

# DEED OF TAX INDEMNIFICATION

THIS DEED OF TAX INDEMNIFICATION (the "Deed") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

## BY AND BETWEEN:

(1) \_\_\_\_\_, a company incorporated under the laws of \_\_\_\_\_, having its registered office at \_\_\_\_\_ (hereinafter referred to as the "**Indemnifier**"); and

(2) \_\_\_\_\_, a company incorporated under the laws of \_\_\_\_\_, having its registered office at \_\_\_\_\_ (hereinafter referred to as the "**Indemnified Party**").

Each of the Indemnifier and the Indemnified Party shall individually be referred to as a "Party" and collectively as the "Parties".

## RECITALS

---

A. The Parties have entered into a \_\_\_\_\_ agreement dated \_\_\_\_\_ (the "Transaction Agreement").

B. Pursuant to the Transaction Agreement, and as a condition precedent to the completion of the transactions contemplated therein, the Indemnifier has agreed to execute and deliver this Deed to provide protection to the Indemnified Party against certain Tax liabilities as set out herein.

## 1. DEFINITIONS AND INTERPRETATION

---

1.1. In this Deed, unless the context otherwise requires, the following terms shall have the meanings set out below:

- "**Claim**" means any claim, demand, assessment, letter, notice, demand, determination, judgment, or other document issued or action taken by any Tax Authority from which it appears that a Tax Liability is or may be imposed on the Indemnified Party.
- "**Tax**" or "**Taxes**" means all forms of taxation, duties, levies, imposts, social security contributions, deductions, withholdings, and rates, whenever and wherever imposed, including any interest, fines, penalties, surcharges, or additional assessments related thereto.
- "**Tax Authority**" means any government, state, regional, local, municipal, or fiscal authority, body, or organ lawfully competent to impose, assess, or collect any Tax.
- "**Tax Liability**" means any liability of the Indemnified Party to make a payment of Tax, or the loss, reduction, modification, or cancellation of any relief, allowance, or credit previously available to the Indemnified Party.

## 2. TAX INDEMNITY

---

2.1. Subject to the terms of this Deed, the Indemnifier hereby covenants, warrants, and undertakes to indemnify, defend, and hold harmless the Indemnified Party from and against any and all:

- a. Tax Liabilities arising out of, relating to, or in connection with the business, assets, or operations of \_\_\_\_\_ for any period ending on or before \_\_\_\_\_;
- b. Tax Liabilities arising from the transactions contemplated under the Transaction Agreement; and
- c. Reasonable out-of-pocket costs, professional fees (including legal and accounting fees), and expenses properly incurred by the Indemnified Party in connection with any Claim or Tax Liability covered by this Deed.

## 3. EXCLUSIONS

---

3.1. The indemnity provided in Clause 2 shall not apply to the extent that the Tax Liability:

- a. Has been paid or discharged on or before the date of this Deed;
- b. Was specifically provided for or reserved against in the financial statements of the Indemnified Party dated \_\_\_\_\_;

- c. Arises or is increased as a result of any change in the law, rules, or regulations, or the interpretation or practice thereof by a Tax Authority, introduced after the date of this Deed; or
- d. Arises or is increased due to a voluntary transaction, action, or omission carried out by the Indemnified Party after the date of this Deed, otherwise than in the ordinary course of business.

#### 4. CLAIMS PROCEDURE

---

4.1. If the Indemnified Party becomes aware of any Claim, it shall notify the Indemnifier in writing as soon as reasonably practicable, and in any event within \_\_\_\_\_ business days of becoming aware of such Claim.

4.2. Subject to the Indemnifier indemnifying the Indemnified Party to its reasonable satisfaction against all costs, damages, and expenses, the Indemnified Party shall take such action and provide such information as the Indemnifier may reasonably request to dispute, resist, appeal, or compromise the Claim.

4.3. The Indemnified Party shall not settle, compromise, or make any admission of liability in relation to any Claim without the prior written consent of the Indemnifier, which consent shall not be unreasonably withheld, conditioned, or delayed.

#### 5. PAYMENTS AND GROSS-UP

---

5.1. Any payment to be made by the Indemnifier under this Deed shall be made in full without any set-off, counterclaim, restriction, or condition, and free and clear of and without any deduction or withholding for or on account of any Tax, unless required by law.

5.2. If any deduction or withholding is required by law from any payment under this Deed, the Indemnifier shall pay such additional amount as will result in the net amount received by the Indemnified Party being equal to the amount it would have received had no such deduction or withholding been required.

#### 6. GOVERNING LAW AND JURISDICTION

---

6.1. This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of \_\_\_\_\_.

6.2. The Parties irrevocably agree that the courts of \_\_\_\_\_ shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Deed.

**IN WITNESS WHEREOF** this Deed has been duly executed and delivered as a deed by the Parties on the date first written above.

EXECUTED and DELIVERED as a DEED  
for and on behalf of **INDEMNIFIER**:

\_\_\_\_\_  
By: \_\_\_\_\_

Title: \_\_\_\_\_

In the presence of Witness:

\_\_\_\_\_  
Name: \_\_\_\_\_

EXECUTED and DELIVERED as a DEED  
for and on behalf of **INDEMNIFIED PARTY**:

\_\_\_\_\_  
By: \_\_\_\_\_

Title: \_\_\_\_\_

In the presence of Witness:

\_\_\_\_\_  
Name: \_\_\_\_\_