

PARTNERSHIP REPRESENTATIVE APPOINTMENT AGREEMENT

This Partnership Representative Appointment Agreement (the "Agreement") is entered into as of this _____ day of _____, 20_____, by and between:

Partnership: _____, a _____ partnership/limited liability company (the "Partnership"), and

Partnership Representative: _____ (the "Partnership Representative").

RECITALS

WHEREAS, the Partnership is subject to the partnership audit procedures established by the Bipartisan Budget Act of 2015 (the "BBA"), as codified in Sections 6221 through 6241 of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, pursuant to Section 6223 of the Code, the Partnership is required to designate a "Partnership Representative" who shall have the sole authority to act on behalf of the Partnership in connection with any IRS audits, administrative proceedings, and judicial reviews under the BBA; and

WHEREAS, the Partnership desires to appoint the Partnership Representative, and the Partnership Representative desires to accept such appointment, subject to 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. APPOINTMENT

The Partnership hereby designates and appoints the Partnership Representative as the "partnership representative" of the Partnership within the meaning of Section 6223 of the Code for the taxable year(s) ending _____ and for subsequent taxable years, until such time as this Agreement is terminated or the Partnership Representative is replaced in accordance with the terms of this Agreement and applicable Treasury Regulations.

2. DESIGNATED INDIVIDUAL

If the Partnership Representative is an entity, the Partnership Representative hereby appoints _____ as the "Designated Individual" to act on behalf of the Partnership Representative in accordance with Treasury Regulation Section 301.6223-1.

3. AUTHORITY AND DUTIES

- a. **Authority:** The Partnership Representative (and the Designated Individual, if applicable) shall have the sole authority to act on behalf of the Partnership under Subchapter C of Chapter 63 of the Code. All actions taken by the Partnership Representative in its capacity as such shall be binding on the Partnership and all partners.
- b. **Notice to Partners:** The Partnership Representative shall provide prompt written notice to the partners of the Partnership of any administrative proceeding, audit, or judicial review initiated by the Internal Revenue Service within _____ business days of receiving notice thereof.
- c. **Consultation:** The Partnership Representative shall consult with the partners regarding any material decisions, settlements, or elections under the BBA (including, but not limited to, an election under Section 6226 of the Code), but the ultimate decision-making authority shall remain with the Partnership Representative, subject to any limitations set forth in the Partnership's operating or partnership agreement.

4. COMPENSATION AND EXPENSES

The Partnership shall reimburse the Partnership Representative for all reasonable, out-of-pocket expenses incurred in the performance of its duties under this Agreement, including but not limited to legal, accounting, and advisory fees. Compensation for

services, if any, shall be as follows:

5. INDEMNIFICATION

The Partnership agrees to indemnify, defend, and hold harmless the Partnership Representative (and the Designated Individual, if applicable) from and against any and all liabilities, losses, damages, claims, costs, and expenses (including reasonable attorneys' fees) arising out of or in connection with any action taken or omitted to be taken by the Partnership Representative in good faith in its capacity as the Partnership Representative, except in the case of gross negligence, willful misconduct, or a material breach of this Agreement.

6. RESIGNATION AND REMOVAL

- a. **Resignation:** The Partnership Representative may resign at any time by giving _____ days' prior written notice to the Partnership.
- b. **Removal:** The Partnership may remove the Partnership Representative at any time, with or without cause, in accordance with the procedures set forth in the Partnership's operating or partnership agreement and the applicable Treasury Regulations.

7. GOVERNING LAW

This Agreement shall be governed by, and construed in accordance with, the laws of the State of _____, without regard to principles of conflicts of law.

8. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding between the parties regarding the subject matter hereof and supersedes all prior agreements, discussions, or understandings, written or oral, between them relating to the appointment of the Partnership Representative.

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

PARTNERSHIP:

By: _____

Name: _____

Title: _____

Date: _____

PARTNERSHIP REPRESENTATIVE:

By: _____

Name: _____

Title: _____ (if applicable)

Date: _____

DESIGNATED INDIVIDUAL (if applicable):

Name: _____

Date: _____