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. Under the updated MDF program, Partners select a pre-defined MDF Package executed on their behalf by an Avalara-approved third-party vendor ("***Approved Vendor***"), and Avalara reimburses the Approved Vendor 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 Toolkit describes requirements for Partners to follow to request and receive MDF from Avalara.

See the MDF Toolkit 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.

Approved Vendors & Consent to Share Contact Information

Under the MDF program, Partner may engage an Approved Vendor to create co-branded marketing materials and execute marketing activities under an MDF Package, pursuant to a direct agreement between Partner and the Approved Vendor. Partner acknowledges and agrees that: (i) Avalara grants the Approved Vendor the right to use the Avalara Assets and Avalara Marks directly, under a separate agreement between Avalara and the Approved Vendor, and not by sublicense, assignment, or transfer from Partner; and (ii) Partner remains responsible for its own use of any co-branded materials produced by the Approved Vendor for Partner, including compliance with Avalara's brand guidelines.

Upon Partner's selection of an Approved Vendor and an MDF Package through the MDF Platform, and Avalara's approval of that selection, Partner consents to Avalara sharing Partner's contact information (including Partner's name, company name, phone number, and email address) with the selected Approved Vendor so the Approved Vendor can contact Partner to kick off the campaign.

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. 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 and select an Approved Vendor and MDF Package through the MDF Platform. The Approved Vendor must 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 MDF program are: H1 (January 1 through June 30) and H2 (July 1 through December 31).

- Proof of Execution (POE), which includes Proof of Performance (POP), Proof of Cost (POC), and new IPRs, 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 Package amount selected by the Partner and must be supported by the appropriate POE and POC requirements outlined in the MDF Toolkit. 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 Package amount, at Avalara's discretion, depending upon required documentation supporting each claim request.
- All reimbursements will be paid directly to the Approved Vendor and not to Partner, subject to Avalara's approval of the required POE. In no event will Avalara reimburse more than the MDF Package amount selected by Partner.

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.

Market Development Funds Expiration

If an Approved Vendor executes an activity in the time frame specified in the MDF Toolkit, the Approved Vendor 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. Partner remains responsible for any amounts owed to an Approved Vendor for out-of-package or unapproved work associated with expired activities.

Market Development Funds Process Flow

1. Avalara invites eligible Partners and notifies them of funding availability for the applicable Fund Period (H1: Jan–Jun; H2: Jul–Dec).
2. Partner selects an Approved Vendor and MDF Package within their approved funding tier through the MDF Platform.
3. Avalara reviews and approves the selection prior to kickoff.
4. The Approved Vendor coordinates with Partner, then creates and executes the agreed co-branded activities on Partner's behalf.
5. The Approved Vendor or Partner delivers any IPRs generated to Avalara.
6. The Approved Vendor submits a claim with Proof of Execution through the MDF Platform.
7. Avalara reviews and approves or rejects the claim.
8. Upon approval, Avalara reimburses the Approved Vendor directly.

Approved Activities

Approved activities are set forth in the MDF Toolkit.

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.

Definitions

"***Approved Vendor***" means a third party approved by Avalara to provide MDF services to Partners under the updated MDF program pursuant to a separate agreement between Avalara and such vendor.

"*Inbound/Influenced Partner Referral*" ("*IPR*") means a prospect attributed to a Partner through an approved MDF-funded marketing activity, as determined by Avalara's attribution methodology, including the prospect's name, company, email address, and other available contact information.

"***MDF Package***" means a pre-defined package of MDF marketing services offered at a specified funding tier and made available through the MDF Toolkit and the MDF Platform for selection by Partners.

"***MDF Platform***" means the platform used by Avalara to manage the MDF program, including MDF Package and Approved Vendor selection, activity pre-approval, claim submission, and claim review.

"***MDF Toolkit***" means the Avalara MDF toolkit describing the available MDF Packages, the approved activity list, and applicable brand and usage guidelines, located at https://avalara1.sharepoint.com/:b:/s/PartnerMarketing/IQCWcN-uf_bYQZIhO2jnIIx8AcuksQg4yh9LQblZ9vv_xQU?e=qPGKIE, as updated by Avalara from time to time.

"***Proof of Cost (POC)***" means 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

"***Vendor invoice***" means an Approved Vendor-issued cost document. See POC document requirements listed above.

"***Proof of Execution (POE)"*** means Proof of Cost, Proof of Performance, and Proof of Avalara representation.

"***Proof of Avalara representation***" means 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). All produced marketing materials, assets, events, etc., whether digital or non-digital, must include Proof of Avalara representation.

"***Proof of Performance (POP)"*** means 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 MDF Toolkit for more information.

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. Participation in the MDF program requires Partner to select an approved MDF Package executed by an Approved Vendor. 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 and Premier 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 MDF Package 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 Approved Vendor'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 Approved Vendor for services outside the scope of an approved MDF Package 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 further claims by an Approved Vendor on behalf of such Partner will be approved.

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.