

CROSS-BORDER SUBCONTRACTOR TAX WITHHOLDING AGREEMENT

This Cross-Border Subcontractor Tax Withholding Agreement (the "Agreement") is entered into as of _____, by and between:

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

and

Subcontractor: _____, an entity/individual organized and existing under the laws of _____, with its principal place of business or residence at _____ (hereinafter referred to as the "Subcontractor").

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

RECITALS

WHEREAS, the Contractor and the Subcontractor have entered into an agreement dated _____ (the "Master Agreement") for the provision of services by the Subcontractor;

WHEREAS, the Subcontractor is a foreign entity/individual operating outside the jurisdiction of the Contractor's tax residence, which is _____;

WHEREAS, the payments to be made by the Contractor to the Subcontractor under the Master Agreement may be subject to foreign tax withholding requirements under the tax laws of _____ and any applicable bilateral tax treaties; and

WHEREAS, the Parties wish to clarify and document their respective rights and obligations regarding foreign tax withholding, reporting, and treaty relief.

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 CLASSIFICATION

The Subcontractor represents and warrants that for tax purposes, its residency status is in _____. The Subcontractor shall provide the Contractor with a completed and signed Tax Residency Certificate (TRC), Form W-8BEN, Form W-8BEN-E, or equivalent statutory documentation required by the tax authorities of _____ prior to the execution of this Agreement and before any payments are processed.

2. TAX WITHHOLDING OBLIGATIONS

1. The Contractor shall have the right to deduct and withhold from any payments payable to the Subcontractor under the Master Agreement such amounts as the Contractor is required to deduct and withhold under the laws of _____ or any other applicable tax jurisdiction.
2. To the extent that amounts are so withheld and paid over to the appropriate tax authority, such withheld amounts shall be treated for all purposes of the Master Agreement as having been paid to the Subcontractor.

3. APPLICATION OF DOUBLE TAXATION TREATIES

1. The Parties acknowledge that the Double Taxation Treaty between _____ and _____ (the "Treaty") may apply to the payments made under the Master Agreement.
2. In order to claim a reduced rate of, or exemption from, withholding tax under the Treaty, the Subcontractor must timely deliver to the Contractor all required valid tax forms, declarations, and certifications of tax residency.
3. If the Subcontractor fails to deliver such documentation within _____ days prior to any payment date, the Contractor shall withhold tax at the standard statutory rate of _____% and shall not be liable for any additional amounts or gross-up payments to the Subcontractor.

4. PROOF OF TAX PAYMENT AND REPORTING

The Contractor shall timely remit all withheld taxes to the appropriate tax authority in accordance with applicable laws. Upon written request by the Subcontractor, the Contractor shall provide official receipts, certificates, or other sufficient proof of payment of withholding taxes issued by the taxing authority of _____ within _____ days of receipt of such documentation from the tax authority.

5. INDEMNIFICATION

The Subcontractor agrees to indemnify, defend, and hold harmless the Contractor, its affiliates, officers, directors, and employees, from and against any and all liabilities, penalties, interest, fines, losses, or costs (including reasonable legal fees) arising out of or resulting from any inaccurate statement, omission, or misrepresentation by the Subcontractor regarding its tax status, residency, or eligibility for treaty benefits under this Agreement.

6. TERM AND TERMINATION

This Agreement shall remain in full force and effect concurrently with the Master Agreement and shall survive until all tax liabilities, audits, or potential claims related to the payments made under the Master Agreement have been fully resolved under the applicable statutes of limitation.

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 this Agreement shall be subject to the exclusive jurisdiction of the courts located in _____.

IN WITNESS WHEREOF, the Parties hereto have executed this Cross-Border Subcontractor Tax Withholding Agreement as of the date first written above.

For the Contractor:

AUTHORIZED REPRESENTATIVE SIGNATURE

NAME

TITLE

DATE

For the Subcontractor:

AUTHORIZED REPRESENTATIVE SIGNATURE

NAME

TITLE

DATE