

**TAX INDEMNITY AGREEMENT  
(JOINT AND SEVERAL LIABILITIES)**

This Tax Indemnity Agreement (this "Agreement") is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between:

**Indemnitor:** \_\_\_\_\_, residing at/having its principal place of business at \_\_\_\_\_ (hereinafter referred to as the "Indemnitor"),

and

**Indemnitee:** \_\_\_\_\_, residing at/having its principal place of business at \_\_\_\_\_ (hereinafter referred to as the "Indemnitee").

**RECITALS**

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WHEREAS, the Indemnitor and the Indemnitee have filed, or intend to file, joint, consolidated, combined, or unitary tax returns under applicable federal, state, local, or foreign tax laws;

WHEREAS, by virtue of filing such returns, the parties are or may be held jointly and severally liable to the relevant taxing authorities for the tax liabilities arising from or associated with such tax returns;

WHEREAS, the parties desire to allocate the ultimate economic responsibility for such tax liabilities and to provide for indemnification in the event that one party is required to pay more than its allocated share of such liabilities.

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. DEFINITIONS**

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1. **"Allocated Share"** means the portion of any Joint Tax Liability allocated to a party as determined pursuant to Section 2 of this Agreement.
2. **"Joint Tax Liability"** means any federal, state, local, or foreign tax liability, including income, franchise, sales, use, employment, or other taxes, together with any interest, penalties, or additions to tax, for which the Indemnitor and the Indemnitee are jointly and severally liable under applicable law for the taxable periods ending \_\_\_\_\_ through \_\_\_\_\_.
3. **"Tax Authority"** means any government, state, municipality, or other political subdivision, or any agency, department, or court, domestic or foreign, exercising regulatory or administrative authority over the assessment or collection of taxes.

**2. ALLOCATION OF LIABILITY**

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The parties agree that any Joint Tax Liability shall be allocated between them as follows:

**3. INDEMNIFICATION**

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1. **Indemnification by Indemnitor:** The Indemnitor hereby agrees to indemnify, defend, and hold harmless the Indemnitee from and against any and all losses, claims, damages, liabilities, costs, and expenses (including reasonable attorneys' and accountants' fees) arising out of, resulting from, or in connection with (i) any Joint Tax Liability in excess of the Indemnitee's

Allocated Share, or (ii) any breach by the Indemnitor of any representation, warranty, or covenant contained in this Agreement.

2. **Payment of Claims:** The Indemnitor shall pay to the Indemnitee any amount due under this Section within \_\_\_\_\_ days of receipt of a written demand from the Indemnitee accompanied by reasonable documentation verifying the payment or pending assessment of the Joint Tax Liability.

#### 4. CONTROL OF TAX CONTESTS

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1. **Notice:** If either party receives notice from a Tax Authority of any audit, examination, assessment, or other proceeding (a "Tax Contest") that could give rise to a claim for indemnification under this Agreement, such party shall promptly notify the other party in writing.
2. **Control:** Except as otherwise provided, the party having the larger potential financial responsibility under Section 2 of this Agreement shall have the right to control the defense and settlement of any Tax Contest; provided, however, that the controlling party shall keep the other party reasonably informed and shall not settle any Tax Contest without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned, or delayed.

#### 5. COOPERATION AND RECORDS

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The parties agree to cooperate fully with each other in connection with the preparation and filing of any tax returns, and any audit, litigation, or other proceeding involving any Joint Tax Liability. Each party shall retain all books, records, and tax returns relevant to the Joint Tax Liability until the expiration of the applicable statute of limitations, and shall make them available to the other party upon reasonable request.

#### 6. MISCELLANEOUS

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1. **Governing Law:** This Agreement shall be governed by, and construed in accordance with, the laws of the State of \_\_\_\_\_, without regard to its conflict of laws principles.
2. **Amendments:** This Agreement may not be amended, modified, or supplemented except by a written instrument signed by both parties.
3. **Severability:** If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.
4. **Entire Agreement:** This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written.

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

**INDEMNITOR:**

**INDEMNITEE:**

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_