

DEED OF TAX INDEMNIFICATION

THIS DEED OF INDEMNITY IS MADE ON _____ DAY OF _____, 20_____

BETWEEN:

The Indemnifier: _____, a corporation organized and existing under the laws of _____, with its registered office located at _____ (hereinafter referred to as the "Indemnifier").

The Indemnified Party: _____, a corporation organized and existing under the laws of _____, with its registered office located at _____ (hereinafter referred to as the "Indemnified Party").

RECITALS:

- A. The Indemnifier and the Indemnified Party have entered into a _____ agreement dated _____ (the "Transaction Agreement").
- B. Pursuant to the Transaction Agreement, the Indemnifier has agreed to indemnify and hold harmless the Indemnified Party from certain Tax liabilities under the terms and conditions set forth in this Deed.

1. DEFINITIONS AND INTERPRETATION

In this Deed, unless the context otherwise requires, the following terms shall have the meanings ascribed to them below:

- a. "Tax" or "Taxes" means any and all federal, state, local, or foreign taxes, levies, imposts, duties, charges, or withholdings, including income, corporate, capital gains, value-added, sales, transfer, and payroll taxes, together with any interest, penalties, or additions associated therewith.
- b. "Tax Claim" means any assessment, claim, audit, demand, litigation, or administrative or judicial proceeding by any governmental or taxing authority.
- c. "Pre-Completion Period" means any taxable period ending on or before _____, 20_____.

2. TAX INDEMNITY

1. Subject to the provisions of this Deed, the Indemnifier hereby covenants to indemnify, defend, and hold harmless the Indemnified Party, its affiliates, successors, and permitted assigns, from and against any and all liability for:
 - a. Any and all Taxes imposed on or with respect to the Indemnified Party or its assets for any Pre-Completion Period.
 - b. Any and all Taxes arising from a breach of any tax representation or warranty made by the Indemnifier under the Transaction Agreement.
 - c. All reasonable out-of-pocket legal, accounting, and professional costs and expenses incurred in connection with any such Taxes or Tax Claims.

3. EXCLUSIONS AND LIMITATIONS

1. The indemnity provided under Section 2 shall not apply to the extent that:
 - a. Provision or reserve for the specific Tax liability was made in the audited accounts of the Indemnified Party dated as of _____, 20_____.
 - b. The Tax liability arises or is increased as a result of any change in law, regulation, or administrative practice introduced after the date of this Deed with retrospective effect.
 - c. The Tax liability arises or is increased as a consequence of any voluntary action, transaction, or omission of the Indemnified Party after the date of this Deed, otherwise than in the ordinary course of business.
2. The maximum aggregate liability of the Indemnifier under this Deed shall not exceed

_____.

3. No claim under this Deed may be brought against the Indemnifier after the expiry of _____ years from the date hereof.

4. CLAIMS PROCEDURE

- 1. If the Indemnified Party becomes aware of a Tax Claim that may give rise to a claim under this Deed, it shall give written notice to the Indemnifier within _____ days of becoming aware of such Tax Claim.
- 2. The Indemnifier shall have the right, at its own expense, to participate in or assume the defense of any Tax Claim, provided that it acknowledges in writing its obligation to indemnify the Indemnified Party in respect of such Tax Claim.
- 3. The Indemnified Party shall not settle or compromise any Tax Claim without the prior written consent of the Indemnifier, which consent shall not be unreasonably withheld, conditioned, or delayed.

5. MISCELLANEOUS

- 1. **Governing Law:** This Deed shall be governed by and construed in accordance with the laws of _____.
- 2. **Jurisdiction:** The parties submit to the exclusive jurisdiction of the courts of _____ to resolve any dispute arising out of or in connection with this Deed.
- 3. **Successors and Assigns:** This Deed shall be binding upon and inure to the benefit of each party's successors and permitted assigns.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Deed of Indemnification on the date first written above.

EXECUTED AS A DEED BY:

For and on behalf of **The Indemnifier**

Signature:

Name:

Title:

In the presence of (Witness):

Signature:

Name:

EXECUTED AS A DEED BY:

For and on behalf of **The Indemnified Party**

Signature:

Name:

Title:

In the presence of (Witness):

Signature:

Name:
