

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

EPAS ID: PAT2770289

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	PATENT NON-ASSERT AGREEMENT WITH NONEXCLUSIVE LICENSE CONDITIONED ON PATENT SALE

**CONVEYING PARTY DATA**

Name	Execution Date
TAX MATRIX TECHNOLOGIES, LLC	12/31/2012

**RECEIVING PARTY DATA**

<b>Name:</b>	AVALARA, INC.
<b>Street Address:</b>	100 RAVINE LANE NE
<b>Internal Address:</b>	SUITE 220
<b>City:</b>	BAINBRIDGE ISLAND
<b>State/Country:</b>	WASHINGTON
<b>Postal Code:</b>	98110

**PROPERTY NUMBERS Total: 1**

Property Type	Number
Patent Number:	7716093

**CORRESPONDENCE DATA****Fax Number:***Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.*

**Phone:** 206.574.8005  
**Email:** KEVIN.HALVERSON@AVALARA.COM  
**Correspondent Name:** KEVIN R. HALVERSON  
**Address Line 1:** 100 RAVINE LANE NE  
**Address Line 2:** SUITE 220  
**Address Line 4:** BAINBRIDGE ISLAND, WASHINGTON 98110

<b>NAME OF SUBMITTER:</b>	KEVIN R. HALVERSON
<b>SIGNATURE:</b>	/Kevin R. Halverson/
<b>DATE SIGNED:</b>	03/14/2014

**Total Attachments: 7**

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## EXHIBIT J

### PATENT NON-ASSERT AGREEMENT

THIS PATENT NON-ASSERT AGREEMENT (this “**Agreement**”) is made and entered into as of December 31, 2012, by and between Avalara, Inc., a Washington corporation (“**Buyer**”) and Tax Matrix Technologies, LLC, a Pennsylvania limited liability company (“**Seller**”).

WHEREAS, Seller and Buyer have entered into that certain Asset Purchase Agreement, dated December 31, 2012 (the “**Asset Purchase Agreement**”), pursuant to which Buyer has agreed to purchase certain assets, and to assume certain liabilities, of Seller.

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Definitions.**

a. “**Affiliate**” means, with respect to any person or entity, any other person or entity that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with such first person or entity, or with respect to which such first person or entity serves as an officer or director; provided, however, that an Excluded Subsidiary (as defined below) shall not be deemed an Affiliate of Buyer for purposes of this Agreement.

(b) “**Liquidation Transaction**” means (A) the acquisition of shares of capital stock of Buyer representing a majority of Buyer’s combined ordinary voting power by any Person, or any “group” as defined in Regulation 13D under the Securities Exchange Act of 1934, as amended, by means of any transaction or series of related transactions, including, without limitation, any reorganization, merger or consolidation, but excluding (i) any bona fide financing transaction (provided the proceeds of such financing are not intended to be used, in whole or in part, by Buyer to purchase, redeem or otherwise acquire for value any of the capital stock or other equity securities of Buyer) or (ii) any such reorganization, merger or consolidation involving Buyer or a subsidiary of Buyer in which the shares of capital stock of Buyer outstanding immediately prior to such reorganization, merger or consolidation continue to represent, or are converted into or exchanged for, shares of capital stock which continue to represent, immediately following such reorganization, merger or consolidation, a majority of the combined ordinary voting power of the outstanding capital stock of (x) the surviving or resulting corporation, or, (y) if the surviving or resulting corporation is a wholly-owned subsidiary of another corporation immediately following such reorganization, merger or consolidation, of the parent corporation of such surviving or resulting corporation; and (B) a sale, lease, transfer or other disposition, in a single transaction or series of related transactions, by Buyer or any subsidiary of Buyer of all or substantially all of the assets of Buyer and its subsidiaries taken as a whole, except where such sale, lease, transfer or other disposition is to a wholly-owned subsidiary of Buyer.

(c) “**Person**” means an individual, a partnership, a corporation, a limited liability company, a limited liability partnership, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a governmental entity or any department, agency or political subdivision thereof or other business entity.

(d) “**Retained Patents**” means: (a) U.S. patent no. 7,716,093 B2, issued May 11, 2010; (b) any patents or patent applications to which the patent in the foregoing category (a) form a basis for priority, or are co-owned applications that incorporate by reference, or are incorporated by reference into the patent in the foregoing category (a); (c) reissues, reexaminations, extensions, continuations, continuations in part, continuing prosecution applications, requests for continuing examinations, divisions, and registrations of any item in any of the foregoing categories (a) or (b); (d) foreign and multinational patents, patent applications and counterparts relating to any item in any of the foregoing categories (a) through (c), including, without limitation, certificates of invention and utility models; (e) rights provided by multinational treaties or conventions for any item in any of the foregoing categories (a) through (d); and (f) any item in any of the foregoing categories (b) through (e) whether or not claims in any of the foregoing have been rejected, withdrawn, cancelled or the like.

(e) Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Asset Purchase Agreement.

## 2. **Notice of Action.**

(a) Seller shall provide Buyer with at least thirty (30) days advance written notice prior to asserting an claim, demand or notice against any Person (a “**Target**”) alleging any infringement, misappropriation, dilution or other violation with respect to the Retained Patents (the “**Notice of Action**”).

(b) Buyer to use the same degree of care as Buyer uses to protect its own confidential information for any information obtained contained in a Notice of Action, and Buyer acknowledges that it will not, unless otherwise required by law or the rules of any national securities exchange, association or marketplace, disclose such information to any third party without the prior written consent of Seller, except such information that (a) was in the public domain prior to the time it was furnished to Buyer, (b) is or becomes (through no willful improper action or inaction by Buyer) generally available to the public, (c) was in its possession or known by Buyer without restriction prior to receipt from Seller, (d) was rightfully disclosed to Buyer by a third party without restriction or (e) was independently developed without any use of Seller’s confidential information. Notwithstanding the foregoing, Buyer may disclose such proprietary or confidential information to legal counsel, accountants or representatives for Buyer.

(c) In the event that Buyer does not notify Seller in writing within thirty (30) days of Buyer’s receipt of the applicable Notice of Action (the “**Notice Receipt Date**”) that such Target was an Affiliate of Buyer as of the Notice Receipt Date or that Buyer was actively engaged or had attempted to engage in discussions to acquire such Target prior to the Notice Receipt Date, such Target shall be deemed an “**Excluded Subsidiary**” for purposes hereof, and Seller shall be free to proceed with the claim, demand or notice described in the Notice of Action. In the event that Buyer notifies Seller in writing within thirty (30) days of Buyer’s

receipt of the applicable Notice of Action that Buyer is actively engaged in discussions to acquire such Target, such Target shall be deemed to be an Affiliate of Buyer for purposes of this Agreement unless Buyer fails to consummate the acquisition of such Target within one hundred eighty (180) days of Buyer's receipt of the applicable Notice of Action.

3. **Retained Patents Non-Assert.** Unless and until Buyer consummates a Liquidation Transaction, Seller hereby irrevocably agrees and covenants not to assert, make or bring any demand, claim, lawsuit, proceeding (including any ITC proceedings) or action against Buyer or its current or future Affiliates for infringement of any Retained Patents (the "**Retained Patents Non-Assert**"). This Retained Patents Non-Assert extends to Buyer and its Affiliates' direct and indirect contractors, agents, developers, distributors, resellers, end users and customers.

4. **Conversion to Patent License.** Upon sale of or other transfer of title to any of the Retained Patents by Seller to any other entity or person (the "**Transferred Retained Patents**") (including without limitation, by way of an exclusive license), the Retained Patents Non-Assert will, immediately before the sale or transfer takes effect, automatically transform into a perpetual, non-exclusive, non-sublicensable (except as provided herein), non-transferrable, non-assignable, fully-paid, royalty free license, under the Transferred Retained Patents, to make, have made, use, offer for sale, license, lease, sell, import, supply, and otherwise provide and dispose of all products and services and to practice all processes and methods in connection therewith (the "**Converted Retained Patents License**"); provided, however, that the Converted Retained Patents License shall automatically terminate, without any further action by any party, immediately upon Buyer's consummation of a Liquidation Transaction. Unless and until Buyer consummates a Liquidation Transaction, the Converted Retained Patents License will be sublicensable to Buyer's Affiliates, and to its and their direct and indirect contractors, agents, developers, distributors, resellers, end users, and customers.

5. **Transfer of Retained Patents Non-Assert.** The Retained Patents Non-Assert is non-transferrable and non-assignable.

6 **Integration with Asset Purchase Agreement Provisions.** The Seller makes no express or implied representations or warranties in this Agreement of any kind whatsoever with respect to the Purchased Assets, and hereby disclaims all implied warranties with respect to the Purchased Assets, provided, however, that this Agreement in no way defeats, limits, alters, impairs, enhances or enlarges any right, obligation, limitation, claim or remedy under the Asset Purchase Agreement, including any rights the Parties hereto may have under the representations, warranties, limitations on remedies and liabilities, and indemnities set forth therein. In the event that any of the provisions of this Agreement are determined to conflict with the terms of the Asset Purchase Agreement, the terms of the Asset Purchase Agreement shall control.

7 **Specific Performance.** Each Party acknowledges and agrees that the breach of this Agreement would cause irreparable damage to the other Parties and that the non-breaching Parties will not have an adequate remedy at law. Therefore, the obligations of each Party under this Agreement shall be enforceable by a decree of specific performance issued by any court of competent jurisdiction, and appropriate injunctive relief may be applied for and granted in connection therewith. Such remedies shall, however, be cumulative and not exclusive and shall

be in addition to any other remedies which any Party may have under this Agreement or otherwise.

8. **Further Assurances.** Each Party hereto shall execute such additional documents and instruments and take such further action as reasonably may be required or desirable to carry out the provisions hereof.

9. **Waiver of Compliance.** Any failure of Seller, on the one hand, or Buyer, on the other hand, to comply with any obligation, covenant, agreement or condition herein may be waived by Seller or Buyer, respectively, only by a written instrument signed by an officer of the Party or Parties granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

10. **Notices.** All notices and other communications hereunder will be in writing and will be deemed given (a) upon receipt if delivered personally (or if mailed by registered or certified mail), (b) the day after dispatch if sent by overnight courier or (c) upon dispatch if transmitted by telecopier or other means of facsimile transmission, in each case to the following:

If to Seller: 1011 Mumma Road  
Lemoyne, PA 17043  
E-mail: mespensshade@taxmatrix.com  
Attention: Michael S. Espensshade

with a copy to: Archer & Greiner P.C.  
Facsimile: 856-673-7013  
E-mail: jletchford@archerlaw.com  
Attention: John F. Letchford

If to Buyer: PO Box 10126  
Bainbridge Island, WA 98110  
E-mail: legal@avalara.com  
Attention: Legal Department

with a copy to: DLA Piper LLP (US)  
Facsimile: 206-839-4801  
E-mail: Megan.Muir@dlapiper.com  
Attention: Megan Muir

11. **Governing Law; Venue.** The validity, construction and enforceability of this Agreement will be governed in all respects by the laws of the State of Delaware, without regard to its conflict of laws principles. If any legal action or any arbitration or other proceeding is brought in connection with this Agreement, the prevailing Party will be entitled to recover reasonable attorneys' fees, accounting fees, and other costs incurred in that action or proceeding, in addition to any other relief to which it may be entitled. Any action to enforce, or which arises out of or in any way relates to, any of the provisions of this Agreement (except for any actions that are expressly subject to arbitration), including any action to compel compliance with the

arbitration provisions of this Agreement and any action to enforce an arbitration judgment, will be brought and prosecuted exclusively in the state and federal courts located in King County, Washington, and the Parties hereto hereby consent to the jurisdiction of such court or courts and to service of process by registered mail, return receipt requested, or by any other manner provided by the law of the State of Washington and the rules of such courts.

12. **Construction.** The captions and titles of the articles, sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement. This Agreement has been jointly prepared by Seller and Buyer and shall be construed without regard to any presumption or other rule requiring the resolution of any ambiguity regarding the interpretation or construction hereof against the Party causing this Agreement to be drafted.

13. **Intent to be Binding; Entire Agreement; Severability.** This Agreement may be executed in any number of counterparts, and each counterpart constitutes an original instrument, but all such separate counterparts constitute one and the same agreement. Except as otherwise provided herein, this Agreement may not be amended except by an instrument in writing signed by each Party hereto. This Agreement embodies the entire agreement and understanding of the Parties hereto in respect of the subject matter contained herein. This Agreement supersedes all prior agreements and the understandings between the Parties with respect to such subject matter. No discussions regarding or exchange of drafts or comments in connection with the transactions contemplated herein will constitute an agreement among the Parties thereto. If any term, provision, covenant or restriction of this Agreement is held by a court to be invalid or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement will remain in full force and effect and will in no way be affected or invalidated and the court will modify this Agreement or, in the absence thereof, the Parties agree to negotiate in good faith to modify this Agreement to preserve each Party's anticipated benefits under this Agreement.

*[Signature page follows.]*

IN WITNESS WHEREOF, the Parties hereto have executed this Patent Non-Assert Agreement as of the date first above written.

**BUYER**

AVALARA, INC

By \_\_\_\_\_

Name:

Title:

*Kevin P. Kiegselberger*  
KEVIN P. KIEGELSBERGER  
PRESIDENT

**SELLER**

TAX MATRIX TECHNOLOGIES, LLC

By \_\_\_\_\_

Name:

Title:



IN WITNESS WHEREOF, the Parties hereto have executed this Patent Non-Assert Agreement as of the date first above written.

**BUYER**

**AVALARA, INC**

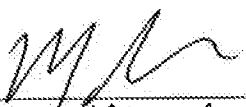
By \_\_\_\_\_

Name:

Title:

**SELLER**

**TAX MATRIX TECHNOLOGIES, LLC**

By  \_\_\_\_\_

Name: MICHAEL ESPENSHADS

Title: PRESIDENT