

TAX AUDIT DEFENSE AND INDEMNITY AGREEMENT

This Tax Audit Defense and Indemnity Agreement (the "Agreement") is entered into as of _____, by and between:

Representation Provider: _____, with a principal place of business at _____ (hereinafter referred to as the "Provider"),

AND

Client: _____, residing at or with a principal place of business at _____ (hereinafter referred to as the "Client").

1. RECITALS

WHEREAS, the Provider offers professional tax representation, audit defense, and consulting services;

WHEREAS, the Client desires to retain the Provider to represent and defend the Client in connection with certain tax audits, inquiries, or examinations, and to secure indemnification protection under the terms and conditions set forth herein; and

WHEREAS, the Provider agrees to provide such representation and indemnity subject to the terms and limitations of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

2. SCOPE OF REPRESENTATION

The Provider shall represent the Client before the relevant taxing authorities in connection with the audit of the Client's tax return(s) for the tax year(s) or period(s) specified below:

Tax Period(s) Covered: _____

Jurisdiction/Taxing Authority: _____

3. DUTIES OF THE CLIENT

To receive representation and indemnity coverage, the Client must comply with the following obligations:

- a. Provide the Provider with immediate notice, and in no event later than _____ business days, of receipt of any communication or notice from a taxing authority regarding the covered tax period(s).
- b. Furnish all requested receipts, documents, ledgers, records, and information in a timely, truthful, and accurate manner.
- c. Fully cooperate with the Provider during all stages of the audit proceedings.

4. INDEMNITY PROVISIONS

Subject to the terms of this Agreement, the Provider agrees to indemnify the Client against certain tax-related liabilities resulting from the audit of the covered tax periods, subject to the following limitations:

- a. **Covered Liabilities:** Indemnity shall apply solely to _____.
- b. **Maximum Indemnity Limit:** The total aggregate liability of the Provider under this indemnity clause shall not exceed _____.
- c. **Exclusions:** No indemnity coverage shall be provided if the audit adjustment, penalty, or interest arises from fraud, intentional misrepresentation, gross negligence, omission of income, or failure of the Client to provide complete and accurate information to the Provider or the taxing authority.

5. FEES AND PAYMENT

In consideration for the representation and indemnity services provided under this Agreement, the Client shall pay the Provider as follows:

6. TERM AND TERMINATION

This Agreement shall commence on the date first written above and shall continue until the conclusion of the specified audit proceedings, unless terminated earlier by either party upon _____ days written notice. In the event of early termination, any outstanding fees shall become immediately due and payable, and the Provider's obligation to indemnify the Client shall cease immediately.

7. GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement shall be governed by, and construed in accordance with, the laws of the State of _____. Any dispute arising out of or relating to this Agreement shall be resolved through binding arbitration in _____.

8. ENTIRE AGREEMENT

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

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

PROVIDER:

CLIENT:

By: _____

By: _____

Title: _____

Title (if applicable): _____

Date: _____

Date: _____