

SUBCONTRACTOR DOUBLE TAXATION INDEMNITY AGREEMENT

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

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

and

Subcontractor: _____, a company/individual residing/incorporated under the laws of _____, with its principal place of business or residence at _____ (hereinafter referred to as the "Subcontractor").

RECITALS

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

WHEREAS, the performance of services under the Subcontract Agreement may subject the payments made thereunder to tax exposure in multiple jurisdictions, potentially resulting in double taxation or withholding tax obligations; and

WHEREAS, the parties desire to allocate the risk of any such potential double taxation, withholding taxes, penalties, interest, or related assessments through this Agreement.

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. "Tax Authority" means any government, state, municipal, local, or federal authority, body, or department responsible for the administration, collection, or assessment of any Taxes.
2. "Taxes" means all forms of taxation, withholding, duties, levies, imposts, social security contributions, and charges of any nature, together with any interest, penalties, or additions thereto.
3. "Double Taxation" means the imposition of comparable Taxes in two or more jurisdictions on the same taxable income, transaction, or payment activity.

2. TAX COMPLIANCE AND REPORTING

1. The Subcontractor warrants and represents that it is properly registered for Tax purposes in its home jurisdiction of _____ and shall fulfill all Tax filing, payment, and reporting obligations arising from the payments received under the Subcontract Agreement.
2. The Subcontractor shall provide the Contractor with all relevant tax residency certificates, declarations, forms, and documentations (including but not limited to Form W-8BEN-E, Form W-9, or equivalent local tax forms) required to establish eligibility for any double taxation treaty relief or exemption from withholding tax prior to any payment being processed.

3. INDEMNIFICATION

1. The Subcontractor hereby agrees to fully indemnify, defend, and hold harmless the Contractor, its affiliates, directors, officers, employees, and agents from and against any and all liabilities, losses, damages, costs, claims, demands, assessments, interest, penalties, and legal fees arising out of or in connection with:
 - a. Any claim by any Tax Authority for withholding taxes, double taxation assessments, income taxes, or other Taxes levied on payments made by the Contractor to the Subcontractor.
 - b. Any failure by the Subcontractor to comply with its tax obligations in any applicable jurisdiction.

- c. Any challenge by a Tax Authority regarding the tax status, tax residency, or independent contractor classification of the Subcontractor.
2. If the Contractor is required by law to make any deduction or withholding from any payment due to the Subcontractor, the Contractor shall deduct the required amount and remit it to the appropriate Tax Authority. The Contractor shall not be obligated to "gross up" or increase any payments to the Subcontractor to compensate for such deductions, unless expressly agreed otherwise in writing.

4. NOTIFICATION AND DEFENSE OF CLAIMS

1. The Contractor shall promptly notify the Subcontractor in writing of any claim, audit, inquiry, or assessment by a Tax Authority that may give rise to an indemnification claim under this Agreement.
2. The Subcontractor shall have the right, at its own expense, to participate in or conduct the defense of any such tax claim, provided that the Subcontractor acknowledges its ultimate liability to indemnify the Contractor under this Agreement. The Subcontractor shall not settle any tax claim without the prior written consent of the Contractor, which consent shall not be unreasonably withheld or delayed.

5. TERM AND TERMINATION

This Agreement shall survive the termination, expiration, or completion of the Subcontract Agreement and shall remain in full force and effect until the expiration of the applicable statute of limitations for the assessment of Taxes by any relevant Tax Authority.

6. GOVERNING LAW AND JURISDICTION

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

7. MISCELLANEOUS

1. **Entire Agreement:** This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof and supersedes all prior discussions, agreements, or understandings.
2. **Severability:** If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.
3. **Amendments:** Any amendment or modification of this Agreement must be in writing and signed by authorized representatives of both parties.

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

Printed Name

Title

Date

For the Subcontractor:

Signature

Printed Name

Title

Date