

AGREEMENT APPOINTING PARTNERSHIP AUDIT REPRESENTATIVE

This Agreement Appointing Partnership Audit Representative (the "Agreement") is entered into as of _____, 20____, by and between _____, a _____ limited liability company (the "Partnership"), and _____ (the "Partnership Representative").

RECITALS

WHEREAS, the Partnership is subject to the partnership audit procedures established by the Bipartisan Budget Act of 2015, as codified in Sections 6221 through 6241 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, pursuant to Section 6223 of the Code and the Treasury Regulations promulgated thereunder, the Partnership is required to designate a Partnership Representative who shall have the sole authority to act on behalf of the Partnership in connection with any IRS audit, proceeding, or judicial review of the Partnership's tax returns; and

WHEREAS, the Partnership desires to appoint the Partnership Representative, and the Partnership Representative desires to accept such appointment, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Appointment.** The Partnership hereby designates and appoints _____ to serve as the "Partnership Representative" of the Partnership within the meaning of Section 6223 of the Code. The Partnership Representative hereby accepts such appointment and agrees to perform the duties and obligations required of a Partnership Representative under the Code and Treasury Regulations.
2. **Authority and Duties.**
 - a. The Partnership Representative shall have the sole authority to act on behalf of the Partnership under Subchapter C of Chapter 63 of the Code. All actions taken by the Partnership Representative in such capacity shall be binding on the Partnership and all of its partners (including past and present partners).
 - b. The Partnership Representative shall keep the partners of the Partnership reasonably informed of any administrative or judicial proceedings for the adjustment of partnership items at the partnership level.
 - c. The Partnership Representative shall not settle any audit, make any tax elections, or file a petition for readjustment in any court without first consulting with, and obtaining the written consent of, _____.
3. **Designated Individual.** If the Partnership Representative is an entity, the Partnership Representative hereby appoints _____ as the "Designated Individual" to act on behalf of the Partnership Representative in accordance with Treasury Regulations Section 301.6223-1.
4. **Term and Resignation.** This Agreement shall remain in effect until the Partnership Representative resigns, is removed by the Partnership, or is otherwise disqualified under applicable law. The Partnership Representative may resign at any time by providing _____ days' prior written notice to the Partnership. The Partnership may remove the Partnership Representative at any time, with or without cause, by written notice.
5. **Indemnification.** The Partnership shall indemnify, defend, and hold harmless the Partnership Representative (and the Designated Individual, if applicable) from and against any and all liabilities, claims, damages, losses, costs, and expenses (including reasonable attorneys' fees) incurred in connection with or arising out of the performance of its duties under this Agreement, except in the case of gross negligence, willful misconduct, or a material breach of this Agreement.
6. **Compensation.** The Partnership Representative shall receive _____ as compensation for services rendered under this Agreement, and shall be reimbursed for all reasonable out-of-pocket expenses incurred in the performance of its duties.

7. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of _____, without giving effect to any principles of conflicts of law.

8. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof and supersedes all prior agreements, understandings, or representations, whether written or oral.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

THE PARTNERSHIP:

By: _____

Name: _____

Title: _____

PARTNERSHIP REPRESENTATIVE:

By: _____

Name: _____

Title: _____