

TAX REPRESENTATION AND WARRANTY INDEMNITY AGREEMENT

This Tax Representation and Warranty Indemnity Agreement (the "Agreement") is entered into as of _____, 20_____, by and among:

Indemnifying Party: _____, with a principal place of business/residence at _____ (hereinafter referred to as the "Seller");

and

Indemnified Party: _____, with a principal place of business/residence at _____ (hereinafter referred to as the "Buyer").

RECITALS

WHEREAS, Seller and Buyer have entered into that certain _____ Agreement dated as of _____, 20_____ (the "Transaction Agreement"); and

WHEREAS, as a material inducement to Buyer to enter into and perform its obligations under the Transaction Agreement, Seller has agreed to make certain tax representations and warranties, and to indemnify Buyer against certain tax liabilities as set forth herein.

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

1. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer that:

- a. **Tax Returns and Filing:** All tax returns, declarations, reports, estimates, information returns, and statements required to be filed by or on behalf of the Seller or the Target Company have been timely and properly filed. All such tax returns are true, correct, and complete in all material respects.
- b. **Payment of Taxes:** All taxes due and owing by the Seller or the Target Company (whether or not shown on any tax return) have been paid in full.
- c. **No Audits or Disputes:** There are no ongoing, pending, or threatened audits, examinations, investigations, or other administrative or judicial proceedings concerning any taxes of the Seller or the Target Company. No deficiency or adjustment for any amount of tax has been proposed, asserted, or assessed in writing.
- d. **Withholding:** All taxes required to be withheld, collected, or deposited by the Seller or the Target Company have been duly withheld, collected, or deposited, and have been paid over to the proper governmental authority.

2. TAX INDEMNIFICATION

- a. Seller hereby agrees to indemnify, defend, and hold harmless Buyer and its affiliates, officers, directors, employees, and agents (each an "Indemnified Party") from and against any and all losses, liabilities, claims, damages, deficiencies, costs, and expenses (including reasonable attorneys' fees and expenses) arising out of, resulting from, or relating to:
 - i. Any breach of or inaccuracy in any representation or warranty made by Seller in Section 1 of this Agreement.
 - ii. Any and all taxes of the Seller or the Target Company for any tax period ending on or before the closing date of the Transaction Agreement.
 - iii. Any transfer, documentary, sales, use, stamp, registration, or other similar taxes incurred in connection with the transactions contemplated by the Transaction Agreement.

3. LIMITATIONS ON LIABILITY

- a. **Survival:** The representations and warranties contained in Section 1 shall survive the closing of the transaction for a period of _____ years.

- b. **Cap:** The maximum aggregate liability of the Seller under this Agreement shall not exceed \$ _____.
- c. **Basket:** No claim for indemnification under this Agreement shall be made by Buyer unless and until the aggregate amount of all claims exceeds \$ _____, in which event Seller shall be liable for the full amount of such claims from the first dollar.

4. CLAIM PROCEDURES

- a. **Notice of Claim:** If an Indemnified Party becomes aware of any claim, audit, or assessment that could give rise to a claim for indemnification under this Agreement, the Indemnified Party shall promptly notify the Seller in writing.
- b. **Defense of Claim:** The Seller shall have the right, at its own expense, to assume the defense of any third-party tax claim or audit, provided that Seller conducts the defense actively and diligently with counsel reasonably satisfactory to the Indemnified Party.

5. MISCELLANEOUS

- a. **Governing Law:** This Agreement shall be governed by, and construed in accordance with, the laws of the State of _____ without regard to its principles of conflicts of law.
- b. **Entire Agreement:** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings.
- c. **Amendments:** This Agreement may not be amended, modified, or supplemented except by a written instrument executed by both parties.
- d. **Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Tax Representation and Warranty Indemnity Agreement as of the date first written above.

SELLER:

BUYER:

Name: _____
Title: _____

Name: _____
Title: _____

Signature

Signature