

RETROACTIVE TAX ASSESSMENT INDEMNITY AGREEMENT

This Retroactive Tax Assessment Indemnity Agreement (the "Agreement") is entered into and made effective as of _____, by and between:

INDEMNITOR: _____, residing at/having its principal place of business at _____ (hereinafter referred to as the "Indemnitor"),

AND

INDEMNITEE: _____, residing at/having its principal place of business at _____ (hereinafter referred to as the "Indemnitee").

The Indemnitor and the Indemnitee may collectively be referred to as the "Parties" or individually as a "Party."

RECITALS

WHEREAS, the Parties have entered into a previous business transaction, relationship, or agreement, specifically _____ dated _____ (the "Transaction"); and

WHEREAS, there exists a possibility that tax authorities may retroactively assess, audit, adjust, or levy taxes, duties, surcharges, penalties, or interest (collectively, "Tax Liabilities") against the Indemnitee arising out of, or relating to, the Transaction for tax periods ending on or prior to _____; and

WHEREAS, to induce the Indemnitee to proceed with and finalize the Transaction, the Indemnitor has agreed to fully indemnify, defend, and hold harmless the Indemnitee from and against any such retroactive Tax Liabilities 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

The Indemnitor hereby agrees to indemnify, defend, and hold harmless the Indemnitee, its affiliates, officers, directors, employees, agents, successors, and permitted assigns from and against any and all liabilities, losses, damages, claims, costs, and expenses (including, without limitation, reasonable attorneys' fees, accountant fees, and court costs) resulting from, arising out of, or in connection with any retroactive tax assessments or retroactive adjustments levied by any federal, state, local, or foreign tax authority in connection with the Transaction for the tax periods ending on or before _____.

2. NOTICE OF CLAIM

The Indemnitee shall promptly notify the Indemnitor in writing of any pending or threatened tax audit, inquiry, assessment, or claim that may give rise to a claim for indemnification under this Agreement. Failure to provide prompt notice shall not relieve the Indemnitor of its obligations hereunder, except to the extent that the Indemnitor is materially prejudiced by such delay.

3. DEFENSE AND CONTROL OF PROCEEDINGS

The Indemnitor shall have the right, at its own expense, to participate in or assume the defense of any tax audit, contest, or litigation concerning retroactive tax assessments covered by this Agreement, provided that:

- a. The Indemnitor acknowledges its unqualified obligation to indemnify the Indemnitee in writing within _____ days of receiving notice of the claim;
- b. The Indemnitor conducts the defense actively, diligently, and in good faith; and
- c. The Indemnitor keeps the Indemnitee fully informed of all developments and consults with the Indemnitee regarding strategy.

The Indemnitee shall have the right to employ separate counsel and participate in the defense of any claim at its own expense, unless a conflict of interest exists between the Parties, in which case the reasonable fees and expenses of the Indemnitee's separate counsel shall be borne by the Indemnitor.

4. SETTLEMENT

The Indemnitor shall not settle, compromise, or consent to any entry of judgment in any tax proceeding that affects the Indemnitee's ongoing tax liabilities, business reputation, or future tax positions without the prior written consent of the Indemnitee, which consent shall not be unreasonably withheld, conditioned, or delayed.

5. TERM AND SURVIVAL

This Agreement and the indemnification obligations contained herein shall survive the closing or termination of the Transaction and shall remain in full force and effect until the expiration of the applicable statute of limitations for the relevant tax periods, plus a period of _____ days.

6. GOVERNING LAW AND JURISDICTION

This Agreement shall be construed, interpreted, and governed by the laws of the State of _____, without regard to its conflict of law principles. Any legal action or proceeding arising under this Agreement shall be brought exclusively in the courts located in _____.

7. ENTIRE AGREEMENT AND AMENDMENTS

This Agreement constitutes the entire understanding between the Parties concerning the subject matter hereof and supersedes all prior discussions, agreements, or representations. No amendment or modification of this Agreement shall be valid unless made in writing and signed by both Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Retroactive Tax Assessment Indemnity Agreement as of the date first written above.

INDEMNITOR:

INDEMNITEE:

By: _____
Title: _____
Date: _____

By: _____
Title: _____
Date: _____