



نيوم NEOM

PROVISION OF WATER SERVICES

GENERAL TERMS AND CONDITIONS

Disclaimer: This document contains the General Terms and Conditions approved by the competent authority within NEOM after due review by relevant stakeholders, including legal. These terms are non-negotiable and are published here for reference purposes only. The requesting party for the water services shall be provided with a Water Services Agreement (WSA) detailing specific information; however, these general terms and conditions shall remain unchanged.



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GENERAL TERMS AND CONDITIONS

1. DEFINITIONS AND INTERPRETATION

Words that are capitalised in these Standard Terms and Conditions have a special meaning. The meanings are set out in Clause 32.

2. BACKGROUND

- 2.1 These Standard Terms and Conditions apply to the supply of Water Services provided by the Company to the Customer and are also available on the Company Website.
- 2.2 These Standard Terms and Conditions may be amended or replaced by the Company from time to time including as a result of any changes to the Applicable Laws. Any amendment or replacement of these Standard Terms and Conditions will be published on the Company Website and/or shared with the Customer directly.
- 2.3 To the extent the Customer does not require the Water Services outlined in this Agreement, those provisions relating solely to the services which are not required shall be disregarded.
- 2.4 Subject to the terms of this Agreement, the Company agrees to supply Water Services to the Property or Delivery Point for the purposes set out in the Contract Data and Application Form, so long as the Property or Delivery Point is eligible and able to receive the Water Services in accordance with this Agreement and the Applicable Laws.
- 2.5 The Customer warrants to the Company that the details contained in any Application Form submitted to the Company for the relevant Water Services are accurate and sufficiently detailed to allow the Company to undertake the provision of the Water Services in accordance with the requirements of this Agreement and the Applicable Laws.
- 2.6 Where the Customer seeks to modify or change information contained within their Application Form, the Customer must submit a revised Application Form, which will be assessed by the Company in accordance with its policies. In the event that the Company approves the revised Application Form, the Customer will be required to enter into an agreement with the Company and to pay any associated charges communicated to it by the Company.

3. TERM OF THIS AGREEMENT

This Agreement commences on the Effective Date and will continue in full force and effect until it is terminated by either Party in accordance with this Agreement.

4. NOTICES

4.1 Form of Notice

- (a) All notices and other communications (including invoices) between the Parties required by or in connection with this Agreement shall be in writing in the English language. Such notices and other communications shall be issued by email to the address set out in the Contract Data.
- (b) Any Party may, by prior written notice to the other Parties, change the details shown above to which notices and other communications shall be served pursuant to this Clause 5.
- (c) Each Party shall be responsible for ensuring that its relevant personnel are in receipt of all notices and communications duly transmitted between the Parties.

4.2 Effective Time of Notice

All notices and other communications shall be deemed to be effective at the time when it was dispatched.

5. DATA PROTECTION

- 5.1 Each Party will comply with all applicable requirements of the Data Protection Legislation in relation to this Agreement.
- 5.2 This Clause 6 is in addition to, and does not relieve, remove or replace, a Party's obligations or rights under the Data Protection Legislation.
- 5.3 All information exchanged between the parties will be kept confidential, unless that information has entered the public domain or is agreed to be non-confidential.

- 5.4 The Parties agree that their confidentiality and data protection obligations under the Agreement will bind them for a further five (5) years after the cessation of the Agreement.

6. DATA USAGE

- 6.1 In connection with the provision and discharge of its obligations under this Agreement, the Company reserves the right to collect and store all information and data regarding the Customer, and may use and share such Confidential Information with its affiliates, agents, and third-party service providers in order and to the extent reasonably necessary:
- (a) to carry out the provision of any present and future services contemplated under this Agreement, and
 - (b) to carry out management of its business, including, but not limited to, financial and operational management and reporting, risk management, legal and regulatory compliance, and client service management.

7. ASSIGNMENT AND NOVATION

- 7.1 The Customer shall not be entitled to assign, charge, novate, subcontract or transfer this Agreement, or any part of it without the prior written consent of the Company.
- 7.2 The Company may assign, charge, novate, subcontract or transfer this Agreement or any part of it to any person without the consent of the Customer and will inform the Customer of such event in due time.

8. LIABILITY

- 8.1 Notwithstanding any other provision of this Agreement, each Party's liability will not be limited with respect to:
- (a) any death or personal injury resulting from that Party's negligence;
 - (b) any liability which cannot lawfully be excluded;
 - (c) any amount which is recovered under any insurance in respect of a Party's liability under this Agreement; and
 - (d) any claim a Party has against the other Party with respect to any misrepresentation, fraud or wilful misconduct.
- 8.2 The Company will have no liability, whether in contract, tort (including negligence or breach of statutory duty), misrepresentation or otherwise, howsoever arising, in connection with this Agreement for any:
- (a) direct or indirect loss of profit, loss of revenue, loss of finance, loss of business, loss of reputation or loss of anticipated savings; or
 - (b) indirect, special or consequential loss or damage.
- 8.3 The Parties agree to use all reasonable endeavours to mitigate any loss, damage or injury to which they might be subject as a result of a breach of the Agreement or any Applicable Law by the other Party.
- 8.4 The Company's total liability in connection with this Agreement will not exceed one hundred per cent (100%) of the total charges paid by the Customer to the Company under the Agreement in the twelve-month (12) period immediately prior to the date of the breach (or last breach in a series of connected breaches) giving rise to the claim(s).
- ## 9. FORCE MAJEURE EVENT
- 9.1 Subject to any additional or alternative provisions detailed in this Agreement, **Force Majeure** means any event or circumstance not within the reasonable control of a Party (the **Affected Party**) and which, by the exercise of due diligence and the level of skill, prudence and foresight generally expected of a person in the Affected Party's position, that the Affected Party is not reasonably able to foresee, prevent, avoid, control or overcome, including:
- (a) strikes at a national or regional level, or industrial disputes at a national or regional level;
 - (b) strikes or industrial disputes by labour (excluding those occurring among the employees of the Customer or its sub-contractors) or other industrial disturbances of a general nature;

- (c) acts of a public enemy, wars, terrorism, blockades, insurrections, riots, rebellion or sabotage, invasion, acts of foreign enemies, hostilities, civil war, revolution, insurrection of military or usurped power (whether war be declared or not);
- (d) epidemic or quarantine;
- (e) landslides, earthquakes, floods, sandstorms, lightning, extreme heat or cold and/or other natural physical disaster; or
- (f) civil disturbances, fire or explosions,

but only to the extent that:

- (g) such circumstance, event or condition, despite the exercise of diligence, cannot be prevented, avoided or overcome by the Affected Party;
- (h) such circumstance, event or condition prevents the performance by the Affected Party of its obligations under or pursuant to this Agreement (save for payment obligations);
- (i) the Affected Party has taken all reasonable precautions, due care and measures to prevent, avoid or overcome the effect of such circumstance, event or condition on its ability to perform its obligations under this Agreement and to mitigate its consequences;
- (j) such circumstance, event or condition is not the direct or indirect result of a breach or failure by the Affected Party to perform any of its obligations under this Agreement; and
- (k) such circumstance, event or condition is without fault or negligence of the Affected Party.

9.2 If a Party is, or expects to be, unable to perform any obligation under this Agreement by reason of the Force Majeure event:

- (a) it will notify the other Party as soon as possible, but not more than five (5) Days after the Affected Party becomes aware of the effects of the Force Majeure event on the Affected Party, giving reasonably full particulars of the Force Majeure event, the obligations which cannot be fulfilled or performance of which will be delayed, and any means to mitigate the effects of the Force Majeure event;
- (b) the Affected Party's performance of the obligations affected by the Force Majeure event will be suspended in whole or in part to the extent that, and for the duration for which, the Affected Party's ability to perform those obligations is affected by the Force Majeure event, save that the Customer will remain responsible for its payment obligations in respect of the Water Service which has been provided before the Force Majeure event and any deferred payments that are due; and
- (c) it will notify the other Party when the effects of the Force Majeure event have ceased or abated to an extent which permits the Affected Party to resume performance of each of the affected obligations and then resume performance of those affected obligations as quickly as possible after the cessation or abatement of the Force Majeure event.

9.3 Pursuant to Applicable Laws, the Affected Party shall have the right to request a KSA judge to reduce, to a reasonable level, any of the Affected Party's obligations under this Agreement, to the extent that such obligations would become impossible to perform or cause the Affected Party to incur grave losses as a result of a Force Majeure event.

10. TERMINATION

10.1 The Company may (without liability to the Customer) terminate this Agreement in the following instances:

- (a) a failure by the Customer to pay any amount payable to the Company within the time periods specified in this Agreement and such non-payment is not remedied within thirty (30) Days of receipt of notice from the Company;
- (b) the Customer is no longer the owner or occupier of the Property specified in the Contract Data and the Company has entered into a new water services agreement with the new owner or occupier, for Connection of the Water Services (excluding Bulk Water Supply);

- (c) if circumstances beyond the Company's reasonable control, including a Force Majeure event, mean that the Company's Water Supply Network used to provide the Water Service to the Property or Delivery Point is no longer available;
- (d) if the Company has been instructed to by an Authority to do so;
- (e) if the Customer materially breaches their obligations under this Agreement (including Clause 14.1(h)) and such breach is not remedied within thirty (30) Days of receipt of notice from the Company;
- (f) if the Customer is subject to a winding up or administration order or has gone into voluntary liquidation (or such other analogous event has occurred); and / or
- (g) if the Customer's construction contract, for which Bulk Water Supply services have been provided, is terminated or a handover certificate for the works has been issued.

10.2 Either Party may terminate this Agreement in circumstances where the supply of the Water Service to the Property has been disconnected in accordance with Clause 29.

10.3 All rights and obligations accrued before the end of this Agreement survive and continue despite the end of this Agreement, including the Customer's obligations to pay any amounts due to the Company.

11. GENERAL

11.1 Governing law

- (a) This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by the laws of the KSA.
- (b) For the purpose of this Agreement, the place of performance is deemed to be the NEOM Project Area.
- (c) Each Party acknowledges and agrees that upon the NEOM Authority Implementation Date, this Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by NEOM Applicable Law. Where required, upon the NEOM Authority Implementation Date, the Parties shall vary the terms of this Agreement in order to give effect to the NEOM Applicable Law.]

11.2 Referral of Company Obligations

Some obligations placed on the Company under this Agreement may be carried out by others engaged by the Company to perform the obligations on its behalf.

11.3 Amending the Agreement

The terms of the Agreement may be amended by the Company from time to time. The Company will publish any amendments to these Standard Terms and Conditions on the Company Website.

11.4 Relationship of the Parties

Nothing contained in this Agreement will be construed as giving rise to the relationship of principal and agent (save as otherwise expressly provided in the Agreement) or partnership or joint venture between the Parties.

11.5 English Language

This Agreement and all related agreements, documents, instruments, and other materials relating hereto, and all Dispute resolution proceedings and documents relating thereto, shall be in the English language and, notwithstanding their translation into the Arabic language or any other language, the English language version shall prevail.

11.6 Third Party Rights

Unless stated otherwise in this Agreement, no third party will have the right to enforce any term of this Agreement nor the benefit of any rights under this Agreement.

11.7 Entire Agreement

This Agreement contains the entire agreement between the Parties regarding its subject matter and supersedes any prior agreement, understanding or arrangement between them, whether oral or in writing.

11.8 Severance

If any term or provision of the Agreement is held to be illegal or unenforceable in whole or in part under any enactment or rule of law, such term or provision or part will to that extent be deemed not to form part of the Agreement but the validity and enforceability of the remainder of the Agreement will not be affected.

11.9 Waiver

No failure or delay by either Party in exercising any of its rights under this Agreement will be deemed to be a waiver of that right, and no waiver by either Party of a breach of any provision of this Agreement will be deemed to be a waiver of any subsequent breach of the same or any other provision.

12. DISPUTE RESOLUTION

12.1 Where the Customer is dissatisfied with the Water Service provided by the Company, the Customer will issue a Complaint to the Company's customer service team. This team will endeavour to provide the Customer with a solution.

12.2 When a Complaint is unable to be resolved by the Company's customer service team, it will be raised to a member of senior management in each Party who is authorised, and who will use its reasonable endeavours, to try and resolve the Dispute in an amicable manner.

12.3 In the event the Parties are unable to resolve the Dispute amicably within a period of thirty (30) Days from the date of referring the Dispute to senior management, then the Parties agree that the Dispute will be finally resolved by the competent courts of KSA / [in accordance with binding arbitration administered by the Saudi Centre for Commercial Arbitration (the **SCCA**). Such arbitration will:

- (a) be conducted in Riyadh, KSA, under the SCCA's arbitration rules (the **Rules**), which Rules are deemed to be incorporated by reference into this Clause 13.3;
- (b) have its seat in Riyadh, KSA;
- (c) be conducted in English; and
- (d) be settled by a sole arbitrator appointed in accordance with the Rules.]¹

[The rest of this page is intentionally left blank.]

¹ **Note: Clauses 13.1, 13.2 and 13.3 only apply where the Customer is an unrelated party to Company. If the counterparty is a related party to Company (i.e. a wholly owned subsidiary of Company), these clauses should be removed.**

POTABLE WATER SPECIFIC TERMS AND CONDITIONS

If the Company provides Potable Water Services to the Customer at any point during the term of this Agreement, these specific terms and conditions in this Part 3 of this Agreement shall apply to such Potable Water Services.

13. CUSTOMER'S RESPONSIBILITIES

13.1 General

- (a) The Customer must:
- (i) not erect, construct, install, place or demolish any building, plant, fence, or other obstruction in, on, over, or under the Connections to the Water Services without prior written approval from the Company;
 - (ii) not drill, bore, excavate, or use impact equipment within the vicinity of the Connections to the Water Services without prior written approval from the Company;
 - (iii) ensure each fitting, fixture or pipe for which the Customer is responsible is well maintained, not used, or arranged as to cause waste, nuisance, or a health hazard and be solely responsible for any accidents or damages of any kind or cause that may arise as a result of the fitting, fixture or pipes in question;
 - (iv) ensure that only approved fittings, fixtures, and pipes as manufactured under or supplied or in accordance with the NEOM Energy and Water Standards and Product Specifications are used in plumbing installation;
 - (v) not connect any other network including but not limited to, irrigation, recycled water, firewater and / or wastewater to the Company's Potable Water Network; and
 - (vi) not trespass on the Company's lands or facilities.
- (b) The Customer must inform the Company in writing of any changes to:
- (i) the Property that may have an impact on the provision of the Water Services; and
 - (ii) the Customer's contact details or any other information included in its Application Form or the Contract Data,
- as soon as reasonably practicable.
- (c) The Customer is responsible for the Potable Water Services supply pipework in, on, or under the Property, including responsibility for any loss of water arising from the condition of that pipework and for any damage to that pipework. Any pipework located within the boundary of the Property shall be the sole responsibility of the Customer.
- (d) Unless the Company agrees in writing, Water Services supplied for a specified purpose (as detailed in the Contract Data) shall not be used by the Customer for any other purpose or by people not connected with the Property.
- (e) The Customer shall not (and must ensure that no other person shall) uncover, attach, or remove a fitting, fixture or pipe or interfere or place anything in or on the Connections or Water Services supply pipework, which shall include all infrastructure works up to the Metering Equipment on the Property and, in the case of sub-metering, up to the meter and valves.
- (f) The Customer will not connect, or allow to be connected, a pump to any part of a private water supply system that is supplied directly from the Water Services received from the Company under this Agreement.
- (g) Unless the Company agrees in writing otherwise, no branch or fitting shall be connected to a private service pipe within a distance of one (1) metre from the Property side of the Company's stop valve or water meter assembly.
- (h) Recycled water is explicitly prohibited for use in potable or mineralised water assets, or any vessel used to convey potable or mineralised water. Failure to comply with this Clause 14.1(h) shall result in immediate termination of all active and existing Water Services and related agreements between the Customer and the Company, and a minimum of twelve (12) months' suspension from accessing Water Services from the Company.

13.2 Metering obligations

- (a) The Customer authorises the Company to make the metering arrangements and install the Metering Equipment, including but not limited to: installing, maintaining, testing, repairing, replacing, removing, disconnecting, and reconnecting Metering Equipment at the Property.
- (b) Unless otherwise agreed in writing, ownership of the Metering Equipment will not be transferred to the Customer and will remain under the ownership of the Company.
- (c) The Customer will not remove, adjust and/or interfere with the Metering Equipment and must take reasonable care to keep the Metering Equipment free from obstruction, damage, or interference.
- (d) For Metering Equipment below ground, the Customer shall not obstruct or obscure the Company's access to the Metering Equipment below ground.
- (e) For Metering Equipment in a metered building or dedicated facility, the Customer shall:
 - (i) ensure that the Metering Equipment is kept secure; and
 - (ii) not interfere or obstruct with the Metering Equipment.
- (f) The Customer must advise the Company as soon as practicable if the Metering Equipment installed at the Property is or becomes damaged or missing.

14. CONNECTIONS

14.1 General

- (a) The Company's obligations to provide a Connection (including its design) and/or the Water Services under this Agreement shall not commence until all pre-conditions to the supply of the Water Services notified by the Company to the Customer following submission of its Application Form have been satisfied by the Customer (including, but not limited to, any pre-conditions set out in this Agreement).
- (b) The Customer acknowledges responsibility for payment of the Connection Charges and any additional fees for water consumption.

14.2 Pre-conditions of Connection

The following conditions must be satisfied prior to the provision of a Connection to the Customer unless otherwise waived by the Company (in its discretion):

- (a) Submission of a fully completed Application Form by the Customer in accordance with the provisions outlined at Clause 3.5.
- (b) Approval of the Application Form by the Company and the Customer having received a valid Application Reference Number from the Company.
- (c) Payment of the relevant Connection Charges (in accordance with Clause 30.3).
- (d) Issuance of a decision by the Company (at its discretion) of the feasibility of a Connection.
- (e) Customer's written acceptance of the Quoted Cost for a Connection (in circumstances where the Connection is greater than 40mm in diameter).
- (f) The Parties having executed this Agreement.

14.3 Connections

- (a) This Clause 14.3 applies to all new Connection requests submitted by the Customer where no existing or previous Connection was implemented by the Company.
- (b) Unless otherwise agreed in writing between the Parties, the Property shall have only one Connection for each Water Service provided by the Company under this Agreement. However, for each additional Connection the Customer will submit a duly filled Application Form and will stipulate the required information therein. If multiple Connections are provided, a hydraulic break or check valves shall be provided to prevent reverse flow in any of the Connections.

- (c) The Customer is responsible for the:
- (i) planning, design, materials and resources, procurement, installation, commissioning, operation, maintenance and decommissioning required on the Customer's side of the Connection Point; and
 - (ii) location and repair of leaks on any pipework or related fittings on the Customer's side of the Connection Point.
- (d) The Customer shall:
- (i) ensure that the Connection Point is ready and is in compliance with the NEOM Energy and Water Standards and Product Specifications;
 - (ii) be responsible for the cost of any upgrade works required (including the cost of any extension, reinforcement or upgrade to the Customer's assets) in order to connect the Property to the Company's Water Supply Network;
 - (iii) co-operate with and assist the Company, and all parties acting on its behalf;
 - (iv) not unreasonably interfere with or restrict the carrying out of the Connection;
 - (v) not do or cause or permit to be done anything which causes, or could reasonably be expected to cause, damage or destruction to any part of the Connection or in any way interferes with its operation or materially interferes with the Company's and all parties' acting on its behalf, access to same; and
 - (vi) be responsible for the protection of Company equipment installed within the Property and shall prevent any construction or other works that limits access to the equipment or increases risk of damage to equipment.

14.4 Changes to Connections

- (a) The Customer is responsible for the cost of any changes required to be made to an existing Connection (including as a result of any repair works required to the Connection).
- (b) Where the Customer seeks a change to their Water Services supply (including a new Connection, a change to their existing Connection method or an increase Connection capacity), the Customer must apply to the Company for a new Connection. The application will be assessed by the Company in accordance with its policies. In the event that the Company issues an offer of a new Connection, the Customer will be required to enter into an agreement with the Company and to pay any associated charges communicated to it by the Company.

14.5 Design and Construction

- (a) Where the Company has agreed that the Customer may use their own Contractor for the design and construction of the Connection, the Company's Representative, along with the Company's water distribution team, must be included in the review and approval of all documents from design through construction, and commissioning of the Connection, and handover of the asset.
- (b) The Company reserves the right to reject any drawings or documents submitted in respect of the Connection and request modifications to such drawings or documents should the design, construction, commissioning or handover fail to meet required standards.

14.6 Back Flow Prevention

All non-residential Connections must have a backflow prevention device installed.

14.7 Abortive Costs

The Company reserves the right to levy charges for any abortive costs incurred at the construction stage due to any act or omission of the Customer.

15. POTABLE WATER SUPPLY SERVICES

- 15.1 Upon completion of the Connection by the Company (with such completion having been determined by the Company), the Company agrees to provide Water Services to the Property at a level of constancy, pressure, and quality which complies with Applicable Law. The Company will use reasonable endeavours to provide water quality data to the Customer upon request.

- 15.2 The Company will act as a reasonable and prudent operator to ensure that its Water Supply Network neither causes nor is affected by any contamination. In the event of contamination affecting or being caused by the Water Supply Network, affected Customers will be notified of the existence and cause of the contamination by the Company. Where the Customer discovers contamination in or around the Property, it shall immediately notify the Company.
- 15.3 The Company reserves the right to supply a Water Service of a different composition or with different characteristics from that previously supplied, where:
- (a) this results from a change in the characteristics of the source or sources from which the supply is taken;
 - (b) this results from changes in the nature of the Water Supply Network beyond the reasonable control of the Company; or
 - (c) in the due discharge of its duty to provide the Water Service, it considers it necessary or desirable to do so acting reasonably.

16. METERING

- 16.1 For Connections that are already in position (pre-laid), a meter assembly will be installed by the Company at the Delivery Point as long as the facility for the placement is approved by the Company and in accordance with the NEOM Energy and Water Standards and Product Specifications.
- 16.2 The Company shall install the Metering Equipment at the boundary of the Property with the exact location to be determined by the Company. All Metering Equipment installed at the Property shall remain under the ownership of the Company.
- 16.3 The Company will determine the size and class of Metering Equipment applicable for the relevant Water Services.
- 16.4 Where Metering Equipment is damaged or any loss is caused by the Customer (or by any related party to the Customer) other than by fair wear and tear, the Customer shall be liable for the cost of such damage or losses. The Company shall calculate the value of damage, losses, repair or replacement and shall issue an invoice to the Customer for such losses.
- 16.5 At the discretion of the Company:
- (a) a Connection may be equipped with Metering Equipment that may include an electronic smart meter with remote data connectivity and leakage detection included; and
 - (b) pressure or temperature sensor may be installed and connected to the Metering Equipment or remote communication device (depending on the location) by the Company.
- 16.6 Where the Customer notifies the Company that it considers the Metering Equipment to be defective, the Company will inspect and check the Metering Equipment and provide the results of the inspection to the Customer. Where it is determined by the Company following the inspection that the Metering Equipment is not defective, the Company will be entitled to recover the cost of the inspection from the Customer.
- 16.7 All water supplied by the Company under this Agreement will pass through and be measured by the Metering Equipment, and the amount of water supplied will be taken to be that reported by such Metering Equipment.
- 16.8 Where the Company becomes aware of any interference with Metering Equipment by the Customer, the Company reserves the right to refuse the supply of Water Services to the Customer in whole or in part until such issue has been resolved.

[The rest of this page is intentionally left blank.]

RECYCLED WATER SPECIFIC TERMS AND CONDITIONS

If the Company provides Recycled Water Services to the Customer at any point during the term of this Agreement, these specific terms and conditions in this Part 4 of this Agreement shall apply to such Recycled Water Services.

17. CUSTOMER'S RESPONSIBILITIES

17.1 General

- (a) The Customer must:
- (i) not erect, construct, install, place or demolish any building, plant, fence, or other obstruction in, on, over, or under the Connections to the Recycled Water Services without prior written approval from the Company;
 - (ii) not drill, bore, excavate, or use impact equipment within the vicinity of the Connections to the Recycled Water Services without prior written approval from the Company;
 - (iii) ensure each fitting, fixture or pipe for which the Customer is responsible is well maintained, not used, or arranged as to cause waste, nuisance, or a health hazard and be solely responsible for any accidents or damages of any kind or cause that may arise as a result of the fitting, fixture or pipes in question;
 - (iv) ensure that only approved fittings, fixtures, and pipes as manufactured under or supplied or in accordance with the NEOM Energy and Water Standards and Product Specifications are used in plumbing installation;
 - (v) not connect any other network, including but not limited to, potable water, irrigation, firewater and / or wastewater to the Company's Recycled Water Network; and
 - (vi) not trespass on the Company's lands or facilities.
- (b) The Customer must inform the Company in writing of any changes to:
- (i) the Property that may have an impact on the provision of the Recycled Water Services; and
 - (ii) the Customer's contact details or any other information included in its Application Form or the Contract Data,
- as soon as reasonably practicable.
- (c) The Customer is responsible for the Recycled Water Services supply pipework in, on, or under the Property, including responsibility for any loss of water arising from the condition of that pipework and for any damage to that pipework. Any pipework located within the boundary of the Property shall be the sole responsibility of the Customer.
- (d) Unless the Company agrees in writing, Recycled Water Services supplied for a specified purpose (as detailed in the Contract Data) shall not be used by the Customer for any other purpose or by people not connected with the Property.
- (e) The Customer shall not (and must ensure that no other person shall) uncover, attach, or remove a fitting, fixture or pipe or interfere or place anything in or on the Connections or Recycled Water Services supply pipework, which shall include all infrastructure works up to the Metering Equipment on the Property and, in the case of sub-metering, up to the meter and valves.
- (f) The Customer will not connect, or allow to be connected, a pump to any part of a private recycled water supply system that is supplied directly from the Recycled Water Services received from the Company under this Agreement.
- (g) Unless the Company agrees in writing otherwise, no branch or fitting shall be connected to a private service pipe within a distance of one (1) metre from the Property side of the Company's stop valve or recycled water meter assembly.

- (h) Recycled water is explicitly prohibited for use in potable or mineralised water assets, or any vessel used to convey potable or mineralised water. Failure to comply with this Clause 18.1(h) shall result in immediate termination of all active and existing Recycled Water Services and related agreements between the Customer and the Company, and a minimum of twelve (12) months' suspension from accessing Recycled Water Services from the Company. The Company is not responsible for the Customer's use of recycled water that is contrary to the safe use of such recycled water and/or use permitted in information provided to the Customer.

17.2 Metering obligations

- (a) The Customer authorises the Company to make the metering arrangements and install the Metering Equipment, including but not limited to: installing, maintaining, testing, repairing, replacing, removing, disconnecting, and reconnecting Metering Equipment at the Property.
- (b) Unless otherwise agreed in writing, ownership of the Metering Equipment will not be transferred to the Customer and will remain under the ownership of the Company.
- (c) The Customer will not remove, adjust and/or interfere with the Metering Equipment and must take reasonable care to keep the Metering Equipment free from obstruction, damage, or interference.
- (d) For Metering Equipment below ground, the Customer shall not obstruct or obscure the Company's access to the Metering Equipment below ground.
- (e) For Metering Equipment in a metered building or dedicated facility, the Customer shall:
- (i) ensure that the Metering Equipment is kept secure; and
 - (ii) not interfere or obstruct with the Metering Equipment.
- (f) The Customer must advise the Company as soon as practicable if the Metering Equipment installed at the Property is or becomes damaged or missing.

18. CONNECTIONS

18.1 General

- (a) The Company's obligations to provide a Connection (including its design) and/or the Recycled Water Services under this Agreement shall not commence until all pre-conditions to the supply of the Recycled Water Services notified by the Company to the Customer following submission of its Application Form have been satisfied by the Customer (including, but not limited to, any pre-conditions set out in this Agreement).
- (b) The Customer acknowledges its responsibility for the payment of the Connection Charges and any additional fees for water consumption.

18.2 Pre-conditions of Connection

The following conditions must be satisfied prior to the provision of a Connection to the Customer unless otherwise waived by the Company (in its discretion):

- (a) Submission of a fully completed Application Form by the Customer in accordance with the provisions outlined at Clause 3.5.
- (b) Approval of the Application Form by the Company and the Customer having received a valid Application Reference Number from the Company.
- (c) Payment of the relevant Connection Charges (in accordance with Clause 30.3).
- (d) Issuance of a decision by the Company (at its discretion) of the feasibility of a Connection.
- (e) Customer's written acceptance of the Quoted Cost for a Connection (in circumstances where the Connection is greater than 40mm in diameter).
- (f) The Parties having executed this Agreement.

18.3 Connections

- (a) This Clause 18.3 applies to all new Connection requests submitted by the Customer where no existing or previous Connection was implemented by the Company.

- (b) Unless otherwise agreed in writing between the Parties, the Property shall have only one Connection for each Recycled Water Services provided by the Company under this Agreement. However, for each additional Connection the Customer will submit a duly filled Application Form and will stipulate the required information therein. If multiple Connections are provided, a hydraulic break or check valves shall be provided to prevent reverse flow in any of the Connections.
- (c) The Customer is responsible for the:
 - (i) planning, design, materials and resources, procurement, installation, commissioning, operation, maintenance and decommissioning required on the Customer's side of the Connection Point; and
 - (ii) location and repair of leaks on any pipework or related fittings on the Customer's side of the Connection Point.
- (d) The Customer shall:
 - (i) ensure that the Connection Point is ready and is in compliance with the NEOM Energy and Water Standards and Product Specifications;
 - (ii) be responsible for the cost of any upgrade works required (including the cost of any extension, reinforcement or upgrade to the Customer's assets) in order to connect the Property to the Company's Recycled Water Network;
 - (iii) co-operate with and assist the Company, and all parties acting on its behalf;
 - (iv) not unreasonably interfere with or restrict the carrying out of the Connection;
 - (v) not do or cause or permit to be done anything which causes, or could reasonably be expected to cause, damage or destruction to any part of the Connection or in any way interferes with its operation or materially interferes with the Company's and all parties' acting on its behalf, access to same; and
 - (vi) be responsible for the protection of Company equipment installed within the Property and shall prevent any construction or other works that limits access to the equipment or increases risk of damage to equipment.

18.4 Changes to Connections

- (a) The Customer is responsible for the cost of any changes required to be made to an existing Connection (including as a result of any repair works required to the Connection).
- (b) Where the Customer seeks a change to their Recycled Water Services supply (including a new Connection, a change to their existing Connection method or an increase in the Connection capacity), the Customer must apply to the Company for a new Connection. The application will be assessed by the Company in accordance with its policies. In the event that the Company issues an offer of a new Connection, the Customer will be required to enter into an agreement with the Company and to pay any associated charges communicated to it by the Company.

18.5 Design and Construction

- (a) Where the Company has agreed that the Customer may use their own Contractor for the design and construction of the Connection, the Company's Representative, along with the Company's water distribution team, must be included in the review and approval of all documents from design through construction, and commissioning of the Connection and handover of the asset.
- (b) The Company reserves the right to reject any drawings or documents submitted in respect of the Connection and request modifications to such drawings or documents should the design, construction, commissioning or handover fail to meet required standards.

18.6 Abortive Costs

The Company reserves the right to levy charges for any abortive costs incurred at the construction stage due to any act or omission of the Customer.

19. RECYCLED WATER SUPPLY SERVICES

- 19.1 Upon completion of the Connection by the Company (with such completion having been determined by the Company), the Company agrees to provide Recycled Water Services to the Property at a level of constancy, pressure, and quality which complies with Applicable Law. The Company will use reasonable endeavours to provide water quality data to the Customer upon request.
- 19.2 The Company will act as a reasonable and prudent operator to ensure that its Recycled Water Network neither causes nor is affected by any contamination. In the event of contamination affecting or being caused by the Recycled Water Network, affected Customers will be notified of the existence and cause of the contamination by the Company. Where the Customer discovers contamination in or around the Property, it shall immediately notify the Company.
- 19.3 The Company reserves the right to supply a Recycled Water Services of a different composition or with different characteristics from that previously supplied, where:
- (a) this results from a change in the characteristics of the source or sources from which the supply is taken;
 - (b) this results from changes in the nature of the Recycled Water Network beyond the reasonable control of the Company; or
 - (c) in the due discharge of its duty to provide the Recycled Water Services, it considers it necessary or desirable to do so acting reasonably.

20. METERING

- 20.1 For Connections that are already in position (pre-laid), a meter assembly will be installed by the Company at the Delivery Point, as long as the facility for the placement is approved by the Company and in accordance with the NEOM Energy and Water Standards and Product Specifications.
- 20.2 The Company shall install the Metering Equipment at the boundary of the Property with the exact location to be determined by the Company. All Metering Equipment installed at the Property shall remain under the ownership of the Company.
- 20.3 The Company will determine the size and class of Metering Equipment applicable for the relevant Recycled Water Services.
- 20.4 Where Metering Equipment is damaged or any loss is caused by the Customer (or by any related party to the Customer) other than by fair wear and tear, the Customer shall be liable for the cost of such damage or losses. The Company shall calculate the value of damage, losses, repair or replacement and shall issue an invoice to the Customer for such losses.
- 20.5 At the discretion of the Company:
- (a) a Connection may be equipped with Metering Equipment that may include an electronic smart meter with remote data connectivity and leakage detection included; and
 - (b) a pressure or temperature sensor may be installed and connected to the Metering Equipment or remote communication device (depending on the location) by the Company.
- 20.6 Where the Customer notifies the Company that it considers the Metering Equipment to be defective, the Company will inspect and check the Metering Equipment and provide the results of the inspection to the Customer. Where it is determined by the Company following the inspection that the Metering Equipment is not defective, the Company will be entitled to recover the cost of the inspection from the Customer.
- 20.7 All recycled water supplied by the Company under this Agreement will pass through and be measured by the Metering Equipment, and the amount of water supplied will be taken to be that reported by such Metering Equipment.
- 20.8 Where the Company becomes aware of any interference with Metering Equipment by the Customer, the Company reserves the right to refuse the supply of Recycled Water Services to the Customer in whole or in part until such issue has been resolved.

BULK WATER SUPPLY SPECIFIC TERMS AND CONDITIONS

If the Company provides a Bulk Water Supply to the Customer at any point during the term of this Agreement, these specific terms and conditions in this Part 5 of this Agreement shall apply to such Bulk Water Supply. In addition to the terms set out in this Part 5, Clauses 14.1(a) shall (where applicable) apply to the Bulk Water Supply.

21. CUSTOMER'S RESPONSIBILITIES

- 21.1 The Customer is responsible for notifying the Company of any damage they may cause to the Company's assets and shall recompense the Company for all works required to rectify the damage.
- 21.2 Before provision of Bulk Water Supply, the Customer must ensure that only fittings, fixtures, and pipes approved by NEOM Energy and Water Standards and Product Specifications have been used in the construction of the installation intended to receive the Bulk Water Supply.
- 21.3 The Bulk Water Supply supplied by the Company to the Customer may not be subsequently discharged into land, wadi, sea or aquifer, without written approval from the Company's environmental team.
- 21.4 The Customer must advise and obtain approval from the Company on their method of disposal of the Bulk Water Supply prior to the provision of Bulk Water Supply by the Company.
- 21.5 The Customer for Bulk Water Supply acknowledges and agrees that the purpose of the Bulk Water Supply made available by the Company shall be limited for use in connection with the construction, testing, commissioning, maintenance, operations, evaluations or performing some other obligation on:
 - (a) connection pipework(s);
 - (b) the Company's Water Supply Network; and/or
 - (c) such other of the Company's related assets.

22. BULK WATER SUPPLY

- 22.1 The Company will provide Bulk Water Supply via its Potable Supply Network to the Customer in accordance with Applicable Law and subject to the terms of the Agreement. The Customer agrees to receive the Bulk Water Supply via the agreed Delivery Point in accordance with Applicable Law and subject to the terms of the Agreement.
- 22.2 This Agreement does not provide the right for the Customer to utilise or be supplied from the Company's Potable Supply Network outside of the agreed Delivery Point(s).
- 22.3 The Customer shall not re-sell any bulk water supplied by the Company, including but not limited to potable water, recycled water or mineralised water or re-use water for purposes other than those identified in an Application Form approved by the Company, without the prior written consent of the Company.

23. PRE-CONDITIONS OF BULK WATER SUPPLY

- 23.1 The following conditions must be satisfied prior to the provision of Bulk Water Supply (and any related Bulk Water Supply activities) unless otherwise waived by the Company (in its discretion):
 - (a) Submission of a fully completed Application Form for Bulk Water Supply, Encroachment Permit and Method Statement, by the Customer in accordance with the provisions outlined in Clause 3.5.
 - (b) The Company having approved the Application Form for Bulk Water Supply, Encroachment Permit and Method Statement and the Customer having received a valid Application Reference Number from the Company.
 - (c) The Customer having received a no-objection confirmation from the Company's Representative for each Off-Take Notification relating to the Bulk Water Supply in writing prior to the start of any Bulk Water Supply Activities.
 - (d) The Customer must notify (the Off-Take Notification) in writing to the Company's Representative each Bulk Water Supply event, giving a minimum of two (2) Days' notice prior to commencing the off-take flows. A non-objection must be obtained from the Company's Operations and Maintenance Department prior to the commencement of any works.
 - (e) The Parties having executed this Agreement.

- (f) The Company reserves the right under the Agreement to reject and / or require amendments to be made to any Application Form, Encroachment Permit or offtake notification at their sole discretion.

23.2 Once the Company has notified the Customer that the conditions under Clause 24.1 have been satisfied, the Customer may draw Bulk Water Supply from the agreed Delivery Point provided that each off-take of Bulk Water Supply shall be subject to the Customer receiving a no-objection confirmation from the Company.

24. BACK FLOW PREVENTION

24.1 The Customer shall take appropriate measures to prevent any backflow of water taken from the Delivery Point, re-entering the Water Supply Network.

25. VOLUME MEASUREMENT

25.1 The Customer is responsible for providing adequate measuring equipment and/or method (which shall be subject to the Company's prior written approval) to determine the Bulk Water Supply volumes used by the Customer for each off-take of Bulk Water Supply and shall submit the details of these arrangement for the Company's approval. This is inclusive but not limited to: providing, installing, maintaining, testing, repairing, replacing, removing, disconnecting, and reconnecting meters and Metering Equipment.

25.2 The Company's preferred method of recording the volumes of Bulk Water Supply used is via a meter.

25.3 Where a meter has not been installed or used to record the volume of Bulk Water Supply consumed, an alternative measure of direct calculation of water used by volume Measurement or deduced from water balance calculations shall be proposed by the Customer and agreed with the Company in writing prior to the off-take of any Bulk Water Supply.

25.4 The Customer shall not remove, adjust and/or interfere with the meter or the relevant measuring equipment (as the case may be) for the duration of this Agreement. In case of any evidence of interference with Metering Equipment, the Company reserves the right to refuse the supply of Bulk Water Supply to the Customer whole or in part.

25.5 All Bulk Water Supply supplied by the Company under this Agreement (subject to Clause 26.3) will be Measured as may be reasonably determined by the Company, and the volume of water supplied will be taken to be that reported by such agreed Measurements.

25.6 The Customer must advise the Company as soon as practicable if the meter or accessories are damaged or missing.

25.7 The Customer must take reasonable care to keep any meter or relevant measuring equipment (as the case may be) free from obstruction, damage, or interference.

26. TERMINATION OF BULK WATER SERVICES

26.1 The default termination date of this Agreement in connection with Bulk Water Supply will be the date falling twelve (12) months from the Effective Date unless otherwise terminated in accordance herein.

26.2 In addition to the termination provisions provided for in Clause 11 and Clause 27.1, the Company may (without liability to the Customer) terminate this Agreement (wholly or in connection with Bulk Water Supply only):

- (a) if, in the Company's opinion, the Customer is deemed to have completed or is no longer responsible for the works identified in the Application Form for Bulk Water Supply or testing, flushing or commissioning; and / or
- (b) the asset under test, flushing or commissioning which is in receipt of the Bulk Water Supply is taken over by the Company.

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INTERRUPTIONS AND DISCONNECTION

27. INTERRUPTIONS

27.1 Interruptions to Water Service

- (a) Unplanned and planned interruptions to the Water Services may occur from time to time.
- (b) The Company may interrupt the supply of the Water Services in the following instances:
 - (i) the Water Services are affected by a Force Majeure event, an emergency event, or any actions to prevent the occurrence or limit the effects of an emergency event;
 - (ii) a drought order or water shortage order is made which overrides the terms of this Agreement;
 - (iii) the Water Service is affected by a network event;
 - (iv) in the event of emergencies or accidents, breaks, leaks and spills affecting the Company's Water Supply Network;
 - (v) planned maintenance, unplanned maintenance, repair, upgrade of plant or equipment, or emergency event works are required on a Water Supply Network which are unable to be performed without interrupting the supply; and
 - (vi) for health and safety, water quality and environmental reasons.
- (c) The Company will take all reasonable steps to minimise the number of interruptions and to restore the Water Services as quickly as possible following an interruption. The Company will take no responsibility for any damage arising from or losses suffered by the Customer as a result of such interruptions.

27.2 Unplanned Interruptions

In the event of any unplanned interruptions, the Company will use reasonable endeavours to promptly:

- (a) notify the Customer of the nature and scale of the interruption and its estimated duration; and
- (b) restore the Customer's Water Service as soon as practically possible.

27.3 Planned Interruptions

From time to time, the Company may need to interrupt the Customer's Water Service to undertake planned maintenance or asset renewals. In the event of any planned interruptions, the Company will use reasonable endeavours to promptly:

- (a) notify the Customer of the nature and scale of the interruption and its estimated duration; and
- (b) restore the Customer's Water Service as soon as practically possible.

27.4 Planned Interruptions – Water Conservation Order

From time to time, the Company may request the Customer to reduce water consumption prior to a planned major interruption. In connection with such interruptions:

- (a) The Company will issue a Water Conservation Order to customers (which may include the Customer), deemed to be significant water consumers, if major shutdowns are planned by the Company for asset maintenance or upgrade.
- (b) The Company will endeavour to provide a minimum of seven (7) Days notice to the Customer (if applicable) for such events and will confirm the commencement date and duration of the planned water conservation period in such notice.
- (c) The Customer, if notified of water conservation periods will endeavour to maximise available storage, where possible, prior to the planned water conservation period.
- (d) The Customer, if notified of water conservation periods will endeavour to reduce water demand from the water network during the water conservation period; reducing the use of water for non-essential purposes including but not limited to irrigation and wash-down.

- (e) During water conservation periods, the Customer (if notified) will not take water from the network for hydro-tests, flushing or disinfection.

28. SERVICE DISCONNECTION

- 28.1 For Potable Water Services and Recycled Water Services, the Customer must provide the Company with five (5) Days prior written notice in circumstances where:
- (a) it intends to disconnect the Property from the Company's Water Supply Network; or
 - (b) the Property is expected to become unoccupied for an extended period or a building on the site needs to be altered or demolished.
- 28.2 For Potable Water Services and Recycled Water Services, following receipt of a request from the Customer to disconnect the Connection, the Property will be disconnected from the Company's Water Supply Network by the Company provided that:
- (a) the Customer has provided the Company with the information it reasonably requires;
 - (b) all amounts due to the Company under this Agreement have been paid;
 - (c) any applicable disconnection charge has been paid; and
 - (d) prior written notice (of at least five (5) Days) has been provided to the Company.
- 28.3 The Company may arrange for the disconnection of the Customer's Water Service upon providing the Customer with seven (7) Days' notice and two (2) Days' notice for bulk water supplies:
- (a) if the Customer has used the Water Service illegally;
 - (b) if the Customer has refused entry to one of the Company's officers appointed for the purposes of meter reading or other purposes consistent with carrying out duties in accordance with this Agreement;
 - (c) in the case of an emergency;
 - (d) if the Customer has not paid an invoice or invoices within the required timeframes and such payment remains outstanding for a further thirty (30) Days after receipt of a further notice from the Company; or
 - (e) if the Customer has undertaken any actions that, in the Company's opinion, threaten the safety, security or quality of the Water Supply Network or the Water Service system or other Customers.
- 28.4 If, in the Company's reasonable opinion, the Company's assets or equipment are at risk of damage or misuse, the Company has the right to disconnect the Water Services at any given time without notice.
- 28.5 On disconnection (for any reason), the Company may (at its discretion and without liability to the Customer) recover any equipment installed by the Company on the Property.
- 28.6 If the Customer's Potable Water Services or Recycled Water Services are disconnected, the Customer must pay the Company the fees and charges relevant to that disconnection to the extent such fees and charges have not already been recovered (as well as any outstanding invoices (if applicable)).

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PAYMENT RELATED TERMS**29. TARIFFS, TAX AND PAYMENT TERMS****29.1 Customer's Obligation to Pay**

- (a) In consideration of the Company providing the Customer with the services under this Agreement, the Customer agrees to pay the Company the necessary fees and charges due in a timely manner in accordance with the terms of this Agreement (including in accordance with Clause 30.5).
- (b) All payments to be made by the Customer to the Company under this Agreement will be made in the currency and manner specified in the relevant invoice, in immediately available funds, without demand and without counterclaim, deduction (including with respect to taxes) or set-off of any kind.

29.2 Administration Fee²

- (a) Where a Connection(s) with diameter greater than forty (40) mm is required, an Administration Fee is to be paid by the Customer. The Administration Fee will be fifty thousand Saudi Riyals (SAR 50,000) and shall be paid by the Customer prior to commencement of connection design by the Company. The connection design will be used by the Company to obtain firm cost estimates for the Connections, which will be used to determine the Connection Charge payable by the Customer. This Administration Fee shall be non-refundable, unless the Company determines that the Connection to the Property is not feasible. If the Connection is not feasible then the Administration Fee will be refunded back to the Customer within forty-five (45) Days of such decision.
- (b) If the Connection is feasible:
 - (i) the Company will advise the Customer of the Connection Charges. The Connection Charge, for connections over forty (40) mm in diameter, will be valid for a period of forty (40) Days. The Customer shall confirm their acceptance of the Connection Charges and confirm their intention to proceed with the connection, within ten (10) Days of the issue date advising the Connection Charge;
 - (ii) upon receipt of the Customer's acceptance of the Connection Charges and confirmation of their intention to proceed with the Connection, the Company will issue an invoice for the Connection Charge; and
 - (iii) the Administration Fee shall be an amount paid towards the Connection Charge and shall not be treated as an additional cost.

29.3 Connection Charges³

- (a) Where a Connection(s) is required by the Customer, Connection Charges payable by the Customer will differ depending on the size of the Connection and shall be calculated based on the published Tariff. The applicable Connection Charges shall be communicated by the Company to the Customer once the Company has completed its assessment of the Connection request for connections of forty (40) mm diameter or less, and after firm quotations have been received from installation Contractors for connections greater than forty (40) mm in diameter.
- (b) All charges, including infrastructure contributions, must be paid by the Customer in accordance with this Agreement and the charging policies set out in the Tariff and the Company shall invoice the Customer in respect of the Connection Charges and any other costs related to the Connection.
- (c) The Company shall separately invoice the Customer for the Connection Charges prior to commencement of any works related to the Connection(s). The Customer shall pay the relevant Connection Charges in advance of the execution of the Connection and in accordance with Clauses 15.2 and 30.5 of this Agreement.

29.4 Water Service Fees

- (a) The rate at which fees for the Water Service will be charged is set out in the Tariffs, as may be adjusted by the Company from time to time in accordance with this Agreement, and any increase or decrease to the flow rate will be payable in accordance with the Tariffs.

² **Note: Clause 30.2 applies to Connections for Potable Water Services and Recycled Water Services greater than 40mm in diameter only and is not applicable to Bulk Water Supply.**

³ **Note: Clause 30.3 applies to Potable Water Services and Recycled Services only and is not applicable to Bulk Water Supply.**

- (b) Where there is any adjustment to the Tariffs, the Customer shall be notified by the Company of the new Tariff or rate applicable and the adjusted Tariff or rate shall come into force from the date as prescribed in such notification.
- (c) On a monthly basis, the Company shall calculate and issue the Customer with an invoice (or multiple invoices, whereby in the case of multiple Connections) setting out the Water Service Fees payable by the Customer, as well as any additional amounts payable from the Customer to the Company in accordance with this Agreement.
- (d) At the completion of each Bulk Water Supply provided under an approved Application Form as specified in Clause 24 (or monthly where the abstraction extends beyond one (1) month), the Company will issue the Customer with an invoice for the water usage fees due and any additional amounts due from the Customer to the Company in accordance with this Agreement.
- (e) The Water Service Fees shall be calculated:
 - (i) based on the relevant Metering Equipment readings (if applicable) or as otherwise provided for in this Agreement; and
 - (ii) in accordance with then applicable Tariff payments due in respect of the previous month.

29.5 **Payment Terms**

- (a) The Customer shall pay all amounts due under this Agreement (including any Connection Charges) and contained in an invoice within thirty (30) Days from the date of issuance of the invoice. Unless otherwise agreed, payment shall be in Saudi Riyals via a direct transfer to a bank nominated by the Company.
- (b) All payments to be made by the Customer to the Company under this Agreement shall be made in immediately available funds, without demand and without counterclaim, deduction (including with respect to taxes) or set-off of any kind.
- (c) The Company shall issue an invoice for Water Services on a monthly basis for the previous month to which the invoice relates. Each invoice shall contain the following details:
 - (i) the reference number for the Agreement and Customer Number (if available);
 - (ii) the invoice number and invoice date;
 - (iii) Customer name, address, VAT number;
 - (iv) details of Water Services rendered by the Company for the relevant month to which the invoice relates to;
 - (v) the Company's bank account details;
 - (vi) the period covered by the invoice; and
 - (vii) any applicable Taxes (including Zakat, VAT or withholding tax, as applicable) pursuant to Clause 31.
- (d) Payments will be made by the Customer in the manner specified under the invoice. The Company shall issue an invoice with the prevailing VAT rate as applicable, wherein such invoice shall be in compliance with Applicable Law at the time of the issuance of such invoice.
- (e) For the avoidance of doubt, the Tariffs are exclusive of value added tax (**VAT**), subject to the terms and conditions under Clause 31 of this Agreement. The Customer agrees that, should any Applicable Law require that VAT, or any other tax, be imposed, the Company may include such VAT, or other tax, in the relevant invoice (or otherwise charge such VAT, or other tax, to the Customer) and the Customer shall pay such VAT or other tax or levies.
- (f) Should payment of any amount due to the Company under this Agreement not have been made within the period pursuant to Clause 30.5(a) above then, the Company has the right to, at its discretion, and without prejudice to any other right:
 - (i) charge a late payment administrative fee for such unpaid amount at the lower of a rate of [five per cent (5%)]⁴ of the unpaid amount due per month, or the maximum rate permitted by Applicable Law;

⁴

Note: late payment interest percentage to be considered by the commercial team on a case-by-case basis. NEOM Finance suggested that the business team may consider carrying out a benchmarking analysis to determine the appropriate percentage to include.

- (ii) terminate this Agreement upon providing thirty (30) Days prior written notice to the Customer;
- (iii) suspend the delivery of the Connection and/or the supply of the Water Service until such payment default is remedied; and/or
- (iv) exercise any other right or remedy it may have under any Applicable Law on account of such payment default.

29.6 Right of Set Off

The Customer shall not be entitled to retain or set off any amount due to the Company by it, however, the Company may retain or set off any amounts due or to become due to it under this Agreement against amounts due to the Customer under this Agreement [or any other agreement between the Parties] ⁵ and any claim the Company has against the Customer.

30. TAX

30.1 General

- (a) The Customer will be liable for and will pay in a timely manner:
 - (i) all Taxes levied (whether directly or indirectly) in connection with this Agreement;
 - (ii) all payments relating to sponsorship arrangements or local partnerships undertaken by the Customer to establish and carry out its business in the KSA;
 - (iii) all national insurance, social security, Zakat and other such withholdings or contributions which are payable in connection with the Customer carrying out its business and performing its obligations under this Agreement;
 - (iv) all other costs, fees, commissions and royalties incurred directly or indirectly in connection with this Agreement; and
 - (v) meeting all the statutory Tax requirements in accordance with the relevant Authority, such as registering for Tax, filing all required tax returns with the relevant Authority, paying all applicable and/or payable Taxes, where such requirements are imposed by Applicable Law, in the KSA or otherwise.
- (b) The Customer undertakes to indemnify, defend and hold harmless the Company and its Affiliates, officers, directors, employees, agents and Contractors against all claims, liabilities, actions and costs (including all legal fees and costs on a full indemnity basis) arising in connection with any Taxes under this Agreement.

30.2 VAT exclusive and invoicing

- (a) The fees and charges due under this Agreement shall be inclusive of all Taxes other than any applicable VAT. If VAT is applicable with respect to the fees or charges payable by the Customer, or by virtue of, this Agreement (**Taxable Fees**), the Customer shall apply any VAT exemption or a zero rate where such is allowable by Applicable Law.
- (b) If requested by the Company, the Customer must promptly provide the Company with details of its VAT registration and such other information as is requested in connection with the Customer's VAT reporting requirements in relation to such Taxable Fees or any part thereof.
- (c) For the avoidance of doubt, any applicable Taxes (including, but not limited to Zakat, VAT or withholding tax, in each case as applicable) incurred pursuant to this Clause 31.2, and where KSA VAT is applicable, the relevant invoice must be in compliance with any Tax legislation applicable in KSA and specific invoicing requirements and/or regulation applicable at the time of issuing the invoice. Where the Customer is required by this Agreement to reimburse or indemnify the Company for any actual cost, the Customer will reimburse or indemnify (as the case may be) the Company for the full amount of the cost, including any VAT applicable on that amount.

30.3 Withholding tax

- (a) The fees and charges payable under this Agreement shall be inclusive of withholding tax (if withholding tax is applicable). If withholding tax is applicable, the Customer must pay an additional sum to the Company whereby

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Note: to be included where the Customer entity is registered as a customer and a vendor at the same time and the Company wishes to offset the balances between receivables and payables amount across the contracts.

the Company will receive the same and/or an equal amount that it would have received had no Tax been withheld or otherwise due as a result of the payment being made under this Agreement by the Customer to the Company.

30.4 Withholding tax certificate

- (a) If the Customer makes any payment under this Agreement in respect of which it is required to apply applicable withholding taxes (if such is applicable), the Customer shall furnish to the Company a withholding tax certificate or other evidence of such withheld taxes, upon written request by the Company, evidencing that such taxes have been withheld and paid to the relevant Authority.
- (b) Where the Company requires the withholding tax certificate to be attested by the applicable Authority, the Customer shall assist the Company to obtain the certificate attested by the applicable Authority and provide the same to the Company within a reasonable time upon the Company's written request to the Customer.

30.5 Transfer Pricing Rules

- (a) In order to determine the amount payable by the Customer in respect of the Tariffs under this Agreement, the Company will take into account the total cost, other expenses and/or other activities carried out by the Company to which a Tariff applies, plus a contemporaneous arm's length profit margin to be determined based on the Transfer Pricing Rules issued by the ZATCA.
- (b) For the avoidance of doubt, where required by Applicable Law, this Agreement will be subject to the Transfer Pricing Rules of the KSA.

30.6 Double taxation and taxable presence

- (a) For instances in which withholding taxes are applicable, any payment being made by the Customer to the Company under this Agreement is subject to tax relief (i.e., zero rate or a reduced rate of tax) under the provisions of an applicable double tax treaty, the Customer shall apply withholding tax in accordance with the rate applicable on such payment under the Applicable Law and/or under the said double tax treaty (whichever is lower), unless the applicable double tax treaty provides that such payments made by the Customer to the Company is not subject to tax (or subject to zero rate or a reduced rate of tax) under the provision of the said double tax treaty.
- (b) In the event that the Customer creates a taxable presence and/or permanent establishment in the KSA under the Applicable Law, then, at the end of each twelve (12) month period or as otherwise agreed with the Company, but no more frequently than every twelve (12) months, the Customer will provide to the Company a copy of the certificate:
 - (i) issued to the Customer by the ZATCA, valid on the date of payment which confirms that the Customer has paid all Taxes due to the ZATCA; and
 - (ii) from the GOSI evidencing that the Customer is registered with GOSI and has fulfilled all of its obligations towards GOSI during such period under this Agreement.
- (c) The Customer agrees and acknowledges that the Company will be entitled, without prior consent from the Customer, to disclose any information relating to this Agreement to the ZATCA, following a request from the ZATCA to do so. However, should the Customer be required to disclose information pertaining to the Company or this Agreement to the ZATCA, the Customer must obtain the Company's prior written consent before disclosing any information to the ZATCA.

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DEFINITIONS

31. DEFINITIONS

| Term | Definition |
|------------------------------|--|
| Administration Fee | means an initial deposit amount as prescribed in Clause 30.2 of this agreement paid by the Customer to cover the administration costs of producing a Connection design and quote (where required). |
| Affected Party | has the meaning given in Clause 10.1. |
| Affiliate | means in relation to a body corporate, any subsidiary or holding company thereof and any subsidiary of any such holding company or any entity which Controls, is Controlled by, or is under the Common Control of such body corporate; and in relation to an individual, any other individual, partnership, trust, company or other entity in relation to which that individual has Control, and any spouse or child of such individual. |
| Agreement | means this agreement between the Company and the Customer in connection with Water Services and the Connection for Water Services. |
| Applicable Law | means all applicable laws, regulations (including the Regulations once they come into effect), directives, statutes, subordinate legislation, common law and civil codes of any jurisdiction, all codes of practice having force of law, statutory guidance, regulatory policy or guidance and industry codes of practice. |
| Application Form | means the application form(s) filled in and submitted by the Customer to the Company for: (i) the relevant Water Services; and/or (ii) Connection(s), copies of which are available on the Company Website. |
| Application Reference Number | means the reference number provided from the Company to the Customer in order to provide confirmation of receipt of the Application Form. |
| Authority | means any government, quasi-government or local government, statutory, public or other authority or body having jurisdiction over the Company, the Customer, and/or this Agreement (or anything in connection with any of them). |
| Bulk Water Supply | the provision of a single instance of water bounded by a set duration (not intended to be a permanent Water Supply Network). |
| Company | has the meaning given to it in the preamble to this Agreement. |
| Company Website | means https://enowa.neom.com as may be updated from time to time. |
| Complaint | means a dispute or complaint by the Customer which is escalated through the Dispute resolution process set out in Clause 13. |
| Confidential Information | the information and data concerning one of the Parties that cannot be shared or disclosed without that Party's explicit consent, except for when: it is disclosed in accordance with the Agreement (such as under the provisions of Clauses 6 and 7); it is disclosed in accordance with Applicable Law; a court, government authority, or otherwise legally authorised entity has demanded disclosure; or it is overwhelmingly in the public interest to disclose it. |
| Connection | means facilitating the connection of the Connection Point to the Company's Potable Water Network and / or Recycled Water Network (as the context may require). |
| Connection Charges | means the connection charges payable by the Customer for the relevant Connection based on the Tariff. |

| Term | Definition |
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| Connection Point | means the point approved by the Company where the Customer can connect to the Company's Potable Water Network and / or Recycled Water Network. |
| Contract Data | means information set out in Part 1 of this Agreement. |
| Contractor | means a company, individual, or any other entity employed, hired, or otherwise engaged by the Company to perform their obligations, including but not limited to construction, maintenance, operation, or evaluation of their assets and Water Supply Network. |
| Common Control | means, in respect of more than one person, those persons being Controlled by the same person. |
| Controlled and Control | means the holding of power to direct or cause the direction of management, policies, and decisions of a company, corporation, partnership or other entity including, without limitation, through control by direct or indirect means of more than fifty percent (50%) of the voting rights in such company, corporation, partnership or other entity. |
| Customer | has the meaning given to it in the preamble to this Agreement. |
| Customer Number | means the unique reference number issued by the Company to the Customer in relation to the Water Services requested. |
| Data Protection Legislation | means the applicable legislation in force from time to time relating to privacy or the processing of personal data. |
| Days | means calendar days. |
| Delivery Point(s) | means the point of discharge from an existing Company asset (washout, drain station, cross connection, tapping or tie-in) agreed by the Company and the Customer. |
| Dispute | any dispute, controversy or claim arising out of or in connection with this Agreement, including the breach, termination or invalidity thereof. |
| Effective Date | means the date upon which this Agreement has been signed by both Parties (and where the Agreement was signed on different dates, the date on which it was signed by the last Party shall be considered the Effective Date). |
| Encroachment Permit | allows temporary use of the Company's property or right-of-way by private individuals or businesses for activities such as construction, maintenance, or unique events. The permit is designed for the protection of the Company's assets and to ensure public safety. |
| Force Majeure | has the meaning given in Clause 10.1. |
| GOSI | means the General Organization for Social Insurance in KSA. |
| KSA | means the Kingdom of Saudi Arabia. |
| Liabilities | means any and all costs (including the costs of investigating and defending any claims), expenses, claims, demands, losses, damages, orders, awards, fines, penalties, proceedings and judgments of whatsoever nature. |
| Measure / Measurements | means the quantification of Bulk Water Supply consumed in the bulk water activity which allows the direct calculation of water used by volume measurement as well as measuring flows. |
| Metering Equipment | means the water meters and related equipment and assets (including any sensors) installed by the Company at the Property under this Agreement used to monitor the quantification of Water Services consumed. |

| Term | Definition |
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| Method Statement | means, in connection with Bulk Water Supply, the method statement to be submitted by the Customer detailing how the Bulk Water Supply is to be utilised (including, at a minimum the health and safety considerations and all control measures to be implemented by the Customer). |
| NEOM Applicable Law | means any law, regulation, rule, executive order, decree, code of practice, circular, guidance, guidance note, standard, resolution or injunction of, or made by, the NEOM Authority, which is binding and enforceable on or against the Customer. |
| NEOM Authority | means the regulatory authority to be established pursuant to, and in accordance with, the NEOM Founding Laws. |
| NEOM Authority Implementation Date | means the date on which the NEOM Authority assumes full authority and responsibility for administering the NEOM Project Area, as determined by the council of ministers. |
| NEOM Energy and Water Standards and Product Specifications | means the NEOM energy and water standards and product specifications made available on the Company Website. |
| NEOM Founding Laws | means the set of KSA laws to be enacted which, amongst other things, establishes the NEOM Authority. |
| NEOM Project Area | means the overall site within the KSA at which the megacity project known as 'NEOM' is being developed. |
| Off-Take Notification | means the off-take notification submitted by the Customer to the Company for each requested off-take of Bulk Water Supply by the Customer to be submitted no later than two (2) working days in KSA prior to the commencement of any off-take of Bulk Water Supply by the Customer. |
| Operations & Maintenance Department | a department within the Company responsible for the reviewing, among other things, approving, rejecting, or request for amendment of the Encroachment Permit and/or Off-take Notification submitted by the Customer. |
| Party / Parties | means one or both of the Company and the Customer. |
| Potable Water Network | means the Company's water supply network used for the supply of potable water. |
| Potable Water Services | means the supply of potable water to the Customer. |
| Property | means all Customer assets within the boundary(ies) as defined on the plot sheet(s), as attached within the approved Application Form. |
| Quoted Cost | means the actual cost of execution of Connection(s) incurred by the Company where diameter size exceeds 40mm, such costs shall include but shall not be limited to the Company's costs plus any third party's costs engaged for the purpose, consultancy services, advisory, design services, engineering, construction, procurement, materials, commission, installations etc.. |
| Recycled Water Network | means the Company's water supply network used for the supply of recycled water. |
| Recycled Water Services | means the relevant recycled water services to be provided by the Company to the Customer that may include the collection, storage, production, treatment, conveyance, reticulation or supply of recycled water or any other similar services. |

| Term | Definition |
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| Regulations | means the laws, regulations, policies, directives and guidelines that may be issued from time to time, having jurisdiction over the matter in question, including any amendments, modifications, replacements or re-enactments. |
| Rules | has the meaning given in Clause 13.3(a). |
| Saudi Riyals | means the currency of legal tender in KSA. |
| SCCA | has the meaning given in Clause 13.3. |
| Standard Terms and Conditions | means the terms and conditions set out in this Agreement, as may be amended from time to time by the Company. |
| Tariff | means the tariffs published on the Company's Website used to calculate the fees payable by the Customer under this Agreement (for Water Services), as may be adjusted by the Company from time to time. |
| Tax | means any tax including any personal, Zakat, corporate, VAT, withholding tax, Transfer Pricing Rules, payroll taxes, social insurance contributions, occupational hazard insurance, SANED unemployment insurance, real estate transaction tax, levy, impost, duty (including customs duty), registration fee or other charge or withholding of a similar nature (including any interest or penalty payable in connection with any failure to pay or any delay in paying any of the same) whether levied by the government of KSA or any government outside KSA. |
| Taxable Fees | means where VAT is applicable with respect to the fees or charges payable by the Customer, by virtue of this Agreement. |
| Transfer Pricing Rules | means the transfer pricing rules and/or regulations issued by the ZATCA pursuant to Board Resolution NO [6-1-19] DATED 25/05/1440H corresponding to 31/01/2019 (wherein such is amended from time to time in accordance with the Applicable Laws of the KSA). |
| VAT | means value added tax as levied in accordance with the Applicable Laws of the KSA. |
| Water Conservation Order | means an instruction from the Company to the Customer to reduce water consumption. |
| Water Service(s) | means the relevant water services, Potable Water Services, Bulk Water Supply and/or Recycled Water Services to be provided by the Company to the Customer in accordance with this Agreement, and as described more fully in the Contract Data. |
| Water Service Fees | means the fees payable by the Customer on a monthly basis for the Customer's usage of the Potable Water Services, Bulk Water Supply and / or Recycled Water Services (as the context may require) for the previous month calculated based on the Tariff. |
| Water Supply Network | means the Company's Potable Water Network and/or Recycled Water Network (as the context may require). |
| VAT | means value added tax as levied in accordance with the Applicable Laws of the KSA. |
| ZATCA | means the Zakat, Tax and Authority and its ancestor and successor entities responsible for regulating and administering Tax in KSA. |

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