

# Cloud Solutions for Tax Determination

This Data Sheet describes the following On-Premise and Cloud Solutions to be provided by Sovos Compliance, LLC and/or its affiliates ("Sovos") to the customer named on an applicable Order Form ("Customer") in accordance with this Data Sheet:

- **Sovos Sales Tax for POS:** A cloud-based indirect tax application that can be used to generate files containing Sovos' tax rates and rules based on a set of locations and good/service codes defined by the user. The tax content that is used is the same as that which is available in Sovos Tax Determination (specific to tax rules as opposed to situs rules). This Software is for the Sovos-defined file format and will be the primary source for calculation within the user's native (non-Sovos) tax engine.
- **Sovos Sales Tax for POS Backup:** A cloud-based indirect tax application that can be used to generate files containing Sovos' tax rates and rules based on a set of locations and good/service codes defined by the user. The tax content that is used is the same as that which is available in Sovos Tax Determination (specific to tax rules as opposed to situs rules). This Software is for the Sovos-defined file format and will be used as a method of content backup.
- **Sovos Sales Tax for POS – Defined Source System:** A cloud-based indirect tax application that can be used to generate files containing Sovos' tax rates and rules based on a set of locations and good/service codes defined by the user. The tax content that is used is the same as that which is available in Sovos Tax Determination (specific to tax rules as opposed to situs rules). This Software is for the source system-defined file format and will be the primary source for calculation within the user's native (non-Sovos) tax engine.
- **Sovos Sales Tax for POS Backup – Defined Source System:** A cloud-based indirect tax application that can be used to generate files containing Sovos' tax rates and rules based on a set of locations and good/service codes defined by the user. The tax content that is used is the same as that which is available in Sovos Tax Determination (specific to tax rules as opposed to situs rules). This Software is for the source system-defined file format and will be used as a method of content backup.
- **Sovos Tax Determination – Committed Transactions:** A cloud-based solution calculating and storing tax determination results for licensed indirect tax types. The Software requires the purchase of Sovos Tax Determination – Sales Tax Sovos Tax, Determination – Use Tax, and/or Sovos Tax Determination – VAT.
- **Sovos Tax Determination – Quoted Transactions:** A cloud-based solution calculating tax determination results for licensed indirect tax types. The Software requires the purchase of Sovos Tax Determination – Sales Tax Sovos Tax, Determination – Use Tax, and/or Sovos Tax Determination – VAT.
- **Sovos Tax Determination – Sales Tax:** A cloud-based solution for indirect tax (e.g. goods and service, and sales tax) determination solution for the US and Canada, which integrates with customers' ERP or financial applications, that automatically calculates taxes for sales and rentals.
- **Sovos Tax Determination – Use Tax:** A cloud-based solution for indirect tax (e.g. goods and service and use tax) determination solution for the US and Canada, which integrates with customers' ERP or financial applications, that automatically calculates taxes for purchases and rentals.
- **Sovos Tax Determination – VAT:** A cloud-based value-added tax determination solution, which integrates to customers' ERP or financial application, that is powered by global content that automatically calculates value-added taxes, with the exception of Brazil.
- **Sovos Global Tax Determination – Batch Processing:** An add-on to Sovos Tax Determination – Committed Transactions or Sovos Tax Determination – Quoted Transactions that automatically calculates taxes for sales, purchases and rentals in non-real time batches for deferred calculation.
- **Sovos Tax Determination – Hybrid Cloud:** A cloud-based solution that is an add-on to Sovos Tax Determination – Committed Transactions Sovos Tax Determination – Quoted Transactions that allows for calculation of indirect tax even if the Sovos Tax Determination Cloud Solution is offline. The calculation happens on premise while reporting, configuration and database are housed in Sovos' cloud environment.
- **Sovos Tax Determination – Secure Data Share:** A cloud-based solution that is an add-on to Sovos Tax Determination – Committed Transactions Sovos Tax Determination – Quoted Transactions that provides Customer with direct access to a Sovos hosted Snowflake database containing only Customer's data, which allows Customer to query database tabled, create custom reports, and plug Snowflake into business intelligence tools.

## 1 DEFINITIONS.

**1.1 "Committed Transaction"** means any time the System calculates and stores a tax determination for Customer. In the event the Order Form does not include Committed Transactions as a Metric for the subscription, Customer's Committed Transaction volume will be capped at 5,000,000 or an amount reasonably consistent with Customer's prior usage of Sovos determination Software.

**1.2 "Credits"** are used to pay for the processing time used for queries to Snowflake for Sovos Tax Determination – Secure Data Share. Customer acknowledges that plugging Snowflake into business intelligence tools and syncing will cause Credits to be consumed.

**1.3 "Quoted Transaction"** means any time the System calculates a tax

determination for Customer. In the event the Order Form does not include Quoted Transactions as a Metric for the subscription, Customer's Quoted Transaction volume will be capped at 50,000,000 or an amount reasonably consistent with Customer's prior usage of Sovos determination Software.

**1.4 "Standard Adapter"** means software developed and made generally commercially available by Sovos for the purpose of integrating the Software.

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

**2 INTEGRATION AND ADAPTERS.** Customer is solely responsible for data mapping. Customer may purchase the right to use a Standard Adapter, 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 Professional Services provisions of this Governing Agreement. SOVOS PROVIDES NO WARRANTY, SUPPORT OR MAINTENANCE FOR ANY NON-STANDARD ADAPTER.

3 Access and use of the Cloud Solution may require certain components of the Software to be installed in Customer's data center. In such event, use of such components of the Software installed in Customer's data center will be limited to Customer's Access and use of the Software and subject to the restrictions on use set forth in the Governing Agreement and any applicable Data Sheets.

4 Customer is solely responsible for any liabilities, penalties, or interest related, but not limited to, (i) the proper application of sales, use and value-added tax, (ii) the proper determination of Customer's nexus to any jurisdiction, (iii) the applicability of taxes for Customer's products and services, (iv) use tax determination and calculation, (v) determination of exempt sales applicable to Customer's transaction, (vi) Customer's failure to perform any obligation or responsibility under the Agreement.

5 **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.

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 Software 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.