Please note that these updated Service-Specific Supplemental Terms will apply to your Avalara Service upon any renewal or Service purchase made on or after October 15, 2025, and any renewal made on or after January 1, 2026.

U.S. and Canada Returns

These Returns Service-Specific Supplemental Terms ("***Returns Terms***") govern Customer's purchase and use of Managed Returns, Managed Returns Premium, and Returns for Hospitality. These Returns 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 in these Returns Terms and not defined have the meanings given in the Terms.

1. **Use of the Services**.

    a. **Account Setup**. Customer shall provide Avalara with all information requested by Avalara to establish and set up Customer's account (the "***Onboarding Requirements***"). Such information includes: (i) a list of taxing jurisdictions for which Customer requests Avalara prepare Returns (as defined in Section 3(a) below) (each, a "***Filing Jurisdiction***"); (ii) the start dates and frequency for filing Returns in each of the Filing Jurisdictions (the "***Scheduled Returns***"); (iii) the entities (e.g., Customer or its Affiliate) for which Avalara will be preparing Returns (the "***Filing Entities***") and which Filing Jurisdictions apply to each Filing Entity; (iv) tax registration numbers and login information for each Filing Entity in each Filing Jurisdiction sufficient to allow Avalara to identify and access each Filing Entity's account in that Filing Jurisdiction (the "***Account Information***"); (v) copies of each Filing Entity's previous filings in the Filing Jurisdictions, as requested by Avalara; (vi) completed power(s) of attorney for each Filing Entity, including the power of attorney described in Section 2(c)(i) (Funding) below; and (vii) other information necessary to properly configure Customer's Account and prepare the Returns. Customer authorizes Avalara to access Customer's accounts using Customer's Account Information. Customer is solely responsible for timely providing and maintaining accurate, complete, and current information regarding the Filing Jurisdictions, the Scheduled Returns, the Filing Entities, and the Account Information (collectively, the "***Filing Information***"), and Avalara has no obligation to audit, verify, correct, or maintain any Filing Information.

    b. **Changes to Filing Information**. Customer shall review its Filing Information periodically and shall promptly communicate any changes to Avalara. Customer shall submit any changes to the Filing Information to Avalara by the deadline specified in the Documentation. Any changes received after the deadline specified in the Documentation will be implemented and become effective in the subsequent month.

2. **Customer Obligations**.

    a. **Tax Data**. Customer is solely responsible for the accuracy and completeness of all the data necessary to properly complete Returns (the "***Tax Data***") and all Filing Information. Avalara does not audit, validate, or verify Tax Data. Customer shall transmit to Avalara via the method designated by Avalara all Tax Data for Customer's Return(s) before the Tax Liability Approval Deadline (as defined in Section 2(b) below).

    b. **Tax Liability**. Customer will be able to view and approve Customer's tax liabilities to Filing Jurisdictions, which are based on the Tax Data (each, a "***Tax Liability***"). Customer is solely responsible for the accuracy and completeness of Customer's Tax Liability and may modify its Tax Liability up to the deadline specified in the Documentation for Returns to be filed in that month ("***Tax Liability Approval Deadline***"). Customer's Tax Liability is updated daily to include new or edited data until the earlier of approval by Customer or the Tax Liability Approval Deadline. After the earlier of (i) Customer's approval or (ii) the Tax Liability Approval Deadline, Customer's Tax Liability is locked and deemed approved by Customer. Customer's Account will display any tax amounts due (the "***Taxes***") based on the approved Tax Liability. Customer acknowledges and agrees that its failure to provide accurate, current, and complete Account Information (for example, tax registration numbers) may limit Avalara's ability to file Returns and remit Taxes.

c. **Funding**. In accordance with this Section 2(c), Customer shall timely make sufficient funds available to pay the Taxes for any applicable Return ("***Tax Funds***") prior to the deadline specified in the Documentation. Avalara will not provide any Tax Funds. Notwithstanding any other provision of the Agreement, Customer shall defend, indemnify, and hold Avalara, its Affiliates, and their respective officers, directors, employees, and representatives harmless from any Losses arising out of or related to Customer's failure to timely provide immediately available Tax Funds for Taxes due. In order for the Tax Funds to be remitted timely to the applicable Filing Jurisdiction, Customer must do the following:

   i. Customer shall execute limited power(s) of attorney in the form requested by Avalara. Upon termination of Customer's subscription, Avalara shall cease to use any power or authority granted by a power of attorney signed by Customer.

   ii. Customer shall provide and maintain bank account information for a bank account (the "***Bank Account***") for which Customer has the authority to authorize in and outbound ACH transactions and from which Customer authorizes Avalara to draw by ACH to pay Customer's Taxes and any applicable fees and Expenses, by the deadline specified in the Documentation. Customer shall keep all information regarding the Bank Account current and up to date. Customer may only close or change a Bank Account with the prior written consent of Avalara, which consent will not be unreasonably withheld or delayed. Customer's failure to provide valid and current information regarding the Bank Account may result in errors or delays in the Service. Customer shall ensure the Bank Account is used solely for commercial purposes.

   iii. If the ACH payment Avalara draws from the Bank Account is cancelled or returned other than by Avalara, that will be considered a failure to timely fund the Bank Account. Avalara may suspend or terminate Customer's subscription immediately upon notice if Customer fails to timely and sufficiently fund the Bank Account.

   iv. Customer shall ensure the Bank Account has sufficient Tax Funds to pay the Taxes and, if applicable, Customer's fees and Expenses, by the deadlines specified in the Documentation. If Customer fails to timely fund the Bank Account, Customer shall remit payment for the Taxes plus any interest or penalties that may accrue directly to the applicable Filing Jurisdiction.

   v. Customer authorizes Avalara to (A) withdraw the Tax Funds to pay the Taxes in accordance with the Scheduled Returns, including making any required prepayments; and (B) if applicable, withdraw Customer's filing fees if charged by the Filing Jurisdictions and filing-related Expenses, if any.

3. **Avalara Obligations**.

   a. **Returns Preparation and Filing**. Avalara will prepare and file Returns for the Filing Entities and in the Filing Jurisdictions agreed by Avalara and Customer. Avalara may begin filing a Return as soon as Customer approves the related Tax Liability. Each (i) standard tax return filing, (ii) Non-Standard Form (as defined in Section 7(d) below), or (iii) prepayment mandated by a Filing Jurisdiction and submitted without (i) or (ii) prepared for one Filing Jurisdiction for one filing period will count as one "***Return***."

   b. **Funding**. Avalara will remit Taxes for the agreed-upon Filing Entities in agreed-upon Filing Jurisdictions, provided Customer has timely made Tax Funds available. Avalara shall not provide funds to pay Taxes. If Tax Funds are not timely available to Avalara for remitting, Avalara will file the Return(s) without payment where the Filing Jurisdiction permits filing a return without tax remittance.

      i. Avalara will draw upon the Bank Account to pay the Taxes. Typically, these draws occur between the 11th and 14th day of the month but may occur without notice at any time after the Tax Liability Approval Deadline. Notwithstanding the foregoing, if Customer owes any prepayments to Filing Jurisdictions, the draw may occur earlier.

      ii. Each month, if applicable, Avalara will draw upon the Bank Account to pay fees and Expenses due.

iii. Avalara shall hold the Tax Funds in a trust account prior to disbursement to the applicable Filing Jurisdiction. Avalara holds all Tax Funds in trust for the benefit of the applicable Filing Jurisdiction and shall not comingle the Tax Funds with its general funds but may comingle the Tax Funds with funds held in trust on behalf of other Avalara customers. Any interest earned on the Tax Funds accrues for the benefit of and is the sole property of Avalara.

c. **Carry-over Credits**. Avalara will apply any carryover credits or vendor discounts in accordance with the Documentation

4. **Notice Management**. Customer will receive all notices relating to Customer's Returns directly from Filing Jurisdictions. Some notices are informational in nature (for example, changes to the Scheduled Returns or tax rate changes) while others are error notices relating to Returns. In the Documentation, Avalara provides recommended actions for Customers to resolve informational notices. During the Subscription Term, for any error notice relating to a Return filed or Taxes remitted by Avalara, Customer shall immediately, and not later than 10 business days after the date of such notice, electronically deliver such notice to Avalara. Such notice must be submitted by following the instructions in the Documentation. During the Subscription Term, Avalara will respond to notices for Returns filed and Taxes remitted by Avalara. In the case of notices received by Avalara more than 10 business days after the date of the notice, Avalara may delay response or not respond or, if Customer asks Avalara to expedite the notice response and Avalara agrees, to charge an additional fee to expedite the notice response. Customer is responsible for responding to or otherwise addressing all other notices. Avalara shall have no responsibility for any notice management upon expiration or termination of the Subscription Term.

5. **Returns Guarantee**. Avalara provides a guarantee of the timeliness of Returns prepared and filed (the "***Returns Guarantee***") under the following terms:

a. If Customer receives a notice of late filing, failure to file, or a failure to remit Taxes that results in liability for penalties or interest due solely to Avalara's failure to timely prepare and file a Return it was obligated to file or to timely remit Taxes it was obligated to remit (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 are exhausted, or (ii) the amount of the fees paid by Customer 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 Returns Guarantee:

i. Customer must have met all of its obligations under the Terms and these Returns Terms, including providing and maintaining accurate, complete, and current Filing Information and Tax Data; timely providing all Tax Funds; and timely paying fees. To the extent the Avalara Error was caused by Customer's failure to perform any of the obligations in these Returns Terms or the Terms, the Returns Guarantee will not apply.

ii. Customer must not have requested changes to Customer's Tax Liability after the Tax Liability Approval Deadline.

iii. Customer must promptly forward any notices and relevant information from the Filing Jurisdiction within 10 days of the date of the notice.

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 Avalara's efforts to abate or reduce the amount of penalties or interest imposed by the Filing Jurisdiction.

c. For purposes of calculating the amount of the fees paid that are eligible for the Returns Guarantee payment, the amount will be the fees actually paid by Customer to Avalara for the applicable Service, 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, 2020, the period used in the calculation will be from April 1, 2019, to March 31, 2020). For clarity, the parties acknowledge that fees paid do not include any activation fees, fees for ancillary Professional Services, or any other one-time fees.

d. If the notice implicates other issues in addition to the alleged Avalara Error, the amount to be paid by Avalara under this Returns 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 Returns 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 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 subscription in good standing when the claim is submitted to Avalara to be eligible to receive payment under this Returns Guarantee.

6. **Data Storage**.

   a. **Included Storage**. The Service includes access to stored transaction data for the current and previous four calendar years.

   b. **Extended Storage**. Avalara will charge a fee to access older transaction data. Fees for access to older transaction data are based on the number of "***Stored Documents***" recorded prior to the previous four calendar years. Avalara will charge a number of Stored Documents equal to the greater of (i) the number of Documents (defined in the AvaTax Service-Specific Supplemental Terms) recorded; or (ii) the total number of invoice lines in the Documents recorded divided by 35. Avalara sells Stored Documents in increments of 25,000 (each increment, a "***Storage Unit***").

7. **Fees**. Customer agrees to pay fees based on Customer's subscription plan and usage of the Service. Customer shall participate in Avalara's automatic payment option and either authorizes Avalara to draw from the Bank Account by ACH transfer to pay fees and Expenses or will designate another automatic payment method for fees and Expenses.

   a. **Per-Return Fees**. The per-Return fee specified in Customer's subscription plan is based on Customer's estimated annual usage. Avalara reserves the right to adjust Customer's per-Return fee at the beginning of any Renewal Subscription Term if the actual number of Returns prepared during the Subscription Term just ended is fewer than the minimum number included in Customer's subscription plan. For example, if Customer's plan requires Customer to file at least 361 Returns each year, but Customer files only 100 Returns in a given year, then, effective upon the start of any Renewal Subscription Term, Avalara may adjust the per-Return fee charged to Customer to the then-applicable per-Return fee for the subscription plan that pertains to filing 100 Returns per year.

   b. **Avalara Cancellation Option**. If Customer has not begun filing Returns within 90 days after the Effective Date, Avalara reserves the right to cancel Customer's subscription and retain all prepaid, unused fees for the cancelled Service.

   c. **Non-Standard Forms**. If Customer requests (i) a form that is not offered by Avalara as a standard tax return; or (ii) a standard tax return that requires non-standard modifications to the standard tax return form (each a "***Non-Standard Form***"), Customer shall pay Avalara's then-current per-hour rate in quarter-hour increments for preparation and filing of the Non-Standard Form (one quarter hour minimum per Non-Standard Form).

   d. **Additional Fees**. If Customer fails to timely and completely provide accurate Onboarding Requirements, Filing Information, Tax Data, or Tax Funds, as applicable, or otherwise fails to fulfill any obligations under these Returns Terms, or if Customer requires a change to the standard process described in these Return Terms, Avalara may charge Customer additional fees. For example, Avalara may charge a fee: (i) if Customer does not provide Tax Funds prior to the deadline; (ii) for Avalara to unlock Customer's Tax Liability after it has been approved by Customer; (iii) for Avalara to change or reconcile requests received after the Tax Liability Approval Deadline; (iv) for Avalara to change the funding process because Customer has not timely funded the Bank Account; or (v) for Avalara to make a change to Customer's Tax Liability, Filing Information, Return(s), Tax Data, Tax Funds to be remitted, or any other standard process.

   e. **No Automatic Upgrade**. Notwithstanding anything to the contrary in the Terms, Customer's subscription will not be automatically upgraded to the next highest subscription tier.

8. **Termination; Termination for Cause**. Notwithstanding anything to the contrary in the Terms, the Subscription Term for Customer's subscription will terminate on the last calendar day of the month in which the Subscription Term would otherwise have terminated under the Terms. Customer may instruct Avalara not to file Returns in that or any other month by revising its Scheduled Returns. If the financial institution providing the Customer Bank Account instructs Avalara that Avalara must terminate this Agreement (for example, because Customer is conducting its business in violation of Applicable Law), Avalara may immediately terminate this Agreement upon written notice to Customer. In the event of such termination, Avalara will not refund any amounts to Customer.

9. **Data Transformation Services**. Customers utilizing Data Transformation Services shall deliver all Tax Data to Avalara by the fifth calendar day of the month in which the Tax Data is to be reported to the Filing Jurisdictions. "***Data Transformation Services***" are Services where Avalara converts Customer's transactional data that meets Avalara's minimum transactional data requirements (for any and all such files provided by Customer, the "***DTS Transactional Data***") into a complete data set that permits import into Customer's Account. Customer is responsible for ensuring that all information, files, and documentation included in the DTS Transactional Data are accurate, up-to-date, and complete to the best of Customer's knowledge. Customer is responsible for providing DTS Transactional Data to Avalara in a timely manner and Customer acknowledges and agrees that Avalara's provision of Data Transformation Services is dependent on Customer's timely delivery. Data Transformation Services are performed at Customer's direction and expense, pursuant to an Order Document, and the resulting data set is part of Customer's Tax Data.

   a. **One-time Implementation Services**. Avalara charges a fee for implementation for Data Transformation Services. The implementation includes all the work necessary to provision Customer and prepare Customer's Account to use Data Transformation Services. Implementation services are not performed between the 1st through the 10th day of each month and purchases made during that time will instead begin after the 10th day of that month.

   b. **Per-File Charge**. Avalara charges usage-based fees for Data Transformation Services on a per File basis. "***Files***" are calculated to be the sum, for all tabs of the DTS Transactional Data, of the numbers of lines on an individual tab divided by 100,000 (rounded up to the next whole number for any remainder).

   c. **Deviations from the Terms Pertaining to Data Transformation Services**.

      i. **Termination**. Except for implementation Services for Data Transformation Services, Customer may terminate its subscription to Data Transformation Services only, at any time, and Customer will remain liable for all fees incurred through the termination date.

      ii. **No Automatic Upgrade**. Customer's Data Transformation Services subscription will not be automatically upgraded to the next highest subscription tier.

10. **Customer Authorization for ACH Transactions; Compliance with NACHA Operating Rules**.

   a. **ACH Transactions; Debit and Credit Entries.** As part of the Service, Avalara will calculate and determine the amount and timing of various payments the Customer owes to third parties. Customer authorizes Avalara to initiate ACH transactions to and from the Bank Account (as defined below) to make these payments on behalf of Customer. "***ACH***" means the automated clearing house for electronic funds transfers governed by the rules and guidelines of NACHA.

Customer authorizes Avalara to initiate (i) ACH debit entries to pull funds from the Bank Account; and (ii) ACH credit entries on Customer's behalf from the Bank Account directly with the depository institution holding the Bank Account. Customer agrees that Avalara has the full power and authority to initiate such ACH transactions as part of the Service and pursuant to the Agreement. Customer authorizes Avalara to initiate both debit and credit entries for ACH transactions to and from a non-consumer account under then-current version of the *NACHA Operating Rules & Guidelines* (the "***NACHA Operating Rules***") published by the National Automated Clearing House Association ("***NACHA***").

b. **Avalara to Retain Bank Account Information.** Avalara may retain and use the Bank Account information to effect ACH transactions under the Agreement or as Customer otherwise instructs from time to time.

c. **Funding the Bank Account.** If Customer fails to timely and sufficiently fund the Bank Account, Customer shall remit all remaining amounts due plus any interest or penalties that may accrue as a result of such shortfall. Any failure to timely fund the Bank Account may result in errors or delays in the Service. Avalara shall not be liable for, and Customer shall indemnify Avalara for any losses, damages, fines, fees, assessments, or other amounts owed to any third party (including NACHA, Customer's Bank, or any other financial institution with which Avalara partners to provide Services on behalf of Customer) resulting from, or related to, Customer's failure to provide sufficient funding to the Bank Account. Avalara reserves the right, in its sole and absolute discretion, to suspend or terminate Customer's access to the Service immediately upon notice if Customer fails to timely and sufficiently fund the Bank Account.

d. **Compliance with the NACHA Operating Rules**. The funding process described herein is subject to the NACHA Operating Rules. As it relates to the ACH transactions initiated by Avalara, Customer specifically agrees to the following NACHA requirements: (i) Customer will comply with all applicable requirements under the NACHA Operating Rules; (ii) Customer authorizes Avalara to originate the ACH transactions for the amounts, and at the times, described in Section 3(b); and (iii) Customer will comply with the laws of the United States in its use of the Service under this Agreement, including through the origination of any ACH transactions by Avalara from the Bank Account on behalf of Customer.

e. **Additional Authorizations; Interactions with Depository Institutions.** Customer agrees to provide Avalara with any other document, instruction, agreement, or other consent necessary for Avalara to carry out the ACH transactions, whether under Applicable Law, the NACHA Operating Rules, or otherwise. Customer authorizes Avalara to provide this Agreement or any portion hereof to any depository institution as proof of Avalara's authority to initiate the ACH transactions to or from the Bank Account. Customer agrees to ensure that the Bank Account does not have any ACH debit blocker, ACH filter, "positive pay", or other fraud deterrence mechanism in place which would have the effect of preventing Avalara from initiating ACH transactions to and from the Bank Account. As necessary, Customer agrees to add Avalara as a permitted party to initiate ACH transactions from the Bank Account and provide any other notices or approvals to Customer's Bank to permit Avalara to initiate ACH transactions. Any failure to add Avalara as a party to initiate ACH transactions to the Bank Account may result in errors or delays in the Service. Avalara shall not be liable for, and Customer shall indemnify Avalara for any losses, damages, fines, fees, assessments, or other amounts owed to any third party (including, but not limited to, NACHA, Customer's Bank, or any other financial institution with which Avalara partners to provide Services on behalf of Customer) resulting from, or related to, Customer's failure to allow Avalara to initiate ACH transactions to or from the Bank Account.

f. **Termination.** In addition to any other applicable termination rights, Avalara may terminate the Agreement for Customer's non-compliance with the NACHA Operating Rules if such breach or non-compliance is not cured within 10 days of Avalara first notifying Customer of its non-compliance.

g. **Audit Rights.** Avalara has the right to audit Customer's use of the Service, at a time and location mutually agreeable to both Customer and Avalara, to ensure compliance with the NACHA Operating Rules and the Agreement.

h. **Avalara Not a Bank or Other Financial Institution.** Customer acknowledges and agrees that Avalara is not a bank, depository institution, or other financial institution and does not open, maintain, or hold an account or receive funds for, from, or on behalf of Customer. Any funds not immediately distributed to intended recipients as part of the Service will be maintained in bank accounts held by the Avalara Client Trust for ultimate distribution to the intended recipients.