



Drake Hosted Billing and Payment Policy

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Customer agrees to and accepts the terms and conditions of this Billing and Payment Policy by using the Service.

Definitions

“Additional Application” means any application that is made available by Provider to Customer in the Drake Hosted Environment for an additional monthly application fee, such as MS Word and MS Excel.

“Automated Recurring Billing” means the billing method used by Provider to manage recurring, subscription-based transactions.

“Customer” means the tax office that signs up to use the Service and enters into the Drake Hosted Agreement with the Provider. A Customer can sign up one or more of its tax offices in accordance with the Drake Hosted Agreement.

“Customer Data” means any and all files, electronic or otherwise, created by Customer using Hosted Applications or other applications and stored in the Drake Hosted Environment, including, but not limited to, all files created through Hosted Applications as a result of using the applications, and all files moved, saved, scanned or otherwise placed by the Customer into the Drake Hosted Environment for storage or other business purposes.

“Delinquent Payment” means payment for Services that has not been made timely by Customer to Provider.

“Drake Hosted Agreement” means the agreement accepted and entered into by the Customer and Provider when the Customer signs up to use the Service.

“Drake Hosted Environment” means the designated location on Provider’s servers and related hardware where a Customer accesses its Hosted Applications and related Customer Data.

“Effective Date” means the date the Drake Hosted Environment is first made available to the Customer after Customer completes the sign up process and accepts the terms of the Drake Hosted Agreement.

“Hosted Applications” means the applications made available by Provider for use by the Customer in the Drake Hosted Environment.

“Initial Term” means the time period chosen by the Customer when signing up for the Service, either one (1) month, six (6) months, or twelve (12) months, beginning on the Effective Date.

“Password” or “Passwords” means the secret string of characters used by the Customer in conjunction with an Account Username to access and manage its account and the secret string of characters used by the Customer in conjunction with a Station to access the Drake Hosted Environment.

“Provider” means Drake Software, LLC.

“Renewal Term” means any subsequent term following the Initial Term or a Renewal Term which is automatically renewed for the same time period as the prior Term in the event the Service is not terminated by either party or the Customer does not request a different Term before the end of the prior Term.

“Service” or “Services” means the capabilities and features provided by Provider to the Customer for the purposes of hosting, supporting, updating, maintaining, securing, and/or recovering as necessary the Hosted Applications, Customer Data, and the Drake Hosted Environment.

“Site” means each tax preparation office location of each Customer that has agreed to the terms of the Drake Software license agreement and the Drake Hosted Agreement.

“Station” means a unique login purchased by a Customer and used to access the Drake Hosted Environment in conjunction with its corresponding Password. A Station is unique to a Site and cannot be shared among multiple Sites even if the Sites are set up under the same Company. Each Site can purchase up to 99 Stations. A unique Station can be used by multiple individuals from any supported device, but the system prevents a Station from being used simultaneously from different devices.

“Suspension” or “Suspended” means the Customer is not permitted to access its Drake Hosted Environment until the sum of all Delinquent Payments is paid in full to Provider.

“Term” means an Initial Term or Renewal Term.

Policy

Payments: All payments for the Service are due before delivery of the Service. All subscriptions to the Service are subject to Automated Recurring Billing (ARB), by credit card, for purposes of renewal and continuation of Service. Provider reserves the right to modify this policy at its discretion.

Setup Fee: A one-time non-refundable setup fee will be charged for each Site. Under certain circumstances the setup fee may be waived. If the Service is terminated for any reason, the Customer will have to pay the setup fee to set up the Site again.

Storage Fee: Storage allocation and use is aggregated and totaled for all of the Customer’s Sites, with fees charged to the Customer on a monthly cycle. Five gigabytes (GB) of storage space is included with the purchase of one or more Stations for each Site. Additional storage space used will incur a monthly storage fee, determined at the beginning of each monthly billing cycle, based on the amount of additional storage space used. Each additional block of 5 GB is billed at \$5 per month. A monthly billing cycle is from the first day to the last day of every month.

- Example 1: ABC Company has one Site; 5 GB of space is provided at no additional charge. If ABC Company is using 7 GB of storage space at the beginning of the June billing cycle, it will incur a storage fee of \$5 for the month of June (7 GB used – 5 GB included = 2 GB charged).
- Example 2: ABC Company has two Sites; 10 GB of space is provided at no additional charge. If ABC Company is using a combined storage space of 8 GB between Sites 1 and 2 at the beginning of the June billing cycle, it does not incur a storage fee for June.
- Example 3: ABC Company has four Sites; 20 GB of space is provided at no additional charge. If ABC Company is using a combined storage space of 26 GB among Sites 1, 2, 3 and 4, it will incur a storage fee of \$10 for the month of June (26 GB used – 20 GB included = 6 GB charged).

Additional Application Fee: Additional Applications can be purchased on a Station-by-Station basis. The fees for Additional Applications will be charged on a monthly basis at the beginning of each monthly billing cycle. Application fees will apply regardless of whether or not an active application is used in a given monthly billing cycle.

Additional Application Fee Billing Cycle: Additional Application fees are billed on a monthly cycle and are not prorated. A monthly billing cycle is from the first day to the last day of every month.

Adding Additional Applications: Additional Applications can be added at any time. When Customer first adds an Additional Application, Customer will be charged the full monthly fee for the current month. Until the Additional Application is removed, it will be automatically renewed as a monthly subscription and Customer’s authorized credit card will be charged fees on or about the first day of each month.

Removing Additional Applications: Additional Applications can be removed from service on a monthly basis. Additional Applications must be removed prior to the next billing cycle in order to avoid being billed another cycle. There is no refund for days not used in the month when an Additional Application is flagged for removal. For example, if an Additional Application is flagged to be removed from service on January 20, Customer will not receive a refund of the Additional Application fee for January 21-31. Additional Applications are automatically removed when the Station that the Additional Application is provided through is deactivated.

Station Fee: Station fees are charged on monthly, biannual or annual Terms. Discounted rates are available if Customer subscribes on a biannual or annual basis. Station fees will apply regardless of whether or not an active Station is used during the Term.

Station Fee Term Periods:

- Monthly – A monthly Term is from the first day to the last day of every month. When Customer first subscribes to the Service, it will be charged a prorated monthly fee based on the number of days remaining in the month of activation. Until the Station is deactivated, it will be automatically renewed as a monthly Term and Customer’s authorized credit card will be charged fees on or about the first day of each month.
- Biannual (6 months) – A biannual Term is from the first day of the month of activation to the last day of the sixth month of Service. When Customer first subscribes to the Service, it will be charged a prorated monthly fee for the first month based on the number of days remaining in the month of activation plus

the full monthly fee for 5 months. Until the Station is deactivated, it will be automatically renewed as a biannual Term and Customer's authorized credit card will be charged fees on or about the first day of the first month of the Term.

- Annual (12 months) – An annual Term is from the first day of the month of activation to the last day of the 12th month of Service. When Customer first subscribes to the Service, Customer will be charged a prorated monthly fee for the first month based on the number of days remaining in the month of activation plus the full monthly fee for 11 months. Until the Station is deactivated, it will be automatically renewed as an annual Term and Customer's authorized credit card will be charged fees on or about the first day of the first month of the Term.

Adding Stations: Stations can be added at any time. If paying for one month, the first month is prorated based on the day of activation during the month, and subsequent months are billed at the monthly rate for as long as the Station is active. If prepaying for more than one month (6-month Term or 12-month Term), the first month of the Term is the month of activation, and that month is prorated based on the day of activation.

Automatic Renewal of Stations: When the end of the prepaid Term is reached, the Station will be renewed for the same Term as long as the Customer has not deactivated the Station or requested a different Term. For example, if Customer adds one Station in February for a 6-month Term, the August bill will include a prepaid 6-month renewal fee for that Station. E-mail reminders will be sent prior to biannual and annual renewals.

Deactivating Stations: A Station can be flagged by the Customer at any time during the Term to be deactivated from service at the end of the Term. Stations must be flagged for deactivation by the Customer on or prior to the last day of the Term (1 month/6 months/12 months) in order to avoid being billed another Term for the Station. Once a Station is deactivated, the Station's profile-specific data cannot be retrieved (See Data Retrieval). There is no refund for days not used in the Term when the Station is flagged for deactivation. For example, if a Station is flagged on February 20 to be deactivated from service on February 28, Customer will not receive a refund of the February fee for February 21-28.

Station Term Change: If Customer wishes to change a Station's Term, it can schedule to do so during the month of the end of the Station's current Term, to be effective at the start of the next Term. Customer's credit card will be charged the new monthly, biannual or annual Service fee (for the upcoming Renewal Term) at the time when the change request is made by Customer in the account manager portal.

Termination of Service: Either party may schedule termination of the Service at any time during the Term to be effective at the end of the current Term. If the Service is terminated by the Customer no later than 14 days after the Effective Date of the Initial Term, all fees are refunded minus the nonrefundable setup fee. If the setup fee is waived during account setup, then Provider may withhold an amount equivalent to the waived setup fee from the refunded Service fee. There are no refunds after the first 14 days. The termination notice, once received and verified, will terminate the Service at the end of the current Term. In the event of a termination after the first 14 days of the Effective Date of the Initial Term, there will be no prorated refunds. Customer will be responsible for the full payment for the current Term. See Data Retrieval below for the procedures to retrieve or request data when terminating the Service*.

* - The "Deactivate Site" option will be made available to Customer in the Account Manager Portal (AMP). Station 1, and therefore the Site, remains active until Station 1's Term expires and is not renewed. Any prepaid amounts for *additional* stations are not refundable when the Site is deactivated. For example: Site ABC has two Stations- *Station 1* has a Term ending July 31, and *Station 2* has a Term ending September 30. *Station 1's* Term is not renewed, and therefore the Site is terminated on July 31. The prepaid amount for *Station 2* (August and September) is not refundable.

Credit Card Declined/Delinquent Payment: If Customer's credit card is declined, Provider will notify Customer by phone or e-mail. If Customer's Service bill remains unpaid for 30 days or until the next monthly billing date, Customer's Service will be Suspended and subject to termination. Customer's Service will be terminated if the bill remains unpaid through three consecutive monthly billing cycles. Once a Customer is Suspended one time, Customer's Service is subject to Suspension for any single failure to make timely payment in the 12 months following initial Suspension. Receiving three Suspensions in any consecutive 18 months is grounds for termination of the Services. In addition to the outstanding balance owed for Services, a reactivation fee of \$100 will be charged to reactivate Service after a second Suspension.

Data Removal: At the point of termination of the Service, Customer Data is completely removed from the Drake Hosted Environment and Provider has no obligation to continue storing Customer Data.

Data Retrieval: Customer should take reasonable measures to retrieve Customer Data prior to terminating the Service. Customer should use features made available as part of the Service, such as the Backup features in Hosted Applications

and the File Browser tool, to retrieve Customer Data. Should the Service be terminated for any reason, access will no longer be provided and Customer must submit a request to Provider for retrieval of its Customer Data within the Retrieval Period, which is defined as the 30 calendar days directly following the termination date. Customer Data will be sent on CD or comparable media to the address on file for the Site making the request within 30 calendar days of receiving the request. Provider may charge Customer up to, but not more than, \$300 per Site to fulfill a data retrieval request. Customer Data not retrieved during the Retrieval Period will be considered abandoned and becomes subject to removal from Provider's servers at Provider's discretion.

Rates, Prices, Pricing Policies: All rates, prices, fees, billing policies and billing procedures will be subject to change at the Provider's sole discretion. Customer will be notified 30 days prior to any price changes going into effect.

Sales Tax: Customers with a shipping address in certain states/jurisdictions may be subject to sales and use tax on the Service purchased from the Provider. Payment for these taxes will be remitted to the Provider at the time of purchase. If sales and use tax applies to the Service purchased and is not remitted to the Provider, Customer will be responsible for paying any applicable taxes to the appropriate taxing jurisdiction.