

LLC TAX MATTERS REPRESENTATIVE DESIGNATION AGREEMENT

This Tax Matters Representative Designation Agreement (the "Agreement") is entered into as of _____, 20_____, by and among _____, a _____ limited liability company (the "Company"), and the undersigned members of the Company (the "Members").

RECITALS

WHEREAS, the Company is governed by its Operating Agreement dated _____, 20_____, (as may be amended from time to time, the "Operating Agreement"); and

WHEREAS, pursuant to the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder, including the partnership audit rules enacted under the Bipartisan Budget Act of 2015, the Company is required to designate a Partnership Representative (referred to herein as the "Tax Matters Representative") to act on behalf of the Company in connection with federal, state, and local tax matters; and

WHEREAS, the Members desire to formally designate the Tax Matters Representative and outline the scope of authority, duties, and indemnification associated with such designation.

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. DESIGNATION OF TAX MATTERS REPRESENTATIVE

Pursuant to the applicable provisions of the Code and Treasury Regulations, _____ is hereby designated and appointed as the Tax Matters Representative (and/or Partnership Representative, as applicable) of the Company. The Designated Representative hereby accepts such designation and agrees to perform the duties required of such position in accordance with the terms of this Agreement and the Operating Agreement.

2. AUTHORITY AND POWERS

Subject to any limitations expressly set forth in this Agreement or the Operating Agreement, the Tax Matters Representative shall have the sole authority to act on behalf of the Company in connection with all administrative and judicial proceedings involving the tax affairs of the Company. This authority includes, but is not limited to, the power to:

- a. Represent the Company before the Internal Revenue Service (IRS) and any other federal, state, or local tax authorities;
- b. Extend the statute of limitations for the assessment of tax deficiencies against the Company or its Members;
- c. Execute settlement agreements with tax authorities that bind the Company and, to the extent permitted by law, its Members;
- d. File petitions for judicial review of final partnership administrative adjustments or other tax determinations; and
- e. Make any tax elections on behalf of the Company, including an election under Section 6226 of the Code (the "push-out" election), if applicable.

3. DUTIES AND RESTRICTIONS

The Tax Matters Representative shall perform their duties in good faith and shall keep all Members fully informed of any tax audits, administrative adjustments, or judicial proceedings. Specifically, the Tax Matters Representative shall:

- a. Provide copies of any written notice of administrative proceeding, adjustment, or final determination received from any tax authority to all Members within _____ days of receipt;
- b. Consult with the Members prior to entering into any material settlement agreement, making any material tax election,

or initiating any judicial proceeding; and

- c. Not take any action that would disproportionately and adversely affect any individual Member without first obtaining the written consent of such affected Member.

4. COMPENSATION AND REIMBURSEMENT OF EXPENSES

The Tax Matters Representative _____ receive compensation for services rendered in this capacity. The Company shall reimburse the Tax Matters Representative for all reasonable, documented out-of-pocket expenses, including legal, accounting, and consulting fees, incurred in connection with the performance of their duties under this Agreement.

5. INDEMNIFICATION

The Company shall indemnify, defend, and hold harmless the Tax Matters Representative from and against any and all claims, liabilities, losses, damages, costs, and expenses (including reasonable attorneys' fees) arising out of or in connection with the performance of their duties under this Agreement, provided that the Tax Matters Representative acted in good faith, in a manner reasonably believed to be in the best interests of the Company, and that such actions did not constitute fraud, gross negligence, or willful misconduct.

6. RESIGNATION, REMOVAL, AND SUCCESSORS

The Tax Matters Representative may resign at any time by providing written notice to the Company and the Members. The Tax Matters Representative may be removed at any time with or without cause by a vote of the Members holding _____ percent of the membership interests in the Company. In the event of resignation, removal, dissolution, or incapacity of the Tax Matters Representative, a successor shall be designated by a vote of the Members in accordance with the Operating Agreement.

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 among the parties regarding the subject matter hereof and supersedes all prior or contemporaneous agreements, understandings, or representations, whether oral or written, relating to the designation of the Tax Matters Representative.

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

THE COMPANY:

By: _____

Title: _____

TAX MATTERS REPRESENTATIVE:

By: _____

Title: _____

MEMBER:

Name: _____

MEMBER:

Name: _____