

SUBCONTRACTOR DOUBLE TAXATION INDEMNITY AGREEMENT

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

Contractor: _____, with a principal place of business at _____ (hereinafter referred to as the "Contractor"), and

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

RECITALS

WHEREAS, Contractor and Subcontractor have entered into a prime subcontracting or services agreement dated _____, 20_____ (the "Master Agreement"), pursuant to which Subcontractor provides certain services to Contractor;

WHEREAS, the parties recognize that the performance of services under the Master Agreement may cross jurisdictional, state, or national borders, potentially exposing the parties to double taxation, conflicting tax withholding requirements, or assessments by multiple tax jurisdictions;

WHEREAS, Subcontractor represents that it is an independent contractor and is solely responsible for its own tax obligations, filings, and payments in all applicable jurisdictions; and

WHEREAS, to induce Contractor to enter into and continue the Master Agreement, Subcontractor agrees to indemnify and hold harmless Contractor from any double taxation liabilities, assessments, penalties, and interest that may arise from Subcontractor's performance of services.

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. TAX STATUS AND REPORTING

Subcontractor represents, warrants, and covenants that:

- a. It is solely responsible for determining its tax residency status and the taxability of the payments received from Contractor under the laws of any applicable jurisdiction (including local, state, federal, or foreign jurisdictions).
- b. It shall timely file all tax returns and pay all taxes, including but not limited to income, corporate, franchise, payroll, sales, use, value-added (VAT), and self-employment taxes, due to any taxing authority in connection with the compensation received under the Master Agreement.

2. INDEMNIFICATION

- a. Subcontractor hereby unconditionally and irrevocably agrees to defend, indemnify, and hold harmless Contractor, its affiliates, officers, directors, employees, and agents from and against any and all claims, demands, liabilities, assessments, deficiencies, taxes (including double taxation assessments), withholding tax obligations, interest, penalties, legal fees, and administrative costs arising out of or in connection with:
 - i. Any claim by any tax authority that Contractor was required to withhold taxes from payments made to Subcontractor;
 - ii. Any determination by a tax authority that Subcontractor is an employee of Contractor for tax purposes; and
 - iii. Any double taxation disputes, overlapping jurisdictional claims, or dual residency tax liabilities arising from

Subcontractor's performance of services under the Master Agreement.

- b. If Contractor receives any notice of audit, assessment, or demand from any tax authority regarding taxes subject to indemnification under this Agreement, Contractor shall notify Subcontractor in writing. Subcontractor shall, at its sole cost and expense, cooperate with Contractor and provide all necessary documentation to resolve or contest such assessment.

3. RIGHT TO WITHHOLD

Notwithstanding any provision in the Master Agreement, if Contractor reasonably determines that it is legally obligated by any applicable law or treaty to withhold taxes from any payment due to Subcontractor to prevent double taxation liability or to comply with statutory withholding requirements, Contractor shall have the right to withhold such amounts. Contractor shall provide Subcontractor with official receipts or other evidence of payment of such withheld taxes to the relevant taxing authority.

4. COOPERATION AND INFORMATION EXCHANGE

The parties agree to cooperate fully with each other in connection with any tax filing, audit, litigation, or other proceeding relating to the taxes subject to this Agreement. This cooperation includes, but is not limited to, providing relevant tax residency certificates, tax identification numbers, and documentation demonstrating that taxes have been paid in the primary jurisdiction.

5. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by, interpreted, and enforced in accordance with the laws of the State/Country of _____, without regard to its conflict of law principles. Any legal action arising out of this Agreement shall be brought exclusively in the courts of _____.

6. ENTIRE AGREEMENT AND AMENDMENT

This Agreement constitutes the entire understanding between the parties regarding the subject matter hereof and supersedes all prior discussions, agreements, or representations. No amendment or modification of this Agreement shall be valid unless in writing and signed by both parties.

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

CONTRACTOR:

SUBCONTRACTOR:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____