

AGREEMENT FOR REIMBURSEMENT OF TAX PENALTIES AND INTEREST

This Agreement for Reimbursement of Tax Penalties and Interest (the "Agreement") is entered into as of _____, 20____, by and between:

Indemnitor: _____, with a principal address at _____ (hereinafter referred to as the "Indemnifying Party"),

AND

Indemnitee: _____, with a principal address at _____ (hereinafter referred to as the "Indemnified Party").

RECITALS

WHEREAS, the Indemnifying Party provided certain services, advice, or tax filings, or entered into a transaction with the Indemnified Party pursuant to _____ dated _____, 20____; and

WHEREAS, as a result of certain errors, omissions, delays, or adjustments relating to such services, advice, filings, or transaction, the Indemnified Party may be assessed or has been assessed penalties and interest by tax authorities; and

WHEREAS, the Indemnifying Party has agreed to reimburse and indemnify the Indemnified Party for such tax penalties and interest under the terms and conditions set forth herein.

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. INDEMNIFICATION AND REIMBURSEMENT

The Indemnifying Party hereby agrees to indemnify, defend, and hold harmless the Indemnified Party from and against any and all tax penalties and interest assessed against the Indemnified Party by the Internal Revenue Service or any state, local, or foreign tax authority, to the extent that such penalties and interest arise directly from _____

2. LIMITATIONS ON LIABILITY

The Indemnifying Party's obligation to reimburse the Indemnified Party under this Agreement shall be subject to the following limitations:

(a) The reimbursement obligation shall apply solely to penalties and interest and shall specifically exclude the underlying tax liability itself, except as otherwise agreed in writing.

(b) The maximum aggregate amount of reimbursement under this Agreement shall not exceed \$_____.

(c) No reimbursement shall be required if the penalty or interest resulted from inaccurate, incomplete, or untimely information provided by the Indemnified Party.

3. CLAIMS AND PROCEDURES

The Indemnified Party shall notify the Indemnifying Party in writing within _____ days of receiving any official notice, assessment, or demand for payment of penalties and interest from any tax authority. The Indemnified Party shall provide the Indemnifying Party with copies of all relevant correspondence and documentation.

The Indemnifying Party shall have the right, at its own expense, to participate in or control the defense, compromise, or mitigation of any such assessment, provided that the Indemnifying Party acts promptly and in good faith.

4. PAYMENT OF REIMBURSEMENT

The Indemnifying Party shall pay the reimbursement amount to the Indemnified Party within_____ days after receiving written demand for payment, accompanied by proof of payment of such penalties and interest by the Indemnified Party or official notice of the final assessment due.

5. 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.

6. ENTIRE AGREEMENT

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

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

INDEMNIFYING PARTY:

INDEMNIFIED PARTY:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____