

## Sovos Compliance Network

This Data Sheet is effective for orders placed on or after 08<sup>th</sup> of December 2023.

This Data Sheet describes the following cloud and on-premise solutions and services (the "Software") to be provided by the Sovos entity identified in the Order Form ("Sovos") that includes these products to the customer named on an applicable Order Form (the "Customer") in accordance with this Data Sheet:

- **Sovos Compliance Network - Transactions:** Provides a cloud-based solution for electronic Invoice Processing, using supported Standards, Frameworks and Interoperability Agreements. A subscription to this Product is required to enable any of the other Products in this Data Sheet.
- **Sovos Compliance Network - [COUNTRY]:** Provides a cloud-based solution that applies Compliance to Invoice Processing in respect of the named Country.
- **Sovos Compliance Network - Interoperability:** Provides cloud-based solution that extends Invoice Processing by using custom Standards and/or Interoperability agreements.
- **Sovos Compliance Network - Long Term Archiving:** Provides cloud-based, Compliant Archiving beyond 12 months.
- **Sovos Compliance Network - Additional Tax IDs:** Extends the provision of selected Compliance Network products to additional Tax IDs of the Customer.
- **Sovos Compliance Network - Private Cloud:** Provides a private, dedicated instance of Sovos Compliance Network cloud-based products, hosted by Sovos for the Customer.
- **Sovos Compliance Network - Additional Source Systems:** Extends Sovos Compliance Network connectivity to integration with multiple Source Systems of the Customer.

### 1 DEFINITIONS.

- 1.1 **"Invoice"** means electronic invoices, credit notes, corrective invoices and other documents supported by Sovos.
- 1.2 **"Invoice Processing"** means the electronic exchange of Invoices with Trading Partners and/or Compliance (when purchased) and subsequent archiving for 12 months, as supported by Software.
- 1.3 **"Trading Partners"** means customers and suppliers of the User Organization who are connected with the Software either directly or via Interoperability Agreements or via Frameworks and available to be reached for Invoice Processing.
- 1.4 **"Standards"** means Invoice document or data formats, transmission protocols, authentication mechanisms, and other technical means required to enable Invoice Processing. Supported Standards are described in the Documentation. Custom Standards may be agreed separately.
- 1.5 **"Interoperability Agreements"** means bilateral agreements and procedures for Invoice Processing via third-party platforms designated by private or public sector Trading Partners that are not reachable via Frameworks. Supported Interoperability Agreements are described in the Documentation. Custom Interoperability Agreements may be agreed separately.
- 1.6 **"Frameworks"** means non-proprietary, rules-based specifications and services, allowing the seamless technical interoperability between Invoice Processing Networks and platforms at no charge between the participating networks (e.g. PEPPOL). Supported Frameworks are described in the Documentation. Custom Frameworks may be agreed separately.
- 1.7 **"Source System"** means any transactional system (e.g. ERP, accounting package, billing system, accounts payable system, etc.) that connects to the Software.
- 1.8 **"Country"** or **"Territory"** means a country, or an administrative jurisdiction within that country, under whose VAT laws the User Organization requires Invoice Processing.
- 1.9 **"Compliance"** means Product functionality generally available and supported by Software as outlined in the Documentation, designed to assist the Customer with conforming to the requirements pertaining to Invoice Processing within each named Territory.
- 1.10 **"Compliant Archiving"** means Product functionality generally available and supported by Sovos as outlined in the Documentation, designed to assist the User Organization with conforming to the requirements pertaining to the archiving of Invoices within each Territory. Compliant Archiving is made available by Sovos during a Customer's active subscription to "Sovos Compliance Network - Long Term Archiving".
- 1.11 **"Private Cloud"** means a dedicated instance of the Software, with isolated access, hosted by Sovos.
- 1.12 **"Transaction"** means an interaction in which a Customer end-user (person or machine) executes a request in the Software that generates an expected response. Invoice Processing may require several Transactions per Invoice to be completed, whether transmitted individually or aggregated. A request whose file size exceeds 150kb will be considered additional Transactions for each increment of 150kb.
- 1.13 **"Production Instance"** means the use of Sovos Software for data transmission or reception on a live environment to or from Customer System.
- 1.14 **"Tax ID"** means a tax identification number ID or legal entity.
- 1.15 **"User Organization"** means a legal entity authorized to use the Software, which can be the Customer or, if applicable under an Order Form or the Governing Agreement, an Authorized Affiliate or a Customer's customer.
- 1.16 **"Documentation"** means the user instructions, release notes, manuals and on-line help files, as updated and generally made available by Sovos from time to time, regarding the use of the Software.

### 2 SOFTWARE

- 2.1 All Sovos Software is licensed separately. Sovos will provide Customer with credentials to test systems to allow appropriate configuration and testing.
- 2.2 When subscribing to "Sovos Compliance Network - Transactions", Invoice Processing shall include:
  - 2.2.1 Standard integration through one Source System of the Customer, via Standards;
  - 2.2.2 Issuing or receiving Invoices from one Customer legal entity and tax ID;
  - 2.2.3 Standard human-readable rendering of the Invoice content and email notification layouts;
  - 2.2.4 Delivery of outbound Invoices via email notification, where the respective recipient Trading Partner is not connected with the Sovos Compliance

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Network at the time of contracting or is unavailable to be reached.

### **3** OFFBOARDING:

3.1 Upon termination of the Agreement or the applicable Order Form, or the subscription for 'Sovos Compliance Network - Long Term Archiving', Sovos will maintain all data pertaining to User Organizations in the Cloud Solution for a maximum period of thirty (30) calendar days, to allow the User Organization to carry out the data off-boarding. Unless otherwise agreed in writing with the User Organization, one month after the termination of the Agreement or the Order Form, Sovos will permanently delete the data. Customer acknowledges that, upon expiration of the applicable storage period, or upon termination of the Agreement or the applicable Order Form, stored e-invoices, attachments, meta-data and preservation sets, when applicable, are permanently deleted by Sovos and rendered logically inaccessible.

### **4** CUSTOMER RESPONSIBILITIES.

4.1 **Technical and process aspects:** (i) Customer shall ensure that data sent to the Software represents only legitimate production business data pertaining to User Organizations; (iii) Customer shall ensure that all data sent to the Software is appropriately formatted and contains the information required for the correct performance of the Software according to Sovos' Documentation.

4.2 **VAT and other compliance aspects:** (i) Customer shall ensure that all the necessary legal authorizations are obtained, to enable Sovos to execute Invoice Processing Services; (ii) Customer is responsible to comply with any requirements for prior notification, authorization, system documentation, derogation or any other types of government, authority or law enforcement approval that may be required as a precondition for using the Software; and (iii) Customer is responsible for requirements related to invoice data in accounting systems, including reporting, presentation, audit, analysis etc. as well as the determination of applicable law and jurisdictions for invoices, and the country of establishment of the User Organization's legal entity.

### **5** LICENSE METRICS:

5.1 **Sovos Compliance Network – Transactions:** is licensed by the number of Transactions.

5.2 **Sovos Compliance Network - [COUNTRY]:** is licensed on a Territory by Territory basis per Customer.

5.3 **Sovos Compliance Network – Interoperability:** is licensed by the number of Transactions.

5.4 **Sovos Compliance Network - Long Term Archiving:** is licensed by the number of Transactions.

5.5 **Sovos Compliance Network - Additional Legal Entities/Tax IDs:** is licensed by number of Tax IDs/Legal Entities.

5.6 **Sovos Compliance Network - Private Cloud:** is licensed by number of Private Clouds.

5.7 **Sovos Compliance Network - Additional Source Systems:** is licensed by number of Source Systems.

**6** INTEGRATION AND ADAPTERS. Unless otherwise specified and described in a SOW, the Customer is solely responsible for data mapping and integration with the Software as described in the Documentation. Customer may purchase the right to use a Standard Adapter (e.g. Sovos VAT eInvoice SAP Connector – COUNTRY/REGULATION), if available from Sovos. Customer's use of such Standard Adapter is subject to all terms and conditions of the Agreement. If no Standard Adapter is available or purchased by Customer, Customer is responsible for: (i) developing and maintaining the adapter; and (ii) updating the adapter to be compatible with new releases of the System and Customer's application. Sovos can provide adapter services on a time and materials basis pursuant to the Services provisions of the Governing Agreement. **SOVOS PROVIDES NO WARRANTY, SUPPORT OR MAINTENANCE FOR ANY NON-STANDARD ADAPTER.**

**7** 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.

**8** TERMS AND CONDITIONS. Customer's execution of an applicable Order Form for the products applicable to this Data Sheet signifies Customer's agreement to the terms and conditions in this Data Sheet and its acknowledgment that the Products 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").

**9** 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.**