shall provide Customer with access to the web portal and two training sessions. Avalara may provide additional webinars in its sole discretion.
  - iii. **Timing.** The length of time necessary to complete the project depends on the size and completeness of the portfolio.
- l. **License Management for Accountants Implementation.**

- i. **Customer Obligations.** Customer shall have overall responsibility for implementation, including testing and data accuracy. Upon Avalara's request, Customer shall provide the required data to Avalara and in a format determined by Avalara. Customer shall timely respond to Avalara's questions regarding Customer's data. Upon completion of the License Management for Accountants Implementation, Customer is responsible for updating and maintaining the data in the Avalara License Management for Accountants service.
- ii. **Avalara Obligations.** During account set-up, Avalara shall provide Customer with a read-only account which will allow Customer to view content and perform research. After successful data migration, Avalara shall provide Customer with a full-access account which will allow Customer to edit its data, view content, and perform research. Avalara shall provision the Avalara License Management for Accountants service for the entities, licenses, and locations that Customer identifies. If Customer purchases a module, Avalara shall provision Avalara License Management for Accountants for the module purchased, such as professional, contract, real estate, vehicle, or violation management. For a period of up to six months following the Services Effective Date, Avalara shall provide Customer with basic customer support for License Management for Accountants Implementation. Avalara shall provide Customer with access to online training videos on the use and maintenance of Avalara License Management for Accountants, and Avalara may provide additional webinars in its sole discretion.
- iii. **Timing.** The length of time necessary to complete the project depends largely on Customer's internal resources.

**m. License Management Implementation.**

- i. **Customer Obligations.** Customer shall have overall responsibility for implementation, including testing and data accuracy. Upon Avalara's request, Customer shall provide the required data to Avalara and in a format determined by Avalara. Customer shall timely respond to Avalara's questions regarding Customer's data. Upon completion of the License Management Implementation, Customer is responsible for updating and maintaining the data in the Avalara License Management service.
- ii. **Avalara Obligations.** During account set-up, Avalara shall provide Customer with a read-only account which will allow Customer to view content and perform research. After successful data migration, Avalara shall provide Customer with a full-access account which will allow Customer to edit its data, view content, and perform research. Avalara shall provision the Avalara License Management service for the entities, licenses, and locations that Customer identifies. If Customer purchases a module, Avalara shall provision Avalara License Management for the module purchased, such as professional, contract, real estate, vehicle, or violation management. For a period of up to six months following the Services Effective Date, Avalara shall provide Customer with basic customer support for License Management Implementation. Avalara shall provide Customer with access to online training videos on the use and maintenance of Avalara License Management, and Avalara may provide additional webinars in its sole discretion.
- iii. **Timing.** The length of time necessary to complete the project depends largely on Customer's internal resources.

**n. Managed Tariff Code Classification Implementation.**

- i. **Customer Obligations.** Customer shall provide Avalara with a sufficient natural-language description for each Customer SKU so that Avalara can assign an appropriate destination-country specific Harmonized Tariff System (HS) classification code for each requested SKU.

- ii. **Avalara Obligations.** Avalara will provide training and support to Customer for data field requirements and usage. Avalara will support validating sample data and troubleshooting issues in data collection and calibration sessions. Avalara will guide Customer on setting up a recurring process to ensure new products are classified. Avalara will assist with configuring either via our customer portal, SFTP, or API with one of the desired input mechanisms.
- o. **Property Tax Implementation.** The Property Tax Implementation service may include local jurisdictions, as applicable. It does not include custom implementation services, including accounts payable integration, custom reporting requirements, system enhancements, data transformation services, or the extraction of non-standard data fields from a document.
  - i. **Timing.** Avalara shall schedule a kick-off call to define a mutually agreeable schedule for required training sessions and implementation steps. The length of time necessary to complete the Property Tax Implementation service is dependent upon the usage tier(s) indicated in the Services Schedule and Avalara's availability. If Customer is not prepared to begin work, is unable to attend a training session, or fails to timely complete a required portion of the agreed-upon schedule, the scheduled implementation dates may be delayed and additional fees may apply to the revised implementation schedule.
  - ii. **Account Set-Up.** Upon Avalara's request, Customer is responsible for uploading all required data for implementation to the service as specified in the Property Tax Documentation and according to instructions provided by Avalara during the Property Tax Implementation service. Customer shall provide timely responses to Avalara's questions regarding Customer's data.
  - iii. **Customer Obligations.** If Customer data is unavailable to be uploaded and Customer requests to proceed with the agreed-upon schedule using placeholder data, Customer is solely responsible for updating the data input in required data fields. This includes all data fields related to an assessment, bill, or similar tax document received by Customer.
  - iv. **Avalara Obligations.** Avalara shall provide training for the purchased products included on the Services Schedule and shall provide access to the Property Tax Implementation service based exclusively on the entities, properties, and locations that Customer identifies. Avalara shall provide training according to the agreed-upon schedule.

## 2. CertCapture Services.

- a. **CertCapture Validation.** Avalara shall receive legacy certificates, convert hard copies to PDF files, and upload the PDF files into Customer's Account. Images shall not be visible in Customer's Account until validated.
  - i. Customer has the option of including the corresponding customer identification number on the certificate image or in the certificate file name to support the mapping process.
  - ii. Avalara shall review the Certificates and assess for inclusion of Customer's customer name, Customer name, exemption reason, tax identification number (Avalara verifies that a tax identification number has been included on the Certificate but does not verify the format or accuracy of this number), signature, and signature date.
  - iii. Avalara shall make standard reports available so that Customer can review the validations that have been performed and their results.
  - iv. Multijurisdictional Certificates shall be separated by jurisdiction into unique Certificates and assigned individual Certificate identification numbers to ensure proper treatment for each jurisdiction (e.g., jurisdictions may have different expiration rules, reporting rules, and so forth). Avalara shall validate multijurisdictional Certificates for each jurisdiction. Each jurisdiction counts as a unique validation. Customer can opt to limit validation of multijurisdictional



Certificates to those jurisdictions contained in its nexus table or Customer data.

- v. **Disclaimer.** Customer understands and agrees that CertCapture Validation does not guarantee the validity of Certificates.
  - b. **CertCapture Campaigns.** Avalara shall conduct a campaign to Customer's customers to request updated Certificates using Avalara forms.
    - i. **CertCapture Mail (Postage).** Avalara shall conduct a campaign to Customer's customers to request updated Certificates by preparing and sending up to the number of letters set forth in the Services Schedule. The letters shall be sent by U.S. mail. This service includes printing envelopes and contents, stuffing envelopes, and applying postage. Avalara may provide subsequent rounds of letters to those who do not return Certificates up to the total number of letters set forth in the Services Schedule.
    - ii. **CertCapture Email.** Avalara shall prepare and send up to the number of emails set forth in the Services Schedule. Avalara may send subsequent rounds of emails to those Customers' customers who do not return Certificates up to the total number of emails set forth in the Services Schedule.
    - iii. **Disclaimer.** Customer understands and agrees that CertCapture Campaigns does not guarantee a response rate to the campaign nor the validity of the Certificates generated by the campaign.
  - c. **CertCapture Tax ID Verification.** Avalara shall verify state tax identification numbers for those states that make this information available on their websites up to the number set forth in the Services Schedule.
  - d. **CertCapture One-Time Managed Services.** Avalara shall manage new and expired Certificates on Customer's behalf in accordance with the Services Schedule. Managed Services may include CertCapture Validation, CertCapture Campaigns, and CertCapture Tax ID Verification. CertCapture One-Time Managed Services does not include CertCapture subscription implementation services.
    - i. **Customer Obligations.** To purchase CertCapture One-Time Managed Services, Customer must first purchase CertCapture and complete implementation. Customer shall upload Customer's requisite customer data into Customer's Account. Customer shall assist Avalara in gaining access to information, personnel, and resources necessary to complete the services and deliverables described in this SOW. Customer shall work collaboratively with Avalara to accomplish the purpose and scope of this SOW including by providing written approval for campaigns, validation rules, and updates to software settings. Customer is aware that changes to validation rules are not retroactively applied to prior certificate validations.
3. **Customer Data Formatting Services.** Avalara shall provide assistance to correct previously uploaded or newly uploaded transactions into Customer's AvaTax Account as a precursor to a Backfiling Services project. Avalara shall convert Customer's source data files into a format usable by AvaTax.
- a. **AvaTax Import Process.**
    - i. Prior to importing or correcting any transaction data, Avalara shall work with Customer to understand Customer's tax policy and guide Customer in applying that policy to Customer's AvaTax Account.
    - ii. Import into AvaTax may result in tax recalculation, reallocation, and redetermination of tax sourcing, which may change the nature of posted transactions. A posted transaction may have a different tax or status applied than that of the original, native transaction. These results could impact Customer's tax liability in the applicable tax jurisdictions.
    - iii. Some transactions may fail the import process, either in full or in part, due to incomplete,

inconsistent, or inaccurate data; for example, address components that are inconsistent with one another (city not belonging to an associated postal code), a missing state, or an invalid postal code. Avalara shall provide the transactions that fail the import process to Customer in a separate data file for Customer to remediate.

- b. **Customer Obligations.** Customer must have existing and current AvaTax and Managed Returns subscriptions at the time of transaction import. Customer is solely responsible for the content and accuracy of the transaction data. Avalara is authorized to import Customer's historical transactions for purposes of Customer Data Formatting Services.

4. **Licenses Services.** Customer is responsible for ensuring their License and Registration fees are paid to the applicable jurisdiction except where otherwise provided. By purchasing the Professional Services described in this Section 4 (*Licenses Services*), Customer authorizes Avalara to prepare and file, where applicable, Customer's Licenses and Registrations.

- a. **License Filing.** Avalara shall prepare applications for Customer for the issuance of new Licenses or for remediation of Licenses not in good standing.
  - i. **Avalara Obligations.** Upon receipt of all necessary Customer data and required authorizations, Avalara shall provide one Registration; and prepare and file the forms for the federal, state, county, and local Licenses needed for one line of business in one location. Avalara shall collect License and Registration fees from Customer and remit to the applicable jurisdiction on Customer's behalf. Avalara shall provide support with the jurisdiction for the License and Registration application process.
  - ii. **Customer Obligations.** Customer is solely responsible for timely and fully funding the License and Registration fees as requested by Avalara.
  - iii. **Exclusions.** If Customer fails to timely or fully fund the License and Registration fees: Avalara has no obligation to prepare or file the Licenses and Registrations; Avalara shall have no liability of any kind to Customer that arises as a result of not completing any filing; and Customer shall not be entitled to and Avalara shall not refund any fees paid by Customer for License Filing not completed.
- b. **License Guidance.** Avalara shall prepare a report of the federal, state, county, or local Licenses and Registration needed for one line of business in one location.
  - i. **Customer Obligations.** Customer is solely responsible for accurately completing and submitting to the relevant jurisdiction all License and Registration forms provided by Avalara, paying fees associated with those Licenses and Registration, and communicating with the relevant jurisdiction.
- c. **License Professional Services.**
  - i. **Custom License Research.** Avalara shall conduct research pertaining to Licenses based on Customer's business activities, physical locations, and industry regulatory considerations.
  - ii. **Data Query.** Avalara shall review a list of Customer's business location addresses or service areas and compare it to Avalara's license database to detect where a general business license is imposed in the various jurisdictions within your footprint. The query shall also return a result showing whether the Licenses found have fees based on gross receipts or other variables.
  - iii. **License Gap Analysis.** Avalara shall compare Customer data against typical License requirements for business of a similar profile and provide Customer a report of possible gaps in Customer's Licenses.

- iv. **License Verification.** Avalara shall review Customer's Licenses and validate their currency. If Customer does not have a copy of the License, Avalara shall acquire a copy of the License from the applicable jurisdiction. Avalara shall provide Customer a report summarizing the status of each verified License.
5. **Sales Tax De-Registration.** Avalara shall provide the following tax de-registration services for the number of sales and use tax jurisdictions set forth in the Services Schedule.
  - a. **Avalara Obligations.** Avalara shall prepare a de-registration package for submission to each taxing jurisdiction. Depending on the jurisdiction requirements, this package may include: a written request to de-register a sales and use tax account, forms specific to account closure with Customer's digital signature affixed to each, and supporting documentation for reason of closure. Avalara shall send the package to Customer for review and approval. Upon Customer approval, Avalara shall submit the package directly to each taxing jurisdiction, including any forms and supporting documentation, via online submission or certified mail.
  - b. **Customer Obligations.** Customer shall complete Avalara's questionnaire requesting pertinent information related to the de- registration process, including business/nexus close date, reason for closure, applicable supporting documentation, and a digital signature. Customer shall file all final returns or notify Avalara to file final returns on Customer's behalf and cancel Customer's Managed Returns service, if applicable. Customer shall disable tax collection within AvaTax and end-date filing calendars, if applicable. Customer shall respond to additional requests from the jurisdictions after the de-registration packages have been submitted. Customer shall resolve any open liabilities or credits on Customer's account with each taxing jurisdiction. Customer shall work with jurisdictions that require a close-out audit of Customer's account before authorizing the de-registration. Customer shall notify all other relevant state and local authorities of the change.
  - c. **Disclaimer.** Occasionally, tax authorities hold tax accounts open. Customer understands and agrees that Sales Tax De-Registrations do not guarantee the jurisdiction shall complete the de-registration process.
6. **Sales Tax Registration.** Upon receipt of all necessary Customer data, Avalara shall prepare and file one Registration and remit registration fees to the applicable jurisdiction. The fee for the Professional Service only includes state-level Registration fees. Avalara shall notify Customer if filing and registration fee remittance is not available from Avalara for a Registration (for example, for a local Registration), in which case, Avalara shall provide the Registration application to Customer, and Customer shall file the Registration application and remit Registration fees directly to the applicable jurisdiction.
7. **Sales Tax Registration Name or Address Change Services.** Avalara shall assist Customer in notifying sales and use tax jurisdictions of the name or address change up to the number of jurisdictions set forth in the Services Schedule.
  - a. **Avalara Obligations.** Avalara shall prepare a name or address change package for submission to each taxing jurisdiction. Depending on the jurisdiction requirements, this package may include a written request to update account information, forms specific to account update requests with Customer's digital signature affixed to each, and supporting documentation for the change.
  - b. **Customer Obligations.** Customer shall complete Avalara's questionnaire requesting pertinent information related to the account update process including the new information, applicable supporting documentation, and a digital signature. Customer shall update its AvaTax account with the new information including the organization section and filing calendars, if applicable. Customer shall respond to additional requests from the jurisdictions after the packages have been submitted. Customer shall notify all other relevant state and local authorities of the change.
8. **Sales Tax Risk Assessment.** Avalara offers sales tax risk assessment on a standard and premium basis. Avalara shall work with Customer to gather information to conduct a review and analysis of Customer's nexus status for the number of

states set forth in the Services Schedule. Avalara shall provide access to Avalara's online survey requesting specific information about Customer's activities, business operations, relationships with third parties, and other business activities within each of Customer's selected states over the applicable period. Avalara may also request that Customer provide additional material about Customer's products and services to supplement this information.

- a. **Timing.** Avalara generally delivers the completed Sales Tax Risk Assessment within four weeks after receiving Customer's completed survey and any additional required information.
  - b. **Deliverables.** Avalara shall provide Customer with a designated point of contact, an overview of the nexus review process, and login credentials to Avalara's online survey. Based on the information and supplemental materials provided by Customer, Avalara shall prepare reporting of the findings and analysis for each of Customer's selected states. If Avalara's analysis indicates Customer has or may have created sufficient nexus for sales and use tax purposes, Avalara shall recommend options for compliance.
9. **Backfiling Services.** Avalara shall prepare up to the number of sales and use tax returns set forth in the Services Schedule for the prior reporting periods and taxing jurisdictions identified by Customer. Avalara shall prepare these returns based on the transaction data available in Customer's AvaTax production account only. To receive Backfiling Services, Customer must be live on Managed Returns.
  - a. **Avalara Obligations.** Avalara shall file period tax returns upon Customer review and approval of liability and facilitate funding for the tax liability related to the prior period tax returns, if necessary. To ensure Customer's returns are processed timely, Avalara shall proceed with the project by initiating the pull of funding request tax remittance under \$40,000. Any variances uncovered shall be the Customer's responsibility to resolve. Amended fees shall apply if Avalara is requested to correct the returns processed.
  - b. **Customer Obligations.** Customer shall ensure transaction data is entered accurately into AvaTax. Reprocessing fees shall apply if Avalara prepares a tax return more than once due to inaccurate transaction data within AvaTax. Customer shall approve reporting figures and providing funding for remittance amounts. Customer shall address any correspondence or communications from the taxing jurisdiction related to the tax returns and payments.
10. **Voluntary Disclosure Agreement.** Avalara shall assist Customer with compliance options for non-filers, including formal and informal voluntary disclosure programs, offered by the applicable taxing jurisdictions for the number of jurisdictions set forth in the Services Schedule.
  - a. **Avalara Obligations.** Based on the information and materials provided by Customer, Avalara shall:
    - i. review Customer's business activities and tax policies as they relate to the self-audit process, including tax categorization for products and services, tax type assignment, and customer exemption status;
    - ii. work with Customer to complete the formal or informal voluntary disclosure program application(s), with the preparation of self-audits as required, including processing up to 25,000 of Customer's historical transactions per state to calculate the correct amount of tax due (if Customer's data exceeds 25,000 transactions per state, Customer shall purchase Data Transformation Services with respect to the excess). Avalara shall segregate the amounts due to each taxing jurisdiction (excluding local taxing authorities). These amounts shall be used for tax reporting under the voluntary disclosure agreement;
    - iii. submit any voluntary disclosure program applications to the taxing jurisdiction on Customer's behalf; and
    - iv. coordinate any additional information requests from the taxing authority.
  - b. **Customer Obligations.**

- i. Customer shall answer Avalara's questionnaire requesting pertinent information related to the voluntary disclosure program registration process, including ownership information, historical or anticipated start date, and estimated taxable sales. Customer shall provide any additional information Avalara may request.
  - ii. Customer shall provide any historical transaction source data requested and Customer's tax policies regarding taxation of relevant transactions. Customer shall identify any Customer-related exemptions that Customer chooses to apply.
  - iii. Upon receipt of Customer's approved tax registration application, the taxing authority shall issue a license or permit with Customer's tax registration number, initial filing frequency, and prepayment requirements (if any). Customer is responsible for updating the filing calendar in Managed Returns.
- c. **Disclaimer.** Avalara does not guarantee Customer acceptance into any Voluntary Compliance Program or abatement of penalties or interest.