**SOVOS**

Data Sheet

# Sovos Withholding Compliance Cloud Solution for Return eFiling

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.

**Sovos Withholding Compliance (Cloud) – Return eFiling:** A cloud-based solution that allows Customer to file 945 and/or 1042 federal withholding tax returns electronically through IRS' MeF Program.

## 1    DEFINITIONS.

1.1   "**FEIN**" (Federal Employer Identification Number) means a unique number assigned to a business entity for tax reporting purposes, or relevant tax identification number provided by the respective tax authority.

1.2   "**Filing Return(s)**" means a tax withholding return, either form(s) 945 and/or 1042, submitted by Sovos to the IRS.

1.3   "**MeF**" (Modernized e-File) is an IRS program that allows filers to file withholding tax returns electronically.

## 2.    SOVOS WITHHOLDING COMPLIANCE (CLOUD) – RETURN EFILING ("**Software**").
Customer must utilize the Sovos standard import template when uploading information into the Software. The Software will use Sovos' MeF credentials to file with the IRS. If information submitted through the Software is incomplete or not accepted by the IRS, it is Customer's responsibility to correct and re-submit the information. The use of the Software is limited to the number of FEINs and number of Filing Returns purchased on the Order Form and any use exceeding this number is subject to standard overages. Sovos will not support filings for Form 7004.

## 3.    THIRD PARTY ADMINISTRATORS.

3.1   If Customer is using Sovos Withholding Compliance (Cloud) – Return eFiling in its role as a third party administrator (to process forms for the benefit of its own clients), then the following shall apply: Sovos hereby grants Customer the non-exclusive, non-assignable, non-transferable, limited right to Access and use the Software solely to process data for third parties (hereinafter "Customer's Clients"). Customer's Clients shall not have direct access to the Software, but Customer may provide Software output to Customer's Clients. Customer's Clients may only receive Software output for their own internal use and may not act as a service bureau or electronic commerce server.  Customer shall not make any warranties or representations on behalf of Sovos to any End User or bind Sovos to any contract with End Users. Customer shall defend, indemnify and hold Sovos harmless against any and all third-party claims of liability (including but not limited to court costs and attorneys' fees) arising from Customer's use of the Software for the purpose of processing data for Customer's Clients or from such party's receipt of Software output, including, but not limited to, forms and/or filing, or tax calculations. Customer understands that the Software will use Sovos' MeF credentials to file with the IRS.  It is Customer's responsibility to make this clear with Customer's Clients.

### 3.2   8879 Forms.

3.2.1   Form 8879-WH and Form 8879-EMP ("8879 Forms") are documents used in the United States for authorizing an Electronic Return Originator (ERO) to use a Personal Identification Number to electronically sign a withholding or employment tax return. When taxpayers use an ERO to electronically file their employment and/or withholding tax returns, the IRS requires a PIN to be used as the authorized signature on the return. Form 8879-WH and Form 8879-EMP

serve this purpose. If electronically filing 945 Filing Returns, completed 8879-EMP Forms are required. If electronically filing 1042 Filing Returns, completed 8879-WH Forms are required.

3.2.2   Customer is required to obtain authorization from its Clients to be the signer for 8879 Forms granting Sovos permission to electronically file on their Clients' behalf.  With this authorization and Customer's digital signature uploaded into the Software, Customer can generate completed 8879 Forms within the Software. If Customer does not have permission from its Clients be the signer for 8879 Forms, then Customer must obtain a completed 8879 Form from its Clients and attach it to the appropriate record within the Software to electronically file 945 or 1042 Filing Returns on the Clients' behalf. Customer will not be able to electronically file without a completed 8879 Form attached to the correct record within the Software.

4.    Customer shall have Access and use of Sovos Withholding Compliance (Cloud) for the purpose of submitting 945 and/.or 1042 Filing Returns. 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.

5.    **CHANGES**. Sovos may, from time to time and in its 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 Sovos' obligations under this Data Sheet without prior written notice to Customer. When Sovos makes changes hereto which do not degrade Sovos' obligations under 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.

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

7.    **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.