REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

Certificate of Tax Exemption No:
BOI-CP- 0150-2020

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **SL HARBOR BULK TERMINAL CORPORATION**, with Taxpayer Identification Number [redacted], is exempt from income tax and creditable withholding tax on its income received directly in connection with its petroleum project, **Oil Terminal in Harbour Center, North Harbor, Tondo Manila for Storage and Bulk Marketing of Petroleum Products under the Downstream Oil Industry Deregulation Act (R.A. 8479)** - 17 Storage Tanks with 35,000 liters combined capacity, a project duly registered with the Board of Investments (BOI) under Registration No. [redacted] dated March 14, 2013, for a period of **5** years without extension beginning from **December 2013** or actual start of commercial operations, whichever is earlier but in no case earlier than the date of registration of the project with the BOI, pursuant to Executive Order No. 226, otherwise known as the "Omnibus Investments Code of 1987" and Section 2.57.5 (B)(2) of Revenue Regulations No. 2-98, as amended.

The Income Tax Holiday (ITH) does not cover the revenues generated from the sale of petroleum and non-petroleum products by gasoline stations that the firm services. It shall be limited only to the revenues generated from the registered project (17 Storage, and Bulk Marketing of 35,000,000 Liters of petroleum products covered by Import Entry Declaration or sourced locally from new industry participants) pertaining to the capacity of the registered terminal. For this purpose, the enterprise shall submit audited segregated income statements for this registered project. Net income from operation of the registered activity shall be certified under oath by the Chief Executive Officer (CEO) or Chief Financial Officer (CFO).

The grant of tax exemption herein is subject to the compliance with the provisions of applicable BIR rules and regulations and the Terms and Conditions stated at the back hereof. The Company is liable, however, to all other applicable taxes not enumerated above.

This Certificate of Tax Exemption is being issued on the basis of the facts and documents as represented and submitted. However, if upon investigation, the BIR ascertains that the facts are different, then this Certificate shall be considered null and void.

Issued this day of FEB 0 6 2020, _____.

CAESAR R. DULAY
Commissioner of Internal Revenue

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TERMS AND CONDITIONS OF THE CERTIFICATE OF TAX EXEMPTION

1. The exemption from income and creditable withholding taxes covers only income directly attributable to the revenues generated from the sales of registered project (17 Storage, and Bulk Marketing of 35,000,000 Liters of petroleum products covered by Import Entry Declaration or sourced locally from new industry participants) pertaining to the capacity of the registered terminal.

2. The Company is obligated to comply based on the following schedules/sales revenues:

Year	1	2	3	4	5
Number of Tanks Diesel Gasoline					
Tank Capacity (KL) Diesel @2,500 KL/Tank Gasoline @1,618 KL/Tank Total*					
Turn-around per year					
Total Annual Storage Capacity					
Capacity Utilization					
Sales Volume (KL) Storage (30%) Bulk Marketing (70%)					
Sales Volume (Php)					
Storage Thruput (rental fee) P/liter Sales Value (PhP'000)					
Bulk Marketing Selling Price P/liter Sales Value (Php'000)					
TOTAL SALES VALUE (PHP'000)					

3. The ITH shall be limited only to the revenues generated from the sales of registered project (Storage, and Bulk Marketing of 35,000,000 Liters of petroleum products covered by Import Entry Declaration or sourced locally from new industry participants) pertaining to the capacity of the registered terminal. Revenues derived from the sale of petroleum and non-petroleum products by gasoline stations that the firm services shall not be entitled to ITH.

4. The Company's entitlement to ITH for its BOI-registered power plant project is subject to the compliance with the provisions of the Specific Terms and Conditions of its BOI Registration.

5. Pursuant to Section 4 of Republic Act (RA) No. 10708[1], the Company is required to file its tax returns and pay its tax liabilities, on or before the deadline as provided under the 1997 Tax Code, as amended, using the electronic system for filing and payment of taxes of the BIR. It shall file with BOI a complete annual tax incentives report of its income-based tax incentives, VAT and duty

6.

[1] An Act Enhancing Transparency in the Management and Accounting of Tax Incentives Administered by Investment Promotion Agencies.

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exemptions, deductions, credits or exclusions from the tax base, as may be provided under E.O. 226, within thirty (30) days from the deadline for filing of tax returns and payment of taxes.

6. The Company shall be constituted as a withholding agent for the government if it acts as employer and any of its employees received compensation income subject to compensation withholding tax, or if it makes payments to individuals or corporations subject to the withholding taxes as source as required under Chapter XIII and Section 57 of the Tax Code of 1997, as amended and implemented by *Revenue Regulations (RR) No. 2-98*, as amended.

7. The Company is required to file on or before the 15th day of the fourth month following the close of its accounting period of a Profit and Loss Statement and Balance Sheet with the Annual Information Return under oath, stating its gross income and expenses incurred during the taxable year.

8. Finally, the Company's books of accounts and other pertinent records shall be subject to periodic examination by revenue enforcement officers of this Bureau for the purpose of ascertaining whether it is complying with the conditions under which it has been granted tax exemption or tax incentives and its tax liability, if any, pursuant to Section 235 of the Tax Code of 1997, as amended.