[Company Letterhead / Firm Logo]

[Date]

[Client Name]
[Client Address]
[City, Country]
Attn: [Contact Person/Finance Director]

Subject: Advisory Regarding Withholding Tax (WHT) Obligations for Cross-Border Syndicated Loan Facility

Dear [Name],

We are writing to provide a formal tax advisory regarding the withholding tax (WHT) implications associated with the proposed [Currency/Amount] syndicated loan facility involving [List of Jurisdictions].

1. Transaction Overview
The facility involves a syndicate of lenders based in [Jurisdiction A], [Jurisdiction B], and [Jurisdiction C]. As the borrower is a tax resident of [Borrower's Country], interest payments made to these foreign entities are subject to local withholding tax regulations.

2. Applicable Statutory Rates
Under the domestic tax laws of [Borrower's Country], the standard WHT rate on interest paid to non-residents is [Percentage]%. However, these rates may be reduced under relevant Double Taxation Agreements (DTAs).

3. Treaty Relief and Documentation
To apply for reduced WHT rates or exemptions, the following requirements must be met:

- **Certificates of Tax Residence (TRC):** Each lender in the syndicate must provide a valid TRC from their respective home jurisdiction.
- **Beneficial Ownership:** Lenders must qualify as the "beneficial owners" of the interest income under the specific DTA definitions.
- **Administrative Filings:** [Form Name/Number] must be filed with the [Local Tax Authority] prior to the first interest payment.

4. Gross-Up Provisions
We note that the Loan Agreement contains a "Tax Gross-Up" clause. This clause requires the Borrower to pay additional amounts to ensure lenders receive the full interest amount net of any taxes. This effectively shifts the economic burden of the WHT from the lender to the Borrower.

5. Recommendations
We recommend that [Company Name] performs a detailed cash-flow impact analysis of the

gross-up requirements and verifies the treaty eligibility of each participating lender before the first interest repayment date on [Date].

Please contact us if you require assistance with the preparation of tax filings or further analysis of the specific treaty provisions.

Sincerely,

[Signature]

[Name of Advisor/Partner]
[Name of Firm]