

Sovos Statutory Reporting Cloud Subscription Agreement

Last Modified: March 18, 2020

This Cloud Subscription Agreement (the "Agreement") establishes the general terms and conditions that govern your access to and use of certain Sovos Statutory Reporting Software as identified on the applicable Order Form.

Please read the Agreement carefully before commencing use of the Software. **By clicking to accept or agree to the Agreement when this option is made available to you, you accept and agree to be bound and abide by this Agreement.** If you are entering into this Agreement on behalf of a company or other legal entity, you represent that you have the authority to bind such entity and your affiliates to these terms and conditions. **If you do not have such authority, or if you do not agree with these terms and conditions, you must not accept this Agreement and you may not use the Software.**

Sovos reserves the right, in its sole discretion, to change, modify, add, or remove portions of this Agreement at any time. The current Agreement will be made available to you through the Software and it is your responsibility to review the Agreement periodically for changes. Your continued use of the Software following the posting of changes will mean that you accept and agree to the terms. If you object to posted changes, please contact Sovos in writing before continuing use of the Software.

In consideration of the mutual promises set forth below, the parties hereby agree as follows:

1. Definitions

Affiliate means an entity controlling, controlled by or under common control with a party to the Agreement where control means the ownership or control, directly or indirectly, of more than 50% of all the voting power of the shares (or other securities or rights) entitled to vote for the election of directors or other governing authority.

License Metrics means the limitation on the usage of the Software as designated and/or defined in the applicable Order Form by a term such as the number of FEINs.

Order Form means the document(s) which identifies the order-specific information, such as volume and fees, regardless of actual name.

Software means any software products made available by Sovos (including corresponding toolkits, any other programs made available by Sovos which are designed to operate with the software and any Documentation) as identified in an Order Form.

Users mean your employees, consultants, contractors or agents who are authorized to use the Software and have been supplied user identifications and passwords by you (or by Sovos at your request).

Your Information means all company, associate, employee, contractor, and statutory reporting information submitted by or with respect to you.

2. License Terms

2.1 You may procure Access to and use of Software only pursuant to mutually executed Order Forms.

2.2 *Rights Granted.* Subject to the provisions contained in this Agreement, including without limitation the restrictions set forth herein and timely payment of the applicable fees, Sovos hereby grants you for the term a non-transferable, non-exclusive license, without the right to grant sublicenses to access and use the Software solely for your internal business purposes. Access is limited to the version of the Software in Sovos' production environment. Additional terms and conditions may be set forth in the Order Form. You are only entitled to use the Software for the License Metrics indicated in your Order Form. You shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, and appropriateness of all Your Information.

2.3 *Rights Granted for the Software for Use as a Third Party Administrator.* If you have purchased the Software for use as a third party administrator, as set forth on the applicable Order Form, subject to the provisions contained in this Agreement, including without limitation the restrictions set forth below and timely payment of the applicable fees, for the duration of the applicable Order Term, Sovos hereby grants you the non-exclusive, non-assignable, non-transferable, limited right, without the right to grant sublicenses, to Access and use the Software solely to (i) process data for third parties (hereinafter "Your Clients") and (ii) develop an adapter, if needed. Your Clients shall not have direct access to the Software, but you may provide the Software output to Your Clients. Your Clients may only receive the Software output for their own internal use and may not act as a service bureau or electronic commerce server. You 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 your use of the Software for the purpose of processing data for Your Clients or from such party's receipt of the Software output, including, but not limited to, forms and/or filing, or tax calculations. This section does not affect any of the other rights and remedies of the parties contained anywhere else herein.

2.4 You shall not: (i) copy, resell, host, rent or sublicense the Software or any performance or capacity statistics or the results of any benchmark test performed on the Software; (ii) decipher, decompile, disassemble, reverse assemble, modify, translate, reverse engineer or otherwise attempt to derive source code, algorithms, tags, specifications, architecture, structure or other elements of the Software, in whole or in part, or otherwise write or develop any derivative works based upon the Software, except as otherwise permitted in this Agreement; or (iii) use the Software to provide processing services to third parties, or otherwise use the same on a 'service bureau' basis or otherwise allow access to, provide, divulge or make available the Software to any user other than your employees and individual contractors who have a need to such access and who shall be bound by nondisclosure obligations that are at least as restrictive as the terms of this Agreement.

2.5 You shall: (i) have sole responsibility for the accuracy, quality, integrity, legality, reliability, and appropriateness of all Your Information; (ii) configure remote printing for your Users, if the print option is selected; (iii) establish User connectivity using the Internet, including opening applicable ports; and (iii) have responsibility for periodic data delivery, output validation, and task authorization. Sovos' ability to complete tasks is dependent upon your timely task completion and Sovos shall bear no responsibility for delays caused by you.

2.6 You agree that your purchases hereunder are neither contingent on the delivery of any future functionality or features, nor dependent on any oral or written comments made by Sovos regarding future functionality or features.

2.7 Your right to use the Software is limited by the number of License Metrics purchased. All fees are based on the License Metrics purchased and the quantity(ies) of License Metrics provided in the Order Form represent maximum amounts that you have committed to for the term. There shall be no fee adjustments or refunds for any decreases in usage or License Metrics during the term. Unless the Order Form includes an overage, you will pay additional fees for any License Metrics over the licensed quantity at Sovos' then current rates.

2.8 During the term of the Agreement and for a period of one year following its termination, Sovos shall have the right to verify your full compliance with the terms and requirements of the Agreement. If such verification process reveals any noncompliance, you shall reimburse Sovos for the reasonable costs and expenses of such verification process incurred by Sovos (including but not limited to reasonable attorneys'

fees), and you shall promptly cure any such noncompliance; provided, however, that the obligations under this Section do not constitute a waiver of Sovos' termination rights and do not affect Sovos' right to payment for any fees and interest fees related to usage in excess of the agreed upon number of License Metrics.

2.9 You represent and warrant that before providing non-public personal or financial information to Sovos or its agents, you will comply with any laws applicable to the disclosure of personal information, including providing notices to or obtaining permission from third parties to allow sharing of their personal information with Sovos under the Agreement.

3. Fees and Payments

3.1 Fees and payment terms are specified in the applicable Order Form. Payment of all fees is due thirty (30) days after the invoice date. Interest accrues on past due balances at the lesser of 1½% per month or the highest rate allowed by law.

3.2 Unless otherwise set forth in the Order Form, Sovos may, with 60 days prior written notice, increase the fees effective as of the next billing period following notice to you.

3.3 You shall be responsible for payment of all taxes (excluding those on Sovos' net income) relating to the provision of the Software, except to the extent a valid tax exemption certificate or other written documentation acceptable to Sovos to evidence your tax exemption status is provided to Sovos prior to the delivery of the Software hereunder.

3.4 In addition to its other rights or remedies provided hereunder, Sovos will be entitled to suspend your access to the Software if (i) your account is 30 days or more overdue (except with respect to charges under reasonable and good faith dispute), (ii) you are in breach of this Agreement, and (iii) so long as, in Sovos' sole judgment, there is a risk created by you that may interfere with the proper continued provision of the Software or the operation of Sovos' network or systems. The suspension shall continue until such time as the amounts are paid in full or you cure the applicable breach. Sovos may impose an additional charge to reinstate access to the Software following a suspension set forth in item (iii) above.

4. Term and Termination

4.1 The initial term of this Agreement is specified in the Order Form ("Initial Term"). The term for the Order Form shall automatically renew for the same length as the Initial Term, unless otherwise identified in the Order Form. Notwithstanding the foregoing, either party may terminate the Agreement as of the end of the Initial Term or then current renewal term by providing written notice to the other party at least forty-five (45) days prior to the end of the Initial Term or any renewal term.

4.2 Either party may terminate the Agreement immediately upon written notice at any time if the other party (i) commits a non-remediable material breach of the Agreement, or if the other party fails to cure any remediable material breach or provide a written plan of cure acceptable to the non-breaching party within thirty (30) days of being notified of such breach; or (ii) ceases business operations; or (iii) becomes insolvent, generally stops paying its debts as they become due or seeks protection under any bankruptcy, receivership, trust, deed, creditors arrangement, composition, or comparable proceeding, or if any such proceeding is instituted against the other (and not dismissed within 90 days after the commencement of one of the foregoing events). Upon termination, you lose the right to utilize the Software. Termination shall not relieve you of the obligation to pay any fees accrued or payable to Sovos prior to the effective date of termination.

4.3 Upon your request, made in writing within thirty (30) days of the effective date of termination, Sovos will make Your Information available to you. If you have not paid all invoiced fees, Sovos reserves the right to hold Your Information until such time that all fees have been paid. After the 30-day period, Sovos shall have no obligation to maintain or provide any of Your Information and shall thereafter, unless legally prohibited or as part of Sovos' routine backup, archival and data destruction procedures, delete all of Your Information in its systems or otherwise in its possession or under its control.

5. **Intellectual Property, Proprietary Rights, and License.** You own and shall own all rights to Your Information. Sovos shall have a perpetual, irrevocable, worldwide right to use any de-identified and aggregated data that arises from your use of the Software, provided such data (i) is not identifiable to any person or entity (including you) and (ii) does not contain any of your Confidential Information or intellectual property. Except for the rights granted to you in this Agreement, you will have no interest in the Software. All rights, title, and interest in or to any copyright, trademark, service mark, trade secret, and other proprietary right relating to the Software and the related logos, product names, etc. are reserved and all rights not expressly granted are reserved by Sovos. You may not obscure, alter, or remove any copyright, patent, trademark, service mark, or proprietary rights notices on any product. You will not use or permit access to the Software in an effort to develop or modify competitive services.

6. **Indemnification.** Subject to the remainder of this Section, Sovos shall defend you in any suit or cause of action alleging that the Software as used in accordance with this Agreement infringes any copyright or U.S. patent of any third party and indemnify you for any damages awarded in any final, non-appealable resolution, whether by judgment or settlement (including attorneys' reasonable fees and court costs to the extent that Sovos fails to promptly assume such defense) of such suit or cause of action. The foregoing obligations of Sovos are subject to the following requirements: you shall promptly notify Sovos of any and all such suits and causes of action; and Sovos controls any negotiations or defense of such suits and causes of action, and you assist as reasonably required by Sovos. If the Software is held or believed to infringe on the copyright, or U.S. patent of a third party, Sovos may, in its sole discretion, (a) modify the Software to be non-infringing, (b) obtain for you a license to continue using the Software, or (c) if neither (a) nor (b) are practical in Sovos' sole judgment, terminate the affected license and return to you the unused portion of any license fees paid for the Software. The foregoing obligations of Sovos do not apply to the extent that the allegedly infringing the Software or portions or components thereof or modifications thereto result from (i) any change in the Software made by you or any third party for you, except applying approved patches and/or updates, or (ii) your use of the Software except as permitted under this Agreement or in combination with any hardware, software or other materials not expressly authorized by Sovos where absent such combination the Software would be non-infringing ("**Exclusions**"). This Section states Sovos' entire liability and your exclusive remedies for infringement of intellectual property rights of any kind.

7. **Disclaimers**

7.1 Sovos does not, and shall not, be deemed to provide tax or legal advice in providing the Software. Sovos will use reasonable efforts to ensure that the Software is current and accurate, but due to rapidly changing tax rates and regulations which require interpretation by your qualified tax and legal professionals, you bear full responsibility to determine the applicability of the output generated by the Software and to confirm its accuracy. You will not rely solely on your use of the Software in complying with any laws and governmental regulations.

7.2 THE SOFTWARE IS PROVIDED ON AN “AS-IS” BASIS AND MAY INCLUDE ERRORS, OMISSIONS, OR OTHER INACCURACIES. YOU ASSUME THE SOLE RISK OF MAKING USE OF THE SOFTWARE AND THE SERVICE. SOVOS MAKES NO REPRESENTATIONS OR WARRANTIES ABOUT THE RESULTS THAT CAN BE ACHIEVED FROM OR THE SUITABILITY, COMPLETENESS, TIMELINESS, RELIABILITY, LEGALITY, OR ACCURACY OF THE SOFTWARE OR THE SERVICE FOR ANY PURPOSE. SOVOS EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT, OR ANY OTHER IMPLIED WARRANTY. SOVOS DOES NOT REPRESENT OR WARRANT THAT THE SOFTWARE WILL OPERATE ERROR FREE OR IN AN UNINTERRUPTED FASHION OR THAT ANY DOWNLOADABLE FILE WILL BE FREE OF VIRUSES OR CONTAMINATION OR DESTRUCTIVE FEATURES.

8. Limitation of Liability.

8.1 NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, SOVOS AND ITS LICENSORS AND SUPPLIERS WILL NOT BE RESPONSIBLE FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR OTHER SIMILAR DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY LOST PROFITS OR DAMAGES FOR BUSINESS INTERRUPTION, INACCURATE DATA, OR LOSS OF DATA OR COST OF COVER) THAT YOU MAY INCUR OR EXPERIENCE IN CONNECTION WITH THE AGREEMENT OR THE SERVICE, HOWEVER CAUSED AND UNDER WHATEVER THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

8.2 Except for Sovos' indemnification obligations set forth in Section 6, Sovos' total liability for any and all damages with respect to the Software shall not exceed the fee for the initial billing period paid by you.

9. Confidential Information. This Section 9 shall supersede all previous Nondisclosure/Confidentiality Agreements that may exist between the parties with respect to the subject matter of this Agreement. “**Confidential Information**” means any non-public financial, business and other information, in whatever form or medium, that is furnished, including technical data, software, source code, object code, specifications, pricing know-how or business information specific to You or Sovos which is marked as confidential or contain a similar legend or which, given the nature of the information and circumstances of disclosure, would reasonably be confidential. Confidential Information does not include information which (a) was in the public domain at the time it was disclosed or becomes in the public domain through no fault of the receiver; (b) can be shown by written documentation to have been known to the receiver, without restriction, at the time of disclosure; (c) was independently developed by the receiver without any use of the discloser's Confidential Information; or (d) becomes known to the receiver, without restriction, from a source other than the discloser without breach of any confidentiality agreement and otherwise not in violation of the discloser's rights. Notwithstanding anything to the contrary herein, the Software shall not be deemed to have been placed in the public domain by Sovos for purposes of this Section. The parties agree that the pricing terms of any Order Form are Confidential Information of Sovos. Each party will treat the Confidential Information of the other party in a confidential manner with the same degree of care as such party treats its own proprietary information of like importance, which will be no less than a reasonable degree of care. This Section will not prohibit disclosure of Confidential Information pursuant to the order or requirement of a court, administrative agency, or other governmental body; provided, the receiver will furnish prompt notice thereof to enable the discloser to seek a protective order or otherwise prevent such disclosure. The obligations of this Section will survive termination for any reason

for a period of three years. The parties agree that each party shall be entitled to seek equitable relief to protect its interests under this Section, including preliminary and permanent injunctive relief, as well as money damages. Nothing stated herein shall be construed to limit any other remedies available to the parties for breach of this Section.

10. Security.

10.1. Sovos will maintain safeguards and take commercially reasonable technical, physical, and organizational precautions to ensure that Your Information is protected from unauthorized access, and disclosure in accordance with Sovos' then current and published security posture.

10.2. You will maintain commercially reasonable security procedures for the transmission of data to Sovos. You will notify Sovos immediately of any suspected security breach regarding transmissions to or from Sovos. You will not: (a) breach or attempt to breach the security of the Software or any network, servers, data, computers or other hardware relating to or used in connection with the Software, or any third party that is hosting or interfacing with any part of the Software; or (b) use or distribute through the Software, any software, files or other tools or devices designed to interfere with or compromise the privacy, security or use of the Software or the operations or assets of any other customer of Sovos or any third party. You will comply with the user authentication requirements for use of the Software. Sovos has no obligation to verify the identity of any person who gains access to the Software by means of an access ID. Sovos may rely on the instructions and actions as being those authorized by You. You are solely responsible for monitoring your authorized users' access to and use of the Software. Any material failure by any authorized user to comply with the Agreement shall be deemed to be a material breach by you, and Sovos shall not be liable for any damages incurred by you or any third party resulting from such breach. You must immediately take all necessary steps, including providing notice to Sovos, to affect the termination of an access ID for any authorized user if there is any compromise in the security of that access ID or if unauthorized use is suspected or has occurred.

11. Notices. All communications required to be sent or given under this Agreement will be in writing and will be duly given and effective immediately if delivered in person or five business days after mailed by certified mail return receipt requested or upon confirmation of signature recording delivery, if sent via a nationally recognized overnight courier service with signature notification requested, to either party at the address shown on the first page of the Order Form or to any other address a party may identify in writing from time to time. A copy of all communications to Sovos of a legal nature must be sent to Sovos Compliance, LLC Attention: Legal Department at 200 Ballardvale Street, Building 1, 4th Floor, Wilmington, MA 01887.

12. General. This Agreement contains the entire agreement of the parties with respect to its subject matter and supersedes and overrides all prior agreements on the same subject matter and shall govern all disclosures and exchanges of Confidential Information made by the parties previously hereto. This Agreement is governed by the laws of the State of Delaware without giving effect to its conflict of law provisions. Sovos may assign the Agreement to an affiliate, a successor in connection with a merger, acquisition or consolidation, or to the purchaser in connection with the sale of all or substantially all of its assets. You may not assign the Agreement, nor any of the rights or obligations under the Agreement, without the prior written consent of Sovos. Any party hereto will be excused from performance under this Agreement for any period of time that the party is prevented from performing its obligations hereunder as a result of an act of God, war, utility or communication failures, or other cause beyond the party's reasonable control. Both parties will use reasonable efforts to mitigate the effect of a force majeure event. Sovos may designate any agent or subcontractor to perform such tasks and functions to complete any Service covered under this Agreement. However, nothing in the preceding sentence shall relieve Sovos from responsibility for performance of its duties under the terms of this Agreement. The parties hereto expressly understand

and agree that each party is an independent contractor in the performance of each and every part of the Agreement, is solely responsible for all of its employees and agents and its labor costs and expenses arising in connection therewith. No purchase order or other ordering or business processing document that purports to modify or supplement the text of this Agreement shall add to or vary the terms of this Agreement; any such ordering document shall be considered a purely administrative document on your behalf and shall not modify this Agreement. All such proposed variations or additions (whether submitted by either party) are objected to and deemed material unless agreed to in writing. Your employees, contractors, and clients are not intended to be third party beneficiaries of this Agreement. If any of the provisions of this Agreement shall be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of you and Sovos shall be construed and enforced accordingly. The failure by a party at any time to enforce any right or remedy available to it under this Agreement with respect to any breach or failure by the other party shall not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other party. The parties agree that this Agreement may be signed electronically via check box, an "I accept" button, or other means clearly indicating acceptance of terms.