

SUBCONTRACTOR FOREIGN TAX COMPLIANCE AGREEMENT

This Subcontractor Foreign Tax Compliance Agreement (the "Agreement") is entered into as of _____, 20____ (the "Effective Date"), 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/entity incorporated under the laws of _____, with its principal office/registered address located at _____ (hereinafter referred to as the "Subcontractor").

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

1. PURPOSE AND SCOPE

The Subcontractor performs services for the Contractor pursuant to certain service agreements or work orders. Because the Subcontractor is a foreign entity for tax purposes in the Contractor's jurisdiction of _____, payments made to the Subcontractor may be subject to foreign tax withholding laws. This Agreement sets forth the terms, representations, and obligations of the Parties regarding tax withholding, documentation, and compliance.

2. TAX STATUS AND REPRESENTATIONS

The Subcontractor hereby represents and warrants that:

- a. It is organized and validly existing under the laws of _____ and is a non-resident entity for tax purposes in _____.
- b. It is the beneficial owner of the payments received from the Contractor.
- c. The services provided to the Contractor are performed _____ (specify jurisdiction/geographical location of performance).
- d. It _____ (does/does not) have a permanent establishment or fixed base in the Contractor's jurisdiction.

3. DOCUMENTATION REQUIREMENTS

The Subcontractor agrees to provide the Contractor with all required tax documentation, certificates, and forms necessary to determine the appropriate rate of tax withholding or to establish an exemption therefrom. Such documentation includes, but is not limited to, a completed and signed Form _____ or any equivalent certificate of residency issued by the tax authorities of _____.

The Subcontractor agrees to update such forms or certificates immediately upon any change in circumstances that renders the previously provided documentation inaccurate or obsolete.

4. WITHHOLDING OF TAXES

The Contractor shall be entitled to deduct and withhold from any payments made to the Subcontractor such amounts as the Contractor is required to deduct and withhold under the tax laws of _____. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Subcontractor.

The Contractor shall timely remit all withheld amounts to the appropriate tax authorities and shall provide the Subcontractor with official receipts or other evidence of payment of such taxes within _____ days of making such payments.

5. TREATY BENEFITS

If the Subcontractor claims entitlement to benefits under a double taxation treaty between _____ and _____, the Subcontractor shall provide all necessary documentation and proof of residency required to support such claim. If the Contractor determines, in its reasonable discretion, that treaty benefits are not applicable or that the documentation is insufficient, the Contractor shall withhold tax at the statutory rate.

6. INDEMNIFICATION

The Subcontractor agrees to indemnify, defend, and hold harmless the Contractor, its officers, directors, and employees, from and against any and all liabilities, penalties, interest, costs, expenses, or taxes that may be assessed against the Contractor as a result of (a) any failure by the Subcontractor to provide accurate, complete, or timely tax documentation; (b) any incorrect statement or representation made by the Subcontractor herein; or (c) any claim by tax authorities that withholding was required at a rate higher than that applied based on the documentation provided by the Subcontractor.

7. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by, and construed in accordance with, the laws of _____, without giving effect to any principles of conflicts of law. Any dispute arising out of or in connection with this Agreement shall be subject to the exclusive jurisdiction of the courts located in _____.

8. ENTIRE AGREEMENT AND AMENDMENTS

This Agreement constitutes the entire agreement between the Parties regarding foreign tax compliance and withholding, and supersedes all prior agreements or understandings. No amendment to this Agreement shall be effective unless made in writing and signed by both Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Subcontractor Foreign Tax Compliance Agreement as of the Effective Date written above.

For Contractor:

By: _____
Name: _____
Title: _____
Date: _____

For Subcontractor:

By: _____
Name: _____
Title: _____
Date: _____