



## Vertex Customer Agreement

### Terms of Use Exhibit

- 1. Overview.** This Terms of Use Exhibit is incorporated in the Vertex Customer Agreement, Vertex Master Agreement, or other agreement governing Customer's use of Vertex Products and Services (the "**Agreement**"). Any capitalized term used but not defined in this Exhibit has the meaning given in the Agreement. If there is a conflict or inconsistency between this Exhibit and any other part of the Agreement regarding the subject matter of this Exhibit, this Exhibit will control.

This Exhibit governs fees Vertex charges and rights Vertex grants for Products and Services. All specific rights granted under this Exhibit supplement the general rights granted in the Agreement. Unless the Order states otherwise, these specific rights are effective when Vertex and Customer sign an Order for the applicable Product or Service (the "**Effective Date**").

Vertex may update this Exhibit from time to time to adapt to changes in Vertex's business and portfolio of Products and Services. Current and archived versions of this Exhibit will be published on the Vertex website and will be provided on request. However, no update to this Exhibit will change Customer's Order until it is renewed. If Customer's Order is renewed, the Agreement is amended to include the then-current published version of this Exhibit.

- 2. Fees for Products and Services.** Each Order states applicable fees for Product and Service subscriptions purchased by Customer. Except as otherwise stated in this section or the Order, all fees are based on purchased subscriptions, not actual usage, and are payable in advance of the period to which they apply.

**2.1 Fees for Purchased Subscriptions.** The fee for a purchased subscription is subject to the volume and unit of measure specified in the Order (units of measure are defined in Section 7 (Units of Measure Defined)). The volume sets the upper limit of the subscription, which cannot be decreased during the Initial Term or during any Renewal Term. If Customer exceeds the limit of a subscription at any time during the Order Term, Customer shall sign an Order to increase the limit of the subscription. Upon Vertex's reasonable request, not more than once annually, Customer shall confirm to Vertex whether Customer has exceeded the limit of a purchased subscription.

**2.2 Fees for Purchased Subscriptions (with Pre-Purchased Quantity).** The fee for a purchased subscription that is specifically based on pre-purchased quantity is subject to the volume, unit of measure, and overage unit prices specified in the Order. The volume sets the upper limit of the subscription, which cannot be decreased during the Initial Term or during any Renewal Term. If Customer exceeds the limit of a subscription that is specifically based on pre-purchased quantity at any time during the Order Term, Customer shall pay for the excess quantity at the overage unit prices specified in the Order and Customer's subscription will renew at a pre-purchased quantity equal to Customer's actual use during the prior period. Upon Vertex's reasonable request, not more than once annually, Customer shall confirm to Vertex whether Customer has exceeded the limit of a purchased subscription.

**2.3 Usage Fees.** The fee for a purchased subscription that is specifically based on usage is subject to the usage unit prices specified in the Order. Usage fees are payable after the period to which they apply.

- 3. Delivery Type.** Each Order specifies a delivery type for each ordered Product or Service. Available delivery types and related definitions are listed in this section. Not every delivery type is available for every Product or Service, and not all Exhibits apply to every delivery type.

**3.1 Cloud.** Vertex hosts the software application in a multitenant environment and makes it available via the internet for online access. Vertex is responsible for the application's operating environment and for applying Updates. The Customer Support Exhibit and the Service Level Exhibit apply to applications with Cloud delivery type.

**3.2 On Demand.** Vertex hosts the software application and makes it available via the internet for online access. Vertex is responsible for the application's operating environment and for applying Updates.

The Customer Support Exhibit and the Service Level Exhibit apply to applications with On Demand delivery type.

**3.3 FTP.** Vertex makes the software application available via the internet for download. Customer is responsible for the application's operating environment and for applying Updates. Unless otherwise stated in the Order or this Exhibit, and except for Foundational Products (defined in Section 5 (Subscription Type for Foundational Products)) and Vertex Tools for SAP® Software (defined in Section 6.6 (Vertex Tools for SAP® Software)), Vertex licenses an unlimited number of production copies of each application with FTP delivery type. For Foundational Products and Vertex Tools for SAP® Software, Vertex licenses one (1) production copy of the application; any implementation involving installation of more than one (1) production copy of the application requires the purchase of additional licenses. The Customer Support Exhibit applies to applications with FTP delivery type, but the Service Level Exhibit does not apply to applications with FTP delivery type.

**3.4 Remote.** Vertex performs the service remotely (or, in case of Professional Services, onsite if agreed by the parties). Unless otherwise stated in the applicable Order (or SOW for Professional Services, which may provide for reimbursement of incurred expenses), Vertex is responsible for all supplies and materials it uses in connection with its performance of services with Remote delivery type. The Customer Support Exhibit and the Service Level Exhibit do not apply to services with Remote delivery type.

**4. Subscription Type.** Each Order specifies a subscription type for each ordered Product or Service. Available subscription types and corresponding rights are listed in this section for Products and Services that are not Foundational Products. The subscription type for a solution applies to all items included in the solution, notwithstanding anything in the Order to the contrary. Not every subscription type is available for every Product or Service.

**4.1 Value Based; Corporate; Standard; Full States; Partial States.** Vertex grants Customer and its Affiliates the subscription right during the Order Term to use the Service or the licensed number of copies of the Product for their internal business purposes.

**4.2 Service Bureau; Application Service Provider.** Vertex grants Customer and its Affiliates the subscription right during the Order Term to use the Service or the licensed number of copies of the Product to process third-party transactions for the benefit of third parties.

**4.3 Marketplace.** Vertex grants Customer and its Affiliates the subscription right during the Order Term to use the Service or the licensed number of copies of the Product to process Marketplace Transactions and support Customer Marketplace operations. The following definitions apply to Marketplace subscription type:

(a) **"Customer Marketplace"** means any physical or electronic place where Marketplace Transactions occur, including an internet website or a software application, that is owned, operated, distributed, made available, or controlled by or on behalf of Customer or a Customer Affiliate.

(b) **"Marketplace Transaction"** means any quotation, sale, invoice, return, refund, or credit relating to any tangible or digital good or service or other thing of value that is sold or offered for sale on a Customer Marketplace by or on behalf of a Marketplace Seller.

(c) **"Marketplace Seller"** means a seller of goods or services on a Customer Marketplace (including Customer, any Customer Affiliate, and any third party).

**4.4 Non-Production.** Vertex grants Customer and its Affiliates the subscription right during the Order Term to use the Service or the licensed number of copies of the Product for their internal non-production purposes, including evaluation, testing, training, and development (to the extent the Service or Product or applicable Documentation includes development tools or specifications).

- 5. Subscription Type for Foundational Products.** The subscription types and corresponding rights listed in this section apply to the following Products (collectively, **“Foundational Products”**): Sales Tax L Series; Sales Tax L Series for Multi Value; Sales Tax Rate File; Vertex Sales Tax Standard Rate File; Sales Tax RateLocator; Sales Tax TDM Taxability Reference; Communications Tax L Series Solution; Sales Tax Q Series; Sales Tax Q Series Taxability Mapping Tool; Communications Tax Q Series; GeoCoder Master List Solution; GeoCoder System Matchmst; GeoCoder System; Payroll Tax Q Series Solution.

**5.1 Value Based; Corporate; User Based; Middle Market; Standard.** Vertex grants Customer the subscription right during the Order Term to use one (1) production copy of the Product for its internal business purposes, which include processing transactions on behalf of its Affiliates. For all Foundational Products except Payroll Tax Q Series Solution, these subscription types include five (5) users (there is no limit on users for Payroll Tax Q Series Solution).

**5.2 Application Service Provider; Data Center; Professional Employer Organization/Administrative Services Organization (“PEO/ASO”).** Vertex grants Customer the subscription right during the Order Term to use one (1) production copy of the Product to process third-party transactions for the benefit of third parties.

**6. Product and Service Specific Terms.**

**6.1 Cloud-based Services – Generally.** Vertex may update the infrastructure, databases, applications, networks, and other resources Vertex uses to provide the Cloud-based Services (defined in Section 1.4 of the Standard Terms) during the Order Term without notice to Customer, provided the update does not degrade the Cloud-based Services or require Customer’s cooperation. If any such update requires Customer’s cooperation, Customer shall provide reasonable cooperation within sixty (60) days from the date of Vertex’s written request. Vertex may restrict access and/or data transmission to a Cloud-based Service to the minimum extent necessary to comply with Applicable Law, including export control laws, sanctions, and embargoes, or to preserve the security of the Cloud-based Service. Vertex shall promptly remove any such restrictions when they are no longer necessary.

**6.2 Cloud-based Services – Instances and Partitions.** Customer’s subscription for a Cloud-based Service includes the number of Instances or Partitions specified in the Order. If no number is specified, Customer’s subscription includes one (1) Instance or Partition, as applicable. For these purposes: **“Instance”** means a dedicated single installation of the software application and applies only to Cloud-based Services delivered via On Demand; and **“Partition”** means a dedicated data area in a shared database and applies only to Cloud-based Services delivered via Cloud. Regardless of delivery type, all Customer Data stored or processed by Cloud-based Services are logically separated from Vertex data and third-party data.

**6.3 O Series Solution with On Demand delivery type.** Customer’s subscription includes one (1) Instance comprised of up to four (4) database partitions (production, testing, development, and sandbox), and the included computing resources stated on the Order. Unless Documentation specifies different limits (in which case the Documentation controls), O Series Solution with On Demand delivery type is subject to the following limits: (a) daily maximum transaction volume is two million (2,000,000) line items across transactions per day; (b) maximum invoice size is ten thousand (10,000) line items per invoice; and (c) maximum file size for upload is twenty megabytes (20 MB).

**6.4 Vertex for eCommerce; Vertex for Marketplaces.**

(a) Customer’s subscription includes the number of Dashboards specified in the Order. If no number is specified, Customer’s subscription includes one (1) Dashboard. For these purposes, **“Dashboard”** means a user interface dashboard. Any capability enabled solely by data transfer without user interface, including Vertex Validator, does not include a Dashboard. Visualizations displayed via Dashboards are presentations of underlying data in summary form only and are not a substitute for analysis of the summarized data.

(b) If Customer's subscription includes Tax Determination, applicable capabilities will be available in the regions specified in the Order, and the applicable subscription fee will include fees for the specified regions. If Tax Determination is not included, the features or capabilities specified in the Order will be available in all regions that Vertex supports, as specified in the Documentation.

(c) If Customer's subscription includes E-Invoicing Per E GUI Taiwan, Customer shall appoint a third-party nominated by Vertex to serve as Customer's authorized agent in connection with necessary information exchange with the Taiwanese Ministry of Finance. The form of such limited appointment shall be in the form specified by the Taiwanese Ministry of Finance, which Vertex will provide to Customer after the Effective Date of Customer's Order.

**6.5 O Series Edge; Software Containers.** Certain Cloud-based Services, including O Series Edge, may include containerization capabilities that allow Customer to deploy software containers in environments that are not controlled by Vertex. All deployed containers are subject to the same rights that Vertex grants Customer with respect to the applicable Cloud-based Service. However, although the Service Level Exhibit applies to the Cloud-based Service, the Service Level Exhibit does not apply to containers after deployment. Customer is responsible for container operating environment after container deployment.

**6.6 Vertex Tools for SAP® Software.** For the Products described in this section (collectively, "**Vertex Tools for SAP® Software**"), regardless of applicable subscription type, Vertex grants Customer and its Affiliates the subscription right during the Order Term to use one (1) production copy of the Product for Customer's and Affiliates' internal business purposes in connection with the tax decision-making functions performed by their SAP® software. Customer and Affiliates may use the Product on one (1) production SAP® instance and directly associated sandbox, development, and test instances. Vertex Tools for SAP® Software include the following Products and any other Product that is designed for use only with SAP® software, according to applicable Vertex Documentation:

Vertex Tax Accelerator for SAP® ERP	Goods Movement
Vertex Accelerator+ for SAP® ERP (all modules)	RFC Queue
Chain Flow Accelerator for Vertex Tax Service	SCOUT Conversion
Chain Flow Accelerator Tax Decision Tool	SPOT Extract
Comparitax	TestSuite
Diagnostax	TUESday
Drop Shipment	VENDORecon
flexRFC AP	VENDORecon - Global
flexRFC AR	VENDORecon - VAT
flexTAX	Vertex Tax Reports for SAP®
FLUX Builder	Vertex VAT Reports for SAP®
FLUX Monitor	

**6.7 Regional Support.** Products and Cloud-based Services support the regions specified in the Order and applicable Documentation. Without limiting the generality of the foregoing, unless the Documentation specifies otherwise: (a) all jurisdiction locator and address cleansing Products and Services may be used for tax determination purposes only and support United States locations and addresses only; and (b) the following tax database content support United States and Canada only: Cannabidiol (CBD), Satellite Digital Audio Radio, Oil and Gas, and Medical Devices and Equipment.

**6.8 Professional Services.** If Customer orders Professional Services described in an SOW published at <https://www.vertexinc.com/vertex-legal>, Vertex will provide the Services described in the SOW. The parties are not bound by any revisions to the SOW published after the Effective Date of Customer's Order. Other Professional Services will be provided in accordance with other SOWs agreed by the parties.

- 7. Units of Measure Defined.** If an Order specifies a unit of measure for a purchased subscription, the subscription is subject to that unit of measure, as defined in this section. Only units of measure specified in an Order apply to Customer.
- 7.1 “Gross Merchandise Value per Year” or “GMV”** means total annual value of goods and services sold through a marketplace or other multi-seller platform.
- 7.2 “Number of Additional Dashboards”** means the total number of additional Dashboards provided as part of a Product or Service.
- 7.3 “Number of Additional Users”** means the total number of additional individual users authorized to use a Product or Service.
- 7.4 “Number of Addresses per Year”** means the total number of address validation requests processed by a Product or Service during a twelve (12) month period.
- 7.5 “Number of B2B Validations per Year”** means the total number of tax or business number validation requests processed by a Product or Service during a twelve (12) month period.
- 7.6 “Number of Certificates”** means the total number of exemption certificate records created using a Product or Service during the Order Term. An exemption certificate record is created every time a production or non-production exemption certificate is created or uploaded, or an active exemption certificate is modified using the Product or Service.
- 7.7 “Number of Certificates Serviced”** means the total number of exemption certificates serviced under Vertex Certificate Service Solution during a twelve (12) month period. A certificate is serviced each time it is subject to Vertex validation or collection.
- 7.8 “Number of Checks per Year”** means the total number of paychecks, regardless of form, including tangible, electronic, direct deposit, or other transfer, processed using a Vertex payroll tax determination Product or Service during a twelve (12) month period.
- 7.9 “Number of Companies”** means the total number of entities that are configured to use a Product or Service.
- 7.10 “Number of Copies”** means the total number of production copies of a Product Customer is permitted to make and use.
- 7.11 “Number of Clusters”** means the highest total number of clusters deployed and sustained for a period of at least thirty (30) days during a twelve (12) month period. A **“cluster”** is any collection of one or more Edge calculation containers that are connected to, deployed, and/or managed by the EdgeLink cluster control plane. Multiple co-located cluster control planes are counted as multiple clusters, one for each control plane.
- 7.12 “Number of Data Center Clients”** means the total number of individuals and entities using a Product or Service via a data center.
- 7.13 “Number of Data Centers”** means the total number of data centers that are authorized to use a Product or Service.
- 7.14 “Number of Databases”** means the total number of databases that are stored in connection with Vertex Cloud Legacy Data Storage.
- 7.15 “Number of E-GUI per Year”** means the total number of Taiwan Electronic Government Uniform Invoices processed by a Product or Service during a twelve (12) month period.
- 7.16 “Number of Employees”** means the total number of individuals whose pay is calculated using a Vertex payroll tax determination Product or Service (**“Employees”**). Employees whose annual periods of employment are less than six (6) months are **“High Volume Turnover Employees.”** All other Employees

are “**Standard Employees.**” If neither type of Employee is specified, the unit of measure is all Employees, regardless of annual periods of employment.

**7.17 “Number of Filing Entities”** means the total number of entities that are configured to use a Product or Service.

**7.18 “Number of Included App Tiers” and “Number of Additional App Tiers”** means the total number of included or additional (as applicable) bundled processor resources for a Cloud-based Service delivered via On Demand; each App Tier includes two (2) CPUs.

**7.19 “Number of Included CPUs” and “Number of Additional CPUs”** means the total number of included or additional (as applicable) processor resources for a Cloud-based Service delivered via On Demand.

**7.20 “Number of Included Gigabytes” and “Number of Additional Gigabytes”** means the total number of included or additional (as applicable) units of data storage capacity for a Cloud-based Service delivered via On Demand.

**7.21 “Number of Included Partitions” and “Number of Additional Partitions”** means the total number of included or additional (as applicable) Partitions for a Cloud-based Service delivered via Cloud. For these purposes, “**Partition**” means a dedicated data area in a shared database.

**7.22 “Number of Included RAM” and “Number of Additional RAM”** means the total number of included or additional (as applicable) memory resources for a Cloud-based Service delivered via On Demand; each RAM is nine (9) gigabytes.

**7.23 “Number of Incremental Instances”** means the total number of additional Instances for a Cloud-based Service delivered via On Demand. For these purposes, “**Instance**” means a dedicated single installation of a software application.

**7.24 “Number of Invoices Per Month”** means the total number of invoices processed by a Product or Service during a one (1) month period.

**7.25 “Number of Items Average Per Month”** means the average number of items processed by a Product or Service during a one (1) month period, measured across a twelve (12) month period.

**7.26 “Number of Items Per Year”** means the number of items processed by a Product or Service during a twelve (12) month period.

**7.27 “Number of LILA per Year”** means the total number of line-item tax liability determinations processed by a Product or Service during a twelve (12) month period.

**7.28 “Number of Regions”** means the total number of tax jurisdictions that are in scope for a Product or Service.

**7.29 “Number of Reports per Month”** means the total number of taxability impact reports generated using a Product or Service during a one (1) month period.

**7.30 “Number of Returns per Year”** means the total number of indirect tax returns or reports, regardless of form or manner of filing, including tangible and electronic, processed by a Product or Service during a twelve (12) month period.

**7.31 “Number of Rows Average per Month”** means the average number of data rows in a database or table processed by a Product or Service, including data processed in production and non-production environments, during a one (1) month period, measured across a twelve (12) month period.

**7.32 “Number of States”** means the total number of states included in a Product or Service.

**7.33 “Number of Tax Documents per Year”** means the total number of tax documents, including credit notes and invoices, generated by a Product or Service during a twelve (12) month period.

**7.34 “Number of Transactions per Year”** means the total number of invoice or confirmed sale or refund (full or partial) transactions processed by a Product or Service during a twelve (12) month period.

**7.35 “TaxCalc Volume”** means the Volume and Unit of Measure that apply to the Vertex tax determination solution used by Customer in connection with the applicable Product or Service.

**7.36 “Tax Compliance Volume”** means the Volume and Unit of Measure that apply to the Vertex tax compliance solution used by Customer in connection with the applicable Product or Service.

**7.37 “Total Annual Revenue”** means total annual revenue of Customer and its Affiliates for the region specified; if no region is specified, the region is all regions in which Customer and Affiliates operate.