

DOUBLE TAXATION INDEMNITY AGREEMENT

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

Contractor: _____, a corporation organized under the laws of _____, with its principal place of business at _____ (hereinafter referred to as the "Company"),

and

Subcontractor: _____, a _____ organized under the laws of _____, with its principal place of business at _____ (hereinafter referred to as the "Subcontractor").

RECITALS

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

WHEREAS, the services provided by the Subcontractor may be subject to tax jurisdictions in multiple countries, presenting a risk of double taxation; and

WHEREAS, the parties desire to allocate the risk of double taxation and establish indemnity obligations concerning withholding taxes, income taxes, and other levies imposed by relevant tax authorities.

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. DEFINITIONS

1. **"Double Taxation"** means the imposition of comparable taxes in two or more tax jurisdictions on the same taxpayer in respect of the same subject matter and for identical periods.
2. **"Tax Authority"** means any government, state, federal, regional, local, or municipal authority, body, or department responsible for the administration, collection, or imposition of any Tax.
3. **"Withholding Tax"** means any tax, levy, impost, duty, or other charge or withholding of a similar nature required by applicable law to be deducted or withheld from any payment made under the Main Agreement.

2. REPRESENTATIONS AND WARRANTIES

The Subcontractor represents and warrants that:

1. It is a tax resident of _____ and shall maintain such tax residency for the duration of the Main Agreement.
2. It is entitled to the benefits of the Double Taxation Treaty entered into between _____ and _____.
3. It will provide the Company with all necessary tax residency certificates, declarations, forms, and documents required to satisfy withholding tax exemptions or reduced rates within _____ days of the execution of this Agreement, and annually thereafter.

3. TAX INDEMNITY

1. **Subcontractor Indemnity:** The Subcontractor shall fully indemnify, defend, and hold harmless the Company from and against any and all liabilities, costs, expenses, claims, fines, penalties, interest, and taxes (including Double Taxation liabilities) incurred by the Company arising out of or in connection with:
 - a. Any failure by the Subcontractor to maintain its tax status or residency as represented herein;
 - b. The failure of any tax authority to recognize treaty benefits claimed by the Subcontractor;
 - c. Any determination that the Company was required to withhold taxes from payments made to the Subcontractor but failed to do so in reliance upon certificates or documentation provided by the Subcontractor.
2. **Gross-Up Exclusions:** All payments to be made by the Company to the Subcontractor under the Main Agreement shall be made subject to any withholding or deduction required by applicable law. The Company shall not be required to "gross-up" or pay any additional amounts to the Subcontractor in respect of any such withholding or deduction.

4. COOPERATION AND CLAIMS

In the event that any Tax Authority issues an assessment, audit inquiry, or claim concerning Double Taxation or withholding taxes related to payments under the Main Agreement:

1. The party receiving notice of such assessment or claim shall promptly notify the other party in writing within _____ days.
2. Both parties shall cooperate in good faith, providing all reasonable assistance, documentation, and information necessary to dispute, mitigate, or appeal such assessment or claim with the relevant Tax Authority.

5. GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement shall be governed by, and construed in accordance with, the laws of _____, without regard to its conflict of law principles. Any dispute arising under or in connection with this Agreement shall be subject to the exclusive jurisdiction of the courts of _____.

6. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof and supersedes all prior discussions, agreements, or understandings, whether oral or written, regarding double taxation and tax indemnity between the parties.

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

For the Company:

For the Subcontractor:

Authorized Signature

Authorized Signature

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

