SCHEDULE F

TAXES, DUTIES, AND RELATED OBLIGATIONS

1. REGISTRATION

CONTRACTOR warrants that it is duly licensed, registered or otherwise qualified to do business within Saudi Arabia and to perform the WORK contemplated under this Contract.

1. TAX LIABILITY

CONTRACTOR shall be fully liable for and pay, subject to Paragraph 7 without reimbursement from SAUDI ARAMCO, any and all taxes, Zakah, withholding taxes, levies, fines, penalties, assessments and fees of every kind and nature, or increases in the foregoing, imposed on CONTRACTOR as a result of CONTRACTOR's performance of the WORK or in connection with income earned by CONTRACTOR under this Contract.

1. TAX CERTIFICATES
   1. CONTRACTOR hereby agrees to present to SAUDI ARAMCO, promptly after the commencement of this Contract and at the beginning of each Hijrah year or applicable fiscal period thereafter, a certificate from the Saudi Arabian General Authority for Zakat and Tax which certifies that CONTRACTOR has submitted its final or temporary Zakah/Tax Declaration through the previous year or period and entitles the CONTRACTOR to receive payments until its expiry date. Notwithstanding anything contained elsewhere in this Contract to the contrary, no invoice of any kind shall be paid until such a certificate, covering the previous Hijrah year or applicable fiscal period, has been received by SAUDI ARAMCO. Pending delivery to SAUDI ARAMCO of any such certificate, however, CONTRACTOR shall continue to perform diligently and to fulfill all obligations under the Contract.
   2. SAUDI ARAMCO shall also withhold payment of CONTRACTOR's final invoice under this Contract until CONTRACTOR has presented to SAUDI ARAMCO a certificate from the General Authority for Zakat and Tax which confirms that all applicable Zakah and income tax obligations have been paid by CONTRACTOR through the Hijrah year or applicable fiscal period in which the final invoice was submitted.
   3. All tax certificates shall be delivered to:

Manager

Operations Accounting Department

Box 5000

Saudi Arabian Oil Company

Dhahran 31311

Saudi Arabia

1. DELINQUENT TAXES

If SAUDI ARAMCO is required by law or notified in writing by the Saudi Arab Government to withhold any taxes (including, but not limited to, income taxes and the Zakah), fines or related obligations from any amounts due to CONTRACTOR pursuant to this Contract, SAUDI ARAMCO shall withhold such amounts and CONTRACTOR hereby agrees to release SAUDI ARAMCO from and indemnify and hold SAUDI ARAMCO harmless against any liability of any nature whatsoever arising out of or by reason of such withholding. SAUDI ARAMCO will notify CONTRACTOR as soon as practicable upon receipt of any such notice. Should SAUDI ARAMCO be requested to pay any of CONTRACTOR's taxes, fines or related obligations, CONTRACTOR shall reimburse SAUDI ARAMCO promptly for any payments so made, or alternatively, at SAUDI ARAMCO's option, SAUDI ARAMCO may setoff any such sums it has paid to the Saudi Arab Government against any sums due CONTRACTOR or which hereafter may become due CONTRACTOR under this Contract or any other contract which CONTRACTOR may have with SAUDI ARAMCO at any time. The provisions of this Paragraph are continuing ones and their continuing, binding effect shall survive the expiration or termination of this Contract.

1. CUSTOMS CLEARANCES AND DUTIES
   1. SAUDI ARAMCO shall endeavor to secure, and shall pay for, all clearances, VAT on imports, permits, licenses and any governmental authorizations required by the Saudi Arab Government which must be in SAUDI ARAMCO's name and which are necessary for the import or export of any SAUDI ARAMCO-supplied materials and fabricated structures and subassemblies required for incorporation into the FACILITIES.
   2. CONTRACTOR shall endeavor to secure, and shall pay for, without reimbursement from SAUDI ARAMCO, all clearances, VAT on imports, permits, licenses and any governmental authorizations required by the Saudi Arab Government which must be in CONTRACTOR's name and which are necessary for the import or export of CONTRACTOR's equipment, tools and related property to be used by CONTRACTOR in connection with the WORK and any CONTRACTOR-supplied materials and fabricated structures and subassemblies required for incorporation into the FACILITIES.
   3. Except as specifically provided in Schedule "G" CONTRACTOR shall pay without reimbursement from SAUDI ARAMCO, all customs duties, VAT on imports, transportation fees, port fees, quarantine fees and any other fees, levies, assessments, fines or charges of every kind and nature required or levied by the Saudi Arab Government or by any other government on CONTRACTOR's equipment, tools, and related property to be used by CONTRACTOR in connection with the WORK and on any CONTRACTOR-supplied materials and fabricated structures and subassemblies required for incorporation into the FACILITIES.
   4. CONTRACTOR or CONTRACTOR's personnel shall pay, without reimbursement from SAUDI ARAMCO, all customs duties, fees, levies, assessments, fines and charges of every kind and nature required or levied by any government on the persons or possessions of CONTRACTOR's personnel.
2. REIMBURSEMENT TO SAUDI ARAMCO

If SAUDI ARAMCO is ordered by any governmental authority in Saudi Arabia to pay any sum of money in satisfaction of any debt or obligation in Saudi Arabia of CONTRACTOR, any subcontractor or the personnel of either of them, SAUDI ARAMCO shall give CONTRACTOR written notice of its payment. CONTRACTOR shall reimburse SAUDI ARAMCO for the amount paid upon receipt of SAUDI ARAMCO's billing and evidence of the governmental order which required SAUDI ARAMCO to make the payment.

1. VALUE ADDED TAX
   1. “Applicable KSA Law” shall mean any published decree, law, regulations, ministerial resolution or order, implementing regulations, statute, act, ordinance, directive (to the extent having the force of law), order, treaty, code or rule, as enacted, issued or promulgated in the Kingdom of Saudi Arabia, or any interpretation thereof, by a governmental entity having jurisdiction over the matter in question including any amendment thereof.
   2. “VAT” shall mean value added tax, or similar charge as may be imposed by VAT Law from time to time.
   3. “VAT Law” shall mean any Applicable KSA Law in relation to value added taxes or similar charges, including (i) Common VAT Agreement of the States of the Gulf Cooperation Council; (ii) Value Added Tax Law; (iii) Value Added Tax – Implementing Regulations.
   4. SAUDI ARAMCO and CONTRACTOR agree that should VAT Law require that VAT be imposed on amounts that CONTRACTOR may invoice to (or otherwise charge to) SAUDI ARAMCO, then, subject to this Paragraph 7, SAUDI ARAMCO shall pay such VAT. Each of the CONTRACTOR’s invoices to SAUDI ARAMCO, shall stipulate the amount of VAT payable in respect of each item of goods and services. The separate breakdown is required for all rates, zero rate and exempt goods and services. SAUDI ARAMCO has the right to require (i) clarification of any VAT invoiced to (or otherwise charged to or claimed from) SAUDI ARAMCO and (ii) further supporting documentation for any VAT invoiced to (or otherwise charged to) SAUDI ARAMCO including without limitation customs documentation where VAT is applicable. If necessary or beneficial for VAT compliance purposes, SAUDI ARAMCO may require that CONTRACTOR (i) provides to SAUDI ARAMCO separate VAT or tax invoices, (ii) further breaks down, separates or identifies amounts invoiced to SAUDI ARAMCO or (iii) issues invoices to SAUDI ARAMCO in a different form or format.
   5. CONTRACTOR will include its VAT registration number on all invoices submitted to SAUDI ARAMCO. If the CONTRACTOR fails to include its VAT registration number on an invoice to SAUDI ARAMCO, then without limit to any other right or remedy that SAUDI ARAMCO may have under the Contract or applicable law, SAUDI ARAMCO may reject the invoice. No payments will be made to CONTRACTOR until a proper invoice with this information is submitted to SAUDI ARAMCO.
   6. CONTRACTOR will, in a timely manner, provide to SAUDI ARAMCO valid and proper invoices (including without limitation VAT invoices issued pursuant to VAT Law) or other documentation evidencing the amount of VAT chargeable to SAUDI ARAMCO. Without limit to any other right or remedy that SAUDI ARAMCO may have under this Contract or applicable law, CONTRACTOR acknowledges that if it fails to provide such valid and proper invoices or other documentation or fails to do so in a timely manner, SAUDI ARAMCO may withhold payments to CONTRACTOR until SAUDI ARAMCO receives the valid or proper invoice or other documentation.
   7. If required by VAT Law, CONTRACTOR will register for VAT compliance purposes with the applicable governmental authorities and will provide SAUDI ARAMCO evidence of such registration. Without limit to any other right or remedy that SAUDI ARAMCO may have under the Contract or applicable law, CONTRACTOR acknowledges that if it fails to provide reasonable evidence of valid VAT registrations, SAUDI ARAMCO may suspend or terminate the Contract and may withhold payments to the CONTRACTOR.
   8. CONTRACTOR represents and warrants that no goods and services used by CONTRACTOR in connection with the WORK and no CONTRACTOR-supplied Materials have been the subject of any transaction involving a breach of VAT Law and that no situation has or will occur in which CONTRACTOR knew or should have known that it was participating in a transaction involving a breach of VAT Law.
   9. Certain services, materials and other items supplied to SAUDI ARAMCO may be subject to zero-rated VAT (i.e., a VAT rate of zero) or be VAT exempt as provided by VAT Law. In this regard, if the services, materials or other items are eligible for zero-rating for VAT or an exemption from VAT under the VAT Law, CONTRACTOR shall use best efforts to (i) meet such zero-rating or exemption conditions and (ii) qualify the services, materials or other item as zero-rated VAT or VAT exempt.
   10. In the event CONTRACTOR has incurred or will incur costs and expenses and if these costs and expenses are or will be recharged to SAUDI ARAMCO by CONTRACTOR as part of the Contract Price:

i. there has been or will be VAT incurred by CONTRACTOR on the costs and expenses; and

ii. the VAT incurred by CONTRACTOR is allowed for recovery or credit to CONTRACTOR by the relevant tax authority(s),

the value of the recharges shall be calculated net of VAT.

* 1. SAUDI ARAMCO shall have no responsibility or liability for any non-payment or delay of payment by the CONTRACTOR to the Saudi Arabian Government for any of CONTRACTOR’s VAT obligations, and CONTRACTOR indemnifies SAUDI ARAMCO for any such non-payment or delay of payment.
  2. Notwithstanding that SAUDI ARAMCO may provide or request CONTRACTOR to provide such documents as requested or required by the Saudi Arabian Government in respect of any VAT or other refund application or request, CONTRACTOR acknowledges and agrees that SAUDI ARAMCO shall have no responsibility in respect of any VAT or other refund application or request by CONTRACTOR to the Saudi Arabian Government and any VAT or other tax refund application by CONTRACTOR is solely at the risk and responsibility of CONTRACTOR.

END OF SCHEDULE F