**ANNEX B**

**[Non-Resident Investor’s Letterhead]**

BUREAU OF THE TREASURY

Ayuntamiento Building

Cabildo St. cor. A. Soriano Ave.

Intramuros, Manila 1002 Philippines

**INDEMNITY UNDERTAKING**

[NAME OF INVESTOR], with an address at [address], represented herein by the undersigned [name of officer], [title/designation], (the “Investor”), through its Custodian, [name of Custodian], hereby declares and states that:

1. The Investor is the beneficial owner of the government securities for which interest income made by the Republic of the Philippines, through the Bureau of the Treasury (BTr), shall be made payable to.
2. The Investor is a resident of [Country] within the meaning of Article [number] of the [Name of Double Taxation Agreement].
3. We acknowledge that the BTr will apply the preferential tax rate on our interest income pursuant to the Double Taxation Agreement described in item 2.
4. We understand that the Tax Residency Certificate (TRC) is required to be updated annually and submitted to the BTr through our custodian to be entitled to the same tax treatment in the succeeding years. For the succeeding taxable year, we acknowledge that the BTr will provisionally apply the preferential tax rate on our interest income, assuming our continued eligibility under the tax treaty.
5. We commit to submit the updated TRC to the BTr through our custodian as soon as possible within the BTr prescribed period.
6. In case we are unable to submit the updated TRC within the prescribed period due to a change in tax residency status or any other reason for non-renewal, we undertake to immediately notify the BTr through our custodian.
7. We agree to pay, through our custodian, any shortfall in the amount of tax withheld and remitted to the BTr resulting from our failure to submit the updated TRC within the prescribed period. We understand that this payment will cover the difference between the preferential tax rate and the regular tax rate of 20% as stipulated under Section 28(B)(5)(a) of the National Internal Revenue Code of 1997, as amended.
8. The Investor undertakes and warrants that it shall promptly advise the BTr, through [NAME OF CUSTODIAN], of any change in its circumstances, relevant treaty, law, or regulation that may or would result in the interest income of the government securities being ineligible for the preferential income tax rate benefits. The Investor undertakes to notify the BTr immediately of any order, ruling, amendment, or supervening event that would result in the suspension or revocation of the preferential tax benefits claimed by the Investor.
9. Should the Investor violate any of the provisions of this Undertaking, or if any of the Investor’s representations prove to be untrue, the BTr is hereby authorized to withhold the tax deemed by it to be applicable on the Investor’s income arising from interest income from the government securities, without liability either to the Investor, or any person other than the Investor, claiming title to the government securities.
10. The Investor also agrees to indemnify and reimburse the BTr for any and all claims, demands, damages, assessments, or liabilities (or actions or proceedings in respect thereof) of any kind, including without limitation, deficiency taxes, penalties, and interest, relating to or arising out of its non-withholding of taxes based on the Investor’s representation above. The Investor assumes all risks and liabilities arising out of its representation that it is subject to the preferential income tax rate pursuant to the relevant Tax Treaty and its directive to the BTr not to effect full withholding on the receipt of income arising from its interest income on Government Securities.

[Signature]

[Full Name]

[Title/Position]

[Non-Resident Investor's Name]

[Address]

[City, State, Zip Code]

[Country]

Acknowledged by:

[Signature of Custodian's Representative]

[Full Name]

[Title/Position]

[Custodian's Name]