



Managed Services – Sovos Filing

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

- **Managed Services – Sovos Filing – Professional.** Sovos' managed services team provides sales and use tax return preparation, filing and payment remittance on behalf of customers to US state and local government agencies as well as manages agency notices related to use tax returns and remittance.
- **Managed Services – Sovos Filing – Standard.** Sovos' managed services team provides sales and use tax return preparation, filing and payment remittance on behalf of customers to US state and local government agencies. Managed Services – Sovos Filing – Standard includes a subset of the taxability codes available for Managed Services – Sovos Filing – Professional.

1 DEFINITIONS.

1.1 "Return" occurs each time a tax form is delivered to a taxing authority for each of Customer's (i) legal entities; and (ii) individual business locations, where required.

2 MANAGED SERVICES.

2.1 **Sovos Responsibilities.** Sovos will (i) prepare Returns for Customer using transactional data from the applicable filing period transmitted from Customer to Sovos; (ii) mail or electronically submit the Returns to the applicable taxing jurisdiction on behalf of Customer; and (iii) remit Customer's taxes due for any Returns prepared and filed by Sovos to the applicable taxing jurisdictions. Sovos will perform the Managed Services in accordance with the provisions of the Governing Agreement, Sovos' policies and procedures, and any additional documentation as required by Sovos, including client account agreements and/or powers of attorney. Customer expressly authorizes Sovos to submit tax filings and make tax payments on Customer's behalf. Sovos shall retain copies of each Return filed for Customer by Sovos for a period of three (3) months from the date of filing the Return to the applicable taxing jurisdiction. During the three (3) month period set forth above, Sovos will make copies of all such Returns available to Customer. Customer will be solely responsible for retaining such copies in accordance with applicable statutory and regulatory requirements. Sovos is not acting as a financial institution and is not a party to the transactions between Customer and its customers. Sovos will initiate debits from Customer's designated bank account for the funding of all of Customer's tax payments in accordance with the client account agreement and Sovos' policies and procedures for the Managed Services offering Customer purchases. The Managed Services provided hereunder will be based upon information provided to Sovos by Customer (including proof of federal, state and local tax identification numbers).

2.2 **Customer Responsibilities.**

2.2.1 Customer is responsible for (i) the accuracy of nexus and taxability determinations; and (ii) reconciliation of Customer data with Sovos output. Customer is solely responsible for audit defense. Upon Customer's written request, Sovos will provide Customer with documentation and information related to the Managed Services performed by Sovos for Customer. Customer agrees to execute and deliver to Sovos any limited powers of attorney, client account agreements or any other authorization documentation necessary for Sovos to provide the Managed Services to Customer. Upon receipt from Sovos, whether electronically or otherwise, Customer will promptly review all tax returns and other reports prepared by Sovos for validity and accuracy according to Customer's records and Customer agrees that it will promptly notify Sovos of any discrepancies. Sovos is not, and will not be, Customer's official record keeper. Accordingly, Customer will, to the extent it deems necessary, keep copies of all source documents of the information delivered to Sovos.

2.2.2 **Funding.** Sovos' obligation to provide the Managed Services is contingent upon Customer (a) having sufficient, good and available funds in Customer's account; or (b) providing sufficient funds to Sovos via the method of delivery required by Sovos, within the deadline established by Sovos to satisfy Customer's tax filing payment obligations in their entirety. Customer shall be

liable for debits properly initiated by Sovos hereunder. Sovos may commingle Customer's impounded funds with other customers', Sovos' or Sovos-administered funds of a similar type. All amounts earned on such funds while held by Sovos will be for the sole account of Sovos or its service providers.

2.3 Managed Services are subject to the operating rules of the National Automated Clearing House Association ("NACHA"). Sovos and Customer each agree to comply with the NACHA rules applicable to it with respect to the Managed Services.

2.4 Customer shall have Access and use of Sovos Sales and Use Tax Filing Cloud Solution ("Sovos Filing for Services"). Customer's use of the Cloud Solution shall be subject to the restrictions on use set forth in the Governing Agreement and any applicable Data Sheets.

3 **CHANGES.** Sovos may, from time to time and in its sole 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 **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.

5 **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 Services are provided under and are governed by such applicable Order Form and the separate written agreement between the parties that expressly governs Sovos' delivery of Software and Services (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.