

These Avalara Partner Market Development Funds Terms and Conditions (the "**Avalara MDF Terms**") describe Avalara's Partner Market Development Funds Initiative ("**MDF**") and are subject to the Referral Partner Agreement between Avalara and Partner as well as the General Terms and Conditions for Avalara Partner programs located at <https://legal.avalara.com/partner.legal.center#generalpartnerterms> (the "**General Partner Terms**") and the Referral Partner Agreement between Avalara, Inc. and the Partner (the "**Referral Partner Agreement**"). The Avalara MDF Terms govern Avalara's offering of and Partner's participation in MDF. Capitalized terms not defined in these Avalara MDF Terms are defined in the Referral Partner Agreement and General Partner Terms.

### **Initiative Overview**

Avalara's MDF program is intended to provide select Avalara Partners with co-marketing subsidies through Market Development Funds (MDF) to generate demand and accelerate bookings through eligible marketing activities. Avalara allocates the funding, reviews, and approves payments to Partners based on satisfaction of pre-established Proof of Execution (POE) criteria.

By participating in MDF, Partners agree to all terms and conditions set forth in this document. The MDF tool kit describes requirements for Partners to follow to request and receive MDF from Avalara.

See the Activity List for the complete list of approved activities and claim requirements.

See the Appendix for additional terms and conditions applicable to all activities under the MDF program.

### **General Requirements**

Public statements must not imply that the Partner is Avalara or any subsidiary of Avalara. Marketing activities must not be misleading or deceptive, nor may they violate country, state, or local regulations. Co-marketing activities must be in good taste and reflect favorably on Avalara. Avalara discourages any negative sales or marketing activity. All registered marks, trademarks, copyrights, and disclaimers of Avalara systems must be properly used as described in the trademark usage guidelines available on [avalara.com](https://avalara.com). All messaging regarding Avalara and Avalara products must conform to the approved Avalara messaging documentation provided to Partners upon acceptance of the Avalara MDF Terms.

- Partners must acknowledge funding opportunity, submit an activity request, and receive an activity approval from Avalara prior to the activity start date.
- Requests for approval of an activity must be submitted at least fifteen (15) days prior to the activity start date.
- An activity must start within the Avalara Fund Period in which it is funded. The Avalara Fund Period for the H1 2025 MDF program is January 1, 2025, through June 30, 2025. The Avalara Fund Period for the H2 2025 MDF program is July 1, 2025, through December 31, 2025.
- Proof of Execution (POE), which includes, Proof of Performance (POP), Proof of Cost (POC), and new Marketing Qualified Leads (MQLs), is required at claim submission.
- Claims submitted with invalid POE at the time of submission may be denied.
- Claims placed on hold pending further clarification must be corrected and fully approved by the final deadline. Outstanding claims after this date will be denied and funds forfeited.
- Claims submitted for reimbursement cannot exceed the approved MDF amount allocated to the Partner and must be supported by the appropriate POP and POC requirements outlined in the Activity List. Avalara reserves the right to request additional POE.
- Funds from Avalara will be disbursed after claims have been submitted and approved. Payouts for claims may be less than the approved MDF amount, at Avalara's discretion, depending upon required documentation supporting each claim request.
- All reimbursements will be paid directly to the Avalara Partner company. Activity reimbursements cannot be paid to a third-party vendor.

## Funding

Activities must be submitted prior to the activity submission deadline; otherwise, unused funding will expire and will be forfeited. The cost for an activity must have been incurred within the Avalara Fund Period in which it is funded. See the Avalara Market Development Funds calendars below for dates and deadlines. All funding amounts are provided in U.S. dollars.

## Marketing Qualified Leads (MQLs)

Some activities may require MQLs as part of the Proof of Performance. MQLs must include customer/prospect business email address, among other information. MQLs may be submitted via the [online form](#) or via the Avalara Partner Portal when they are generated prior to the claim submission or combined with the claim submission.

Partner's customer/prospect information loaded into Avalara salesforce.com will be routed to Avalara sales teams for further qualification per the [Avalara Partner Referral Agreement](#). By submitting the customer/prospect information, Partner attests that they have the customer's/prospect's permission for Avalara outreach.

## Market Development Funds Expiration

If the Partner executes an activity in the time frame specified in the Avalara Market Development Funds calendars below, the Partner has until the claim deadline to submit a claim and required POE. If these timelines are not met, the approved activity request will expire, and the associated funding will be forfeited. The Partner will be responsible for any payments owed to vendors for activities associated with expired activities.

## Market Development Funds Process Flow

1. Avalara invites Partners to participate.
2. Avalara offers funds to Partner.
  - a. Avalara notifies Partner of funding availability.
3. Partner acknowledges funds.
4. Partner submits activity request.
  - a. Partner populates form and submits to PartnerMDF@avalara.com for review.
5. Avalara reviews application and approves request.
6. Partner executes activity.
  - a. Partner can execute only after the request has been approved.
7. Partner submits claim and Proof of Execution (POE).
  - a. Partner populates claim form and includes Proof of Cost (POC) and Proof of Performance (POP).
8. Avalara reviews claim.
  - a. Avalara reviews claim form and POE.
9. Avalara wires payment to partner via ACH.

## Activity List

Below is the list of the MDF eligible activities, definitions, reimbursable expenses, and Proof of Execution (POE) requirements. Activities must fall within the categories below in order to be eligible for reimbursement.

Activity Type	Definition	Reimbursable Expenses	Proof of Execution: POC	Proof of Execution: POP

Content Creation	<ul style="list-style-type: none"> <li>- Digital and hard copy assets used to support sales and marketing of Avalara solutions</li> <li>- Blogs, social media posts, infographics, videos, podcasts, web content, whitepapers, customer success stories, case studies, etc.</li> </ul>	<ul style="list-style-type: none"> <li>- Development and production costs</li> </ul>	<ul style="list-style-type: none"> <li>- Partner-to-Avalara invoice</li> <li>- If leveraging a vendor, a copy of the third-party invoice</li> </ul>	<ul style="list-style-type: none"> <li>- Copy of co-branded collateral</li> <li>- MQLs</li> </ul>
Direct Mail	<ul style="list-style-type: none"> <li>- Physical mail sent to a targeted list of recipients; mail includes postcards, brochures, etc.</li> </ul>	<ul style="list-style-type: none"> <li>- Development and production costs</li> <li>- Postage and delivery costs</li> </ul>	<ul style="list-style-type: none"> <li>- Partner-to-Avalara invoice</li> <li>- If leveraging a vendor, a copy of the third-party invoice</li> </ul>	<ul style="list-style-type: none"> <li>- Copy of final produced version</li> <li>- Proof of Avalara representation</li> <li>- MQLs</li> </ul>
Customer /Prospect Events	<ul style="list-style-type: none"> <li>- Avalara and partner-hosted customer/prospect events</li> </ul>	<ul style="list-style-type: none"> <li>- Event planning and venue costs</li> <li>- Event-related giveaway of gift cards or Avalara swag (cost of up to 10% of total MDF allotment for Avalara Fund Period)</li> </ul>	<ul style="list-style-type: none"> <li>- Partner-to-Avalara invoice</li> <li>- If leveraging a vendor, a copy of the third-party invoice</li> </ul>	<ul style="list-style-type: none"> <li>- Event invites, collateral, pictures from event</li> <li>- Proof of Avalara representation</li> <li>- MQLs</li> </ul>
Web, Newsletters, Email, and Web Advertising	<ul style="list-style-type: none"> <li>- Email or web-based publication providing a sales/marketing message to a targeted list of recipients</li> <li>- Marketing efforts to increase presence across digital channels through web and video advertising</li> <li>- Includes paid search, display ads, retargeting, and content syndication</li> </ul>	<ul style="list-style-type: none"> <li>- Advertising media placement costs</li> <li>- Development and production costs</li> </ul>	<ul style="list-style-type: none"> <li>- Partner-to-Avalara invoice</li> <li>- If leveraging a vendor, a copy of the third-party invoice</li> </ul>	<ul style="list-style-type: none"> <li>- Copy of newsletter or email</li> <li>- Screenshot of communication with visible URL</li> <li>- Full URL and visual of landing page, screenshot of web advertisement or page, OR digital copy of advertisement</li> <li>- Proof of Avalara representation</li> <li>- MQLs</li> </ul>
Predictive Analytics	<ul style="list-style-type: none"> <li>- Predictive analytics that focus on monitoring and engaging net-new and existing customers during the buyer's journey</li> </ul>	<ul style="list-style-type: none"> <li>- Cost associated with providing analytical and search data specific to potential buyers</li> </ul>	<ul style="list-style-type: none"> <li>- Partner-to-Avalara invoice</li> <li>- Third-party vendor</li> </ul>	<ul style="list-style-type: none"> <li>- Statement of Work with detailed cost of service</li> <li>- Proof of Avalara representation</li> <li>- MQLs</li> </ul>

			invoice	
Telemarketing	- Any outbound telephone-calling campaigns	- Agency or call center costs - Development and production costs - Mailing list procurement and subscription costs	- Partner-to-Avalara invoice - If leveraging a vendor, a copy of the third-party invoice	- Copy of script - Proof of Avalara representation - MQLs
Sales Trainings	- Avalara and partner-hosted sales trainings including lunch and learns	- Training curriculum, event planning	- Partner-to-Avalara invoice - If leveraging a vendor, a copy of the third-party invoice	- Training invite, curriculum - Proof of Avalara representation - MQLs
Webinars	- Online event to host and broadcast virtual presentations	- Agency hosted costs - Development and production costs - Webinar-related giveaway of gift cards or Avalara swag (cost of up to 10% of total MDF allotment for Avalara Fund Period)	- Partner-to-Avalara invoice - If leveraging a vendor, a copy of the third-party invoice	- Copy of webinar presentation - Registration page link - Webinar recording - Proof of Avalara representation - MQLs

### Non-reimbursable Expenses

Avalara will not reimburse the following:

- Activities illegal under any applicable laws
- The use of guns of any kind, including rifles, handguns, paintball guns, shooting ranges, etc.
- Alcohol/liquor
- Cancellation fees
- Avalara products and services
- Swag/promotional items with Avalara branding in excess of 10% of total MDF allotment for Avalara Fund Period
- Personal lodging and accommodations, personal travel, and personal expenses
- Payment to Avalara (or a third party acting on behalf of Avalara) for sponsorship or attendance fees for Avalara-hosted events (i.e., Avalara CRUSH, Avalara NEXT)

- Payments for Avalara to sponsor a partner tradeshow or multi-partner events featuring companies and products other than those offered by Avalara and the MDF partner
- Partner's attendance/sponsorship of an industry event
- Continuing professional education or learning credits
- Meetings or events requiring international travel outside of the United States
- Any activities with risk to the personal safety of any attendees or other persons
- Examples of out-of-policy/non-allowable, high-risk activities are:  
Alpine skiing, snowmobiling, horseback riding, water skiing, jet skiing, white water rafting, scuba diving, power boat rides, hang gliding, rock climbing, sky diving, zip-lining, bungee jumping, mechanical bull riding, parasailing, hot air balloon rides, helicopter tours, piloting/flying aircraft, airboat or alligator tours, air tunnel flights, Segways, ATVs/three-wheelers/quads, vehicle racing of any kind including cars, motorcycles, dune buggies, go-carts, boats, etc.

As a rule, if a waiver of liability is required to be signed (by the company or an individual) before participating in an activity and it is not listed above, it is not eligible for approval or reimbursement.

### **Proof of Cost Requirements**

1. Partner-to-Avalara invoice for total reimbursement amount
2. Third-party invoice (if applicable)

All must include:

- Partner name
- Activity start and end dates
- Activity description
- Itemized list of goods and services provided
- Total cost of the activity

### **Proof of Performance Requirements**

1. Final version of asset or service provided (e.g., copies of collateral, webinar invites, slides, etc.)
2. Proof of Avalara representation
3. The date(s) the asset or service was provided
4. The location where the asset or service was delivered as applicable to the marketing activity

### **Definitions**

H1 2025 Avalara Fund Period: January 1, 2025, through June 30, 2025

H2 2025 Avalara Fund Period: July 1, 2025, through December 31, 2025

Proof of Cost (POC): Documentation required to show the total cost of a marketing activity. All POC documents must include the following:

- Recipient name (Partner Company Name)
- Activity start and end dates
- Activity description

- Itemized list of goods and/or services and amounts
- Total cost of activity

Partner invoice: Partner-issued cost document. See POC document requirements listed above.

Statement of Work: Partner or third-party vendor issued Statement of Work (SOW) for the service provided. The SOW must outline:

- Scope and purpose of the services performed
- Consulting engagement start and end date
- Total cost of activity

Third-party vendor invoice: A dated invoice from a third-party company supplying or performing an activity. The invoice must be issued to the Partner company as the recipient of the goods or services. See POC document requirements listed above.

Proof of Execution (POE): POE is a term that includes Proof of Cost, Proof of Performance, and Proof of Avalara representation.

Proof of Avalara representation: All produced marketing materials, assets, events, etc., whether digital or non-digital, must include Proof of Avalara representation. All funded co-marketing activities must reference Avalara products, services, solutions, and/or technologies, or must involve a visual display of the Avalara logo. Proof of Avalara representation may be included within the Proof of Performance required for the activity type or through additional documentation. (Logo guidelines)

Proof of performance (POP): Documentation required to prove that the approved marketing activity was executed as agreed upon. Required documentation differs depending upon the activity type executed. Refer to the Activity List for more information.

#### Avalara Market Development Funds – H1 2025 Fund Period Calendar

Date	Action
1/1/2025	Avalara invites Partners to program with program guide and link to acceptance page with terms and conditions.
1/15/2025	Partner accepts invitation via enrollment page on avalara.com.
3/1/2025	Partner deadline for activity plans due to Avalara.
3/15/2025	Avalara deadline to review and approve Partner plans.
3/1/2025–6/30/2025	Partner executes activity. Last day to complete execution is 6/30/2025
7/15/2025	Latest date to submit activity claims and Proof of Execution (POE).
8/31/2025	Partners are reimbursed from Avalara via ACH wire payment.

#### Avalara Market Development Funds – H2 2025 Fund Period Calendar

Date	Action
6/1/2025	Avalara invites Partners to program with program guide and link to acceptance page with terms and conditions.

6/15/2025	Partner accepts invitation via enrollment page on avalara.com.
8/1/2025	Partner deadline for activity plans due to Avalara.
8/15/2025	Avalara deadline to review and approve Partner plans.
8/1/2025– 12/31/2025	Partner executes activity. Last day to complete execution is 12/31/2025
1/15/2026	Latest date to submit activity claims and Proof of Execution (POE).
2/28/2026	Partners are reimbursed from Avalara via ACH wire payment.

## APPENDIX

1. Avalara Market Development Funds (MDF) as described in this document provide eligible Avalara Partners with tools, services, and other resources to help them market and promote their products, services, and solutions. For the avoidance of doubt, Avalara reserves the right to approve funding or payments related to MDF at its discretion.
2. As a condition to participating in MDF and receiving any funds from Avalara, Partner agrees to comply with the MDF Terms and General Partner Terms. Avalara may update General Requirements from time to time; all such changes to Requirements are binding on Partner. Avalara will exercise commercially reasonable efforts to advise Partner of material changes to the Requirements. These Requirements cover all aspects of Partner's participation in the program and remain in effect even if Partner leaves the program.
3. Avalara MDF is a discretionary fund and marketing benefit for the use of the Preferred Technology, Premier Consulting, and Preferred Consulting Partner Tiers in the Avalara Partner Program. Avalara reserves the right to change this allocation at any time.
4. At its discretion, Avalara will determine the proposed Partner marketing activities to receive program funding and the amount of funding. Avalara may reject any application at its sole discretion for any reason. All funds remain the property of Avalara until paid. Partner acknowledges that approval of an application by Avalara does not establish entitlement to funds under MDF Terms and Conditions and that funds are only to be granted under MDF after review and approval by Avalara of Partner's submitted claim and Proof of Execution. Amounts approved for any program activity may be reduced or revoked at Avalara's discretion and Partner is liable for any balance due. To receive funding, all approved marketing activities must be completed before the expiration of any schedule set by Avalara. Partner is solely liable for any cost, fee, or other liability assumed under any agreement entered into between Partner and any third-party vendor associated with the program. Partner acknowledges and agrees that Avalara is not a surety or guarantor of Partner's payment or performance under any third-party agreement.
5. Either party may terminate Partner's participation in MDF at any time, with or without cause, by giving the other party written notice of termination. Partner's participation in MDF is automatically terminated if Partner's Referral Partner Agreement with Avalara has been terminated. Upon termination of a Partner's participation in MDF, all outstanding applications and claims are also terminated and no amounts shall be paid out to former Partners under MDF.
6. Participation in the Program is at Partner's sole risk. AVALARA DISCLAIMS ALL PROMISES OR GUARANTEES THAT ANY MARKETING CAMPAIGN OR OTHER PROGRAM ACTIVITY WILL BE SUCCESSFUL OR OTHERWISE LEAD TO AN INCREASE IN SALES OR PROFITS, IMPROVE GROWTH, OR ACHIEVE ANY OTHER DESIRED RESULT CONTEMPLATED BY THE PARTNER.

7. To ensure there is never a negative impression of Avalara based on where an advertisement is viewed, an agency, marketing, or ad execution partner is responsible for ensuring full compliance of [Avalara's brand guidelines](#) using all available paid media inventory management controls. Paid media inventory management includes the use of blacklists, blocked risk categories of sites, and ad verification technologies, agreeing that no ads containing an Avalara name or logo of any kind will appear on websites, radio programs, or podcast programs that contain the following unacceptable themes:
  - a. Politically charged content
  - b. Adult or sexual themes
  - c. Offensive language, or hate speech
  - d. Weapons/violence
  - e. Alcohol, drugs, or tobacco
  - f. Religious content

An execution partner and/or Avalara Partner is responsible for ensuring that any targeted inventory does not include any barred sites or programs.