



Vertex Tax Categorization Service SOW

This Statement of Work (“**SOW**”) is between Vertex, Inc. (“**Vertex**”), and the customer that signs an Order referencing this SOW (“**Customer**”). This SOW is effective when the Order is signed by both parties (the “**Effective Date**”). The parties are bound by the version of this SOW published at <https://www.vertexinc.com/vertex-legal> that is current on the Effective Date and are not bound by subsequent versions of this SOW.

The rights and obligations of Vertex and Customer regarding this SOW are set forth in the Vertex Customer Agreement, Vertex Master Agreement, or other agreement governing Customer’s use of Vertex Products and Services, as supplemented by this SOW (the “**Agreement**”).

Any capitalized term used but not defined in this SOW has the meaning given in the Agreement. If there is a conflict or inconsistency between this SOW and any other part of the Agreement regarding the SOW Term (defined below) or other subject matter of this SOW, this SOW will control.

- 1. SOW Term.** The term of this SOW begins on the Effective Date and continues for an initial period of one (1) year (the “**Initial Term**”). When the Initial Term expires, and annually thereafter, this SOW will renew for successive renewal periods of one (1) year (each a “**Renewal Term**”), unless either Customer or Vertex provides the other party written notice of non-renewal at least thirty (30) days before the then-current Initial Term or Renewal Term expires. The Initial Term and all Renewal Terms are referred to as the “**SOW Term.**” Notwithstanding the foregoing, either party may terminate this SOW for uncured breach as provided in the Agreement.
- 2. Description of Services.** Vertex Tax Categorization Service is a recurring subscription service that involves Vertex partnering with Customer to suggest tax category mappings for Customer’s products and services. Customer may adopt these suggestions to categorize and determine taxability of its products and services. Tax Categorization Service includes the following tasks:
 - Customer will provide Vertex data describing Customer’s products and services. Customer’s product and service data will be sufficiently detailed to allow for suggestion of tax category mappings and will be provided in batches at the volume and frequency stated in the Order.
 - Vertex will create relationships and assignments between Customer’s products and services and US tax categories, based on Customer’s product and service data. Vertex may do this mapping manually or by automated means using Vertex proprietary technology.
 - Vertex will provide Customer an output file defining the suggested tax category mappings for Customer’s products and services.

On the Effective Date, Vertex will schedule resources to perform the services described in this SOW. All services will be performed remotely between 9:00 am and 5:00 pm ET each “**Business Day,**” which means Monday to Friday, excluding Vertex holidays posted online at <https://community.vertexinc.com> (or other URL designated by Vertex). Vertex will not travel to Customer’s premises under this SOW.

- 3. Customer Responsibilities.** Customer is responsible for (a) the accuracy and completeness of all information that Vertex receives from or on behalf of Customer in connection with Tax Categorization Service; and (b) all decisions relating to suggested tax category mappings that Vertex provides, including all final decisions on the categorization and taxability of Customer’s products and services.
- 4. Fees and Payment.** Vertex will provide the services described in this SOW on an annually recurring, subscription fee basis. The applicable fee and invoice payment terms are stated on the Order referencing this SOW. Unless otherwise provided in the Order, the fee is payable annually in advance. No expenses will be charged to Customer under this SOW.

Fees for Tax Categorization Service are based on batch frequency for Customer’s product and service data and the average number of items processed by Vertex during a one (1) month period, measured across a one (1) year period during the SOW Term (“**Number of Items Average Per Month**”). The Order will state both volume and batch frequency. Any requirement to process volumes or batch frequencies not stated on the Order will be subject to agreement of the parties and documented in a change order or separate SOW.

5. **Access and Cooperation.** Timely and appropriate access to Customer's tax and technical personnel and Customer's product and service data are necessary for Vertex to provide the services described in this SOW. By signing an Order referencing this SOW, Customer agrees to make its relevant personnel reasonably available to confer with Vertex at mutually convenient times, and to provide Vertex timely access to Customer's product and service data. Vertex is not responsible for any deficiency in the services under this SOW to the extent they result from Customer's failure to provide timely cooperation or access or from Customer's failure to follow Vertex's reasonable written instructions.
6. **Tax Categorization Data License.** The following categories of data are Customer Data as defined in the Agreement and owned by Customer: Customer's product and service data; the output file that Vertex provides to Customer; and any feedback Customer may provide to Vertex relating to the output file (collectively, "**Tax Categorization Data**"). Customer grants Vertex a worldwide, perpetual, non-exclusive, royalty-free license to use, copy, and create derivative works based on Tax Categorization Data for training, product development, and other internal business purposes. This license specifically includes the right to use Tax Categorization Data to develop Vertex proprietary technology, which technology Vertex may commercialize and use for any purpose, without accounting to Customer. Notwithstanding the foregoing, this license specifically excludes publication of Tax Categorization Data in any form that could be used to identify Customer, its Affiliates, or their customers, employees, contractors, or service providers.
7. **Acknowledgements.** Customer acknowledges that Tax Categorization Service is not a data storage service, and that Customer's product and service data may be deleted and unrecoverable after ninety (90) days. Customer also acknowledges that all suggested tax category mappings are not legal or tax advice, and Vertex makes no representations or warranties of any kind regarding the results delivered under this SOW. Customer will rely on the advice of its legal or tax advisors in making final decisions on the categorization and taxability of its products and services.