

Managed Services - Withholding

This Data Sheet is effective for orders placed on or after November 9, 2021.

This Data Sheet describes the following Managed Services available for Withholding to be provided by Sovos Compliance, LLC ("Sovos") to the customer named on an applicable Order Form (the "Customer") in accordance with this Data Sheet.

- Managed Services – 1099/1042-S Withholding
- Managed Services – Taxport Withholding

Through these Managed Services, Sovos handles the remittances to regulatory agencies and assists Customer with proper reporting with the appropriate regulatory agencies.

1 DEFINITIONS.

1.1 **"Remittance"** means a distinct tax withholding payment made or initiated by Sovos to any jurisdiction to include but not limited to US federal, state, or locality payments.

1.2 **"System"** means the Software and Sovos Data.

2 MANAGED SERVICES - WITHHOLDING.

2.1 **Sovos Responsibilities.** Sovos will (i) import Customer liability data into the Withholding Solution; (ii) utilize liability data reflected in the Withholding Solution to initiate payments to regulatory agencies; (iii) complete regulatory filings on a timely basis; (iv) document payment and filing details for audit purposes; and (iv) utilize the Withholding Solution to provide Customer with information needed to complete their quarterly and annual reconciliations. Sovos will perform the Managed Services in accordance with the provisions of the Governing Agreement, Sovos' Withholding Managed Services Policies and Procedures, and any additional documentation as required by Sovos.

2.2 **Customer Responsibilities.** Customer is responsible for (i) providing accurate withholding tax liability information for withholding tax payments and return filing to the agencies; (ii) ensuring proper funds are held within the financial account; (iii) ensuring accuracy of financial data for remittances to the appropriate regulatory agencies; and (iv) providing Sovos with transactional withholding data daily by 9:00am CST.

2.3 Customer shall have access to, and use of, either Sovos TIR Taxport – Withholding or Sovos Withholding Compliance – 1099/1042-S (each the "Withholding Solution"), depending on which Managed Services option Customer purchases. Customer may use the Withholding Solution to address rejected files and approval requests as well as to review/download reports.

3 **CHANGES.** Sovos may, from time to time and in our discretion, make changes to this document or the terms and conditions set forth herein, provided

however, in no event shall Sovos make any changes that will degrade the products or services applicable to this Data Sheet without prior written notice to Customer. When Sovos makes changes hereto which do not degrade the products or services applicable to this Data Sheet, Sovos will provide notice as appropriate under the circumstances, e.g., by displaying a notice within the applicable Sovos products or services by updating the Data Sheet located at <https://sovos.com/customer-legal-data-sheets/> or by sending Customer an email.

4 **TERMS AND CONDITIONS.** Customer's execution of an applicable Order Form for the Services applicable to this Data Sheet signifies Customer's agreement to the terms and conditions in this Data Sheet and its acknowledgment that the Software and Services are provided under and is governed by such applicable Order Form and the separate written agreement between the parties that expressly governs Sovos' delivery of products and services (the "Governing Agreement").

5 **DEFINED TERMS.** Except as defined herein or otherwise required by the context herein, all defined terms used in this Data Sheet have the meaning set forth in the Governing Agreement.

This document constitutes a Data Sheet as defined in the Governing Agreement.

SOVOS MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN THIS DOCUMENT.