

TAX LIABILITY INDEMNIFICATION DEED

This Tax Liability Indemnification Deed (the "Deed") is made and entered into on this _____ day of _____, _____.

PARTIES

The Indemnifier:

Address: _____
Registration/ID Number: _____

The Indemnified Party:

Address: _____
Registration/ID Number: _____

The Indemnifier and the Indemnified Party are hereinafter collectively referred to as the "Parties" and individually as a "Party".

RECITALS

- A. The Parties entered into an agreement dated _____ relating to _____ (the "Transaction").
- B. Pursuant to the Transaction, the Indemnifier has agreed to indemnify and hold harmless the Indemnified Party against certain tax liabilities that may arise in connection with the Transaction under the terms and conditions set forth herein.

OPERATIVE PROVISIONS

1. Definitions and Interpretation

In this Deed, unless the context otherwise requires, the following terms shall have the meanings ascribed to them below:

- **"Tax" or "Taxes"** means any and all taxes, levies, imposts, duties, charges, withholdings, or assessments of any nature whatsoever, including any interest, penalties, additions to tax, or additional amounts imposed by any government, statutory, or regulatory authority.
- **"Tax Claim"** means any assessment, claim, demand, audit, investigation, litigation, or administrative or judicial proceeding by any tax authority.
- **"Tax Liability"** means any liability of the Indemnified Party to make a payment of Tax, or the loss, reduction, or cancellation of any tax relief, credit, or allowance.

2. Indemnity

The Indemnifier hereby irrevocably and unconditionally covenants, agrees, and undertakes to indemnify, defend, and hold harmless the Indemnified Party from and against any and all Tax Liabilities, losses, damages, costs (including reasonable legal and professional fees), and expenses suffered or incurred by the Indemnified Party arising directly or indirectly out of, resulting from, or in connection with:

- a. Any Tax Liability of the Indemnified Party relating to the period prior to _____;
- b. Any breach of any representation, warranty, or covenant regarding tax matters made by the Indemnifier in connection with the Transaction; and
- c. Any Tax Claim arising from the implementation or completion of the Transaction.

3. Exclusions

The indemnity provided under Clause 2 shall not apply to the extent that the Tax Liability:

- a. Has been paid, satisfied, or otherwise discharged on or before the date of this Deed;
- b. Arises or is increased as a result of any change in tax law or tax rates enacted or coming into force after the date of this Deed with retrospective effect; or
- c. Arises from a voluntary act, omission, or transaction carried out by the Indemnified Party after the date of this Deed, otherwise than in the ordinary course of business.

4. Claim Procedure

- a. If the Indemnified Party becomes aware of any Tax Claim which may give rise to a liability under the indemnity in Clause 2, it shall give written notice to the Indemnifier within _____ business days.
- b. The Indemnified Party shall, at the sole cost and expense of the Indemnifier, take such action as the Indemnifier may reasonably request to avoid, dispute, resist, appeal, compromise, or defend the Tax Claim.
- c. The Indemnified Party shall not settle, compromise, or make any admission of liability in relation to the Tax Claim without the prior written consent of the Indemnifier, which consent shall not be unreasonably withheld or delayed.

5. Payment and Mitigation

- a. Any payment required to be made by the Indemnifier under this Deed shall be made in cleared funds within _____ business days of a written demand by the Indemnified Party.
- b. The Indemnified Party shall use all reasonable endeavors to mitigate any Tax Liability which is the subject of an indemnity under this Deed.

6. Governing Law and Jurisdiction

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 _____. The Parties submit to the exclusive jurisdiction of the courts of _____.

IN WITNESS WHEREOF, the Parties have executed and delivered this Deed on the date first written above.

SIGNED, SEALED, AND DELIVERED

by the **INDEMNIFIER**:

Signature: _____

Name: _____

Title: _____

In the presence of:

Witness Signature: _____

Witness Name: _____

SIGNED, SEALED, AND DELIVERED

by the **INDEMNIFIED PARTY**:

Signature: _____

Name: _____

Title: _____

In the presence of:

Witness Signature: _____

Witness Name: _____