

AGREEMENT FOR PARTNERSHIP TAX ALLOCATION AND REGULATORY COMPLIANCE

This Agreement for Partnership Tax Allocation and Regulatory Compliance (the "Agreement") is entered into as of _____, by and among the undersigned partners (individually, a "Partner" and collectively, the "Partners") of _____ (the "Partnership").

RECITALS

WHEREAS, the Partners have entered into a Partnership Agreement dated _____;

WHEREAS, the Partners desire to establish specific rules governing the allocation of partnership income, gain, loss, deduction, and credit for federal, state, and local income tax purposes, and to ensure compliance with the Internal Revenue Code (the "Code") and the Treasury Regulations promulgated thereunder;

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 Partners agree as follows:

SECTION 1: CAPITAL ACCOUNTS

- Maintenance of Capital Accounts:** The Partnership shall establish and maintain for each Partner a separate capital account in accordance with Section 704(b) of the Code and Treasury Regulation Section 1.704-1(b)(2)(iv).
- Adjustments to Capital Accounts:** Each Partner's capital account shall be increased by:
 - The amount of money contributed by the Partner to the Partnership;
 - The fair market value of any property contributed by the Partner (net of liabilities secured by such property that the Partnership is considered to assume or take subject to); and
 - Allocations to the Partner of Partnership income and gain.

Each Partner's capital account shall be decreased by:

- The amount of money distributed to the Partner by the Partnership;
- The fair market value of any property distributed to the Partner (net of liabilities secured by such property that the Partner is considered to assume or take subject to); and
- Allocations to the Partner of Partnership loss and deduction.

SECTION 2: TAX ALLOCATIONS

- Allocation of Net Income and Net Loss:** Except as otherwise provided in this Agreement or required by the Code, Net Income and Net Loss of the Partnership for each fiscal year shall be allocated among the Partners in accordance with their partnership interests as follows:

Partner: _____	Percentage: _____ %
Partner: _____	Percentage: _____ %
Partner: _____	Percentage: _____ %
Partner: _____	Percentage: _____ %

- Section 704(c) Allocations:** In accordance with Section 704(c) of the Code and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Partnership shall, solely for tax purposes, be allocated among the Partners so as to take into account any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its initial fair market value. The Partnership shall utilize the

_____ method for making such allocations.

3. **Regulatory Allocations:** This Agreement shall be deemed to include "qualified income offset," "minimum gain chargeback," and "partner nonrecourse debt minimum gain chargeback" provisions as required by Treasury Regulations under Section 704(b).

SECTION 3: PARTNERSHIP REPRESENTATIVE AND TAX AUDITS

1. **Designation:** _____ is hereby designated as the "Partnership Representative" within the meaning of Section 6223 of the Code (as amended by the Bipartisan Budget Act of 2015).
2. **Authority and Duties:** The Partnership Representative shall represent the Partnership in all examinations of the Partnership's affairs by tax authorities. The Partnership Representative is authorized, in its sole discretion, to make any elections available under the Code, including but not limited to an election under Section 6226 of the Code.
3. **Indemnification:** The Partnership shall indemnify and hold harmless the Partnership Representative from and against any claims, liabilities, or expenses incurred in connection with the performance of its duties as Partnership Representative.

SECTION 4: TAX RETURNS AND COMPLIANCE

1. **Preparation and Filing:** The Partnership Representative shall cause all federal, state, and local income tax returns of the Partnership to be prepared and timely filed.
2. **Information Provided to Partners:** The Partnership shall deliver to each Partner, within _____ days after the end of each fiscal year, all necessary tax information, including Schedule K-1, required for the preparation of the Partners' tax returns.

SECTION 5: MISCELLANEOUS PROVISIONS

1. **Governing Law:** This Agreement shall be governed by, and construed in accordance with, the laws of the State of _____, without giving effect to any conflict of law principles.
2. **Amendments:** This Agreement may be amended only by a written instrument executed by all Partners.
3. **Severability:** If any provision of this Agreement is held to be invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it valid and enforceable, and the remaining provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the Partners have executed this Agreement as of the date first written above.

Partner:

Signature

Name: _____

Date: _____

Partner:

Signature

Name: _____

Date: _____

Partner:

Signature

Name: _____

Date: _____

Partner:

Signature

Name: _____

Date: _____