

SUBCONTRACTOR BACKUP WITHHOLDING AGREEMENT

This Subcontractor Backup Withholding Agreement (the "Agreement") is entered into as of this _____ day of _____, 20____, by and between:

Contractor: _____

Subcontractor: _____

1. PURPOSE AND SCOPE

The purpose of this Agreement is to establish compliance requirements regarding federal, state, and local backup withholding tax obligations. Contractor is required by law to obtain accurate Taxpayer Identification Numbers (TIN) and tax classification certifications from Subcontractor, and, when applicable, to withhold taxes from payments made to Subcontractor.

2. TAXPAYER IDENTIFICATION NUMBER (TIN) AND CERTIFICATION

Subcontractor agrees to complete, sign, and deliver to Contractor a valid IRS Form W-9 (or the appropriate Form W-8 for foreign entities) prior to the commencement of any services or the issuance of any payments. Subcontractor certifies that:

- a. The TIN provided on the Form W-9, which is _____, is correct.
- b. Subcontractor is not subject to backup withholding because: (i) Subcontractor is exempt from backup withholding, (ii) Subcontractor has not been notified by the Internal Revenue Service (IRS) that it is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified Subcontractor that it is no longer subject to backup withholding.
- c. Subcontractor is a U.S. citizen or other U.S. person (as defined in IRS Form W-9 instructions).

3. BACKUP WITHHOLDING OBLIGATIONS

In the event that Subcontractor fails to provide a correct TIN, fails to provide a signed and certified Form W-9, or if the IRS notifies Contractor that the TIN provided does not match IRS records or that Subcontractor is otherwise subject to backup withholding, Contractor shall immediately withhold the legally mandated percentage (currently _____%) from all future payments due to Subcontractor. Contractor will remit such withheld amounts directly to the IRS in accordance with applicable federal regulations.

4. LIABILITY AND INDEMNIFICATION

Subcontractor agrees to indemnify, defend, and hold harmless Contractor from and against any and all liabilities, penalties, interest, legal fees, and administrative costs resulting from:

- a. Subcontractor's failure to provide accurate, timely, and complete tax documentation.
- b. Any incorrect certifications made by Subcontractor in connection with this Agreement or any IRS tax form.
- c. Any assessment or penalty levied by the IRS against Contractor arising out of payments made to Subcontractor.

5. NOTIFICATION OF STATUS CHANGE

Subcontractor agrees to notify Contractor in writing within _____ days of any change in its tax classification, change in TIN, or upon receipt of any notice from the IRS indicating that Subcontractor has become subject to backup withholding.

6. GOVERNING LAW

This Agreement shall be governed by, interpreted, and enforced in accordance with the laws of the State of _____, without regard to its conflict of law principles, as well as applicable federal tax regulations.

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

CONTRACTOR:

SUBCONTRACTOR:

Authorized Signature

Authorized Signature

Printed Name

Printed Name

Title

Title

Date

Date