

SUBCONTRACTOR DOUBLE TAXATION INDEMNITY AGREEMENT

This Subcontractor Double Taxation Indemnity Agreement (the "Agreement") is entered into as of _____, 20_____, by and between:

Contractor: _____, a company incorporated under the laws of _____, with its principal office located at _____ (hereinafter referred to as the "Contractor"),

and

Subcontractor: _____, a company incorporated under the laws of _____, with its principal office located at _____ (hereinafter referred to as the "Subcontractor").

RECITALS

WHEREAS, the Contractor and the Subcontractor have entered into a subcontract agreement dated _____ (the "Main Contract") for the provision of certain services;

WHEREAS, the performance of services under the Main Contract may subject the payments made thereunder to tax jurisdictions of multiple countries, thereby creating a risk of double taxation or withholding tax liabilities;

WHEREAS, the Subcontractor represents that it is a tax resident of _____ and is entitled to the benefits of the Double Taxation Avoidance Agreement (DTAA) between _____ and _____; and

WHEREAS, the Contractor requires, and the Subcontractor agrees to provide, an indemnity against any double taxation liabilities, assessments, penalties, or interests that may arise due to the Subcontractor's tax status, residency, or performance of the services.

NOW, THEREFORE, the Parties agree as follows:

1. TAX REPRESENTATIONS AND WARRANTIES

- a. The Subcontractor represents and warrants that it is, and will remain for the duration of the Main Contract, a tax resident of _____.
- b. The Subcontractor warrants that it does not have, and will not establish, a Permanent Establishment (PE) as defined under the applicable Double Taxation Avoidance Agreement in the country of _____.
- c. The Subcontractor shall provide the Contractor with a valid Tax Residency Certificate (TRC), Form _____, and any other documentation required by the relevant tax authorities to establish eligibility for relief under the DTAA, prior to the first payment under the Main Contract and annually thereafter.

2. INDEMNIFICATION

- a. The Subcontractor hereby unconditionally and irrevocably agrees to indemnify, defend, and hold harmless the Contractor, its affiliates, directors, officers, and employees, from and against any and all claims, liabilities, losses, damages, costs, penalties, interest, and expenses (including reasonable legal fees) arising out of or in connection with:
 - i. Any determination by any tax authority that the Subcontractor has a Permanent Establishment in the country of performance or is otherwise subject to tax therein on payments made under the Main Contract.
 - ii. Any failure by the Subcontractor to maintain its tax residency status or to provide accurate tax documentation.
 - iii. Any tax, withholding tax, surcharge, levy, penalty, or interest assessed against the Contractor by any tax authority as a result of treating the payments under the Main Contract as exempt from or subject to a reduced rate of

withholding tax under the DTAA.

- b. This indemnity shall survive the expiration or termination of the Main Contract and this Agreement.

3. COOPERATION AND NOTIFICATION

- a. If either Party receives any notice, letter, inquiry, or assessment from a tax authority regarding the tax treatment of payments made under the Main Contract, it shall promptly, and in no event later than _____ business days, notify the other Party in writing.
- b. The Subcontractor shall, at its own cost, fully cooperate with the Contractor in responding to any tax audit, inquiry, or challenge by any tax authority concerning the transactions contemplated under the Main Contract.

4. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by, and construed in accordance with, the laws of _____. Any dispute arising out of or in connection with this Agreement shall be subject to the exclusive jurisdiction of the courts of _____.

5. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties regarding the subject matter hereof and supersedes all prior discussions, negotiations, or agreements, written or oral, regarding tax indemnity matters related to the Main Contract.

IN WITNESS WHEREOF, the Parties hereto have executed this Subcontractor Double Taxation Indemnity Agreement as of the date first written above.

For the Contractor:

Signature: _____

Name: _____

Title: _____

Date: _____

For the Subcontractor:

Signature: _____

Name: _____

Title: _____

Date: _____