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Comparative Table - Law Partially Amending the Organic Hydrocarbons Law (2026)

Article of the Reform	Subject Matter	Organic Hydrocarbons Law (Official Gazette No. 38,493 of August 4, 2006)	Law Partially Amending the Organic Hydrocarbons Law (2026)	Final Remarks
1	Modification to article 1	**Article 1**. Everything related to the exploration, exploitation, refining, industrialization, transportation, storage, commercialization, and conservation of hydrocarbons, as well as matters relating to refined products and the works required for the performance of these activities, shall be governed by this Law.	**Purpose** **Article 1.** This Law aims to regulate everything related to the exploration, extraction, collection, transportation, storage, processing, upgrading, refining, industrialization, commercialization, conservation, and comprehensive utilization of hydrocarbons, under the principles of energy sovereignty, public ownership of reservoirs, progressive maximization of rent, legal certainty, contractual transparency, environmental protection, and alignment with the energy transition.	"Public ownership of the resource" is replaced with "public ownership of reservoirs." This clarifies the scope of public ownership, aligning it with the constitutional notion of reservoirs (not of hydrocarbons already extracted). Legally operative concepts not existing in 2006 are incorporated: • legal certainty, • contractual transparency, • progressive maximization of rent, • adaptation to the energy transition.
2	New article 8		**Dispute Resolution** **Article 8.** In contracts for the performance of the activities regulated by this Law, the parties **may agree**	"May" enable independent arbitration, but under a state-designed framework.

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CLYDE&CO Successful risk navigation			that doubts and disputes of any nature, **arising in connection** with the performance of such activities and that cannot be amicably resolved by the parties, may be decided by the competent Courts of the Republic or through alternative dispute resolution mechanisms, including mediation and arbitration. The Ministry with authority over hydrocarbons, in consultation with the Office of the Attorney **General** of the Republic, shall establish the general guidelines for setting forth the dispute resolution clauses referred to in this article. Clauses agreed in accordance with such guidelines shall not require the opinion or authorization provided for in the Decree with Rank, Value, and Force of Organic Law of the Office of the Attorney General of the Republic and the Commercial Arbitration Law.	An express agreement in the contracts is required. The Ministry and the Office of the Attorney General (PGR) shall establish general guidelines for setting forth the dispute resolution clause. CLYDE&CO Successful risk navigation

Article of the Reform	Subject Matter	Organic Hydrocarbons Law (Official Gazette No. 38,493 of August 4, 2006)	Law Partially Amending the Organic Hydrocarbons Law (2026)	Final Remarks
3	Modification to article 22 (now 23)	**Article 22.** The primary activities indicated in Article 9 of this Law shall be carried out by the State, either directly by the National Executive or through companies exclusively owned by it. Likewise, they may be carried out through companies in which the State has decision-making control by holding a participation greater than fifty percent (50%) of the share capital, which, for the purposes of this Law, shall be referred to as mixed companies. Companies engaged in carrying out primary activities shall be referred to as operating companies.	**Companies Carrying Out Primary Activities** **Article 23.** The primary activities indicated in Article 10 of this Law shall be carried out: 1. By the National Executive directly or through companies exclusively owned by the Republic or its subsidiaries. 2. By companies in which the Republic or a public entity holds a participation greater than fifty percent (50%) of the share capital, granting it controlling interest, which shall be referred to as Mixed Companies. 3. By private companies domiciled in the Bolivarian Republic of Venezuela, within the framework of contracts entered into with companies exclusively owned by the Republic or their subsidiaries. Companies that carry out primary activities shall be referred to as operating companies.	The State subject is expanded: Republic or public entity (>50%). The threshold for a mixed company is expressly set (>50% of share capital plus controlling interest). Operating companies are defined as those that carry out primary activities.

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4	Modification to article 23 (now 25)	**Article 23.** The National Executive, through the Ministry of Energy and Petroleum, shall delimit the geographic areas where operating companies will carry out primary activities. These areas shall be divided into blocks with a maximum surface area of one hundred square kilometers (100 km²).	**Right to Carry Out Primary Activities** **Article 25.** The Ministry with authority over hydrocarbons may grant the operating companies referred to in items 1 and 2 of **Article 23** the right to carry out primary activities. Likewise, it may transfer to them ownership or other rights over movable or immovable property forming part of the private domain of the Republic, as required for the efficient exercise of such activities. The Ministry with authority over hydrocarbons may revoke such rights when the operators fail to comply with their **substantive** obligations in a manner that prevents achieving the purpose for which such rights were transferred. Operating companies exclusively owned by the Republic or their subsidiaries may assign, in whole or in part, through contract, to the companies indicated in item 3 of Article 23 of this Law, the rights that may have been granted to them pursuant to the provisions of this article,	Decentralization: transfer of rights through an administrative act of the Ministry. New authorization for assignment: state companies or subsidiaries may assign rights. Introduces substantial obligations as grounds for revocation, raising the compliance threshold. Incorporates the requirement of prior Ministry authorization for total or partial assignment of rights to private entities.

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CLYDE&CO Successful risk navigation			subject to **prior authorization by the Ministry with authority over hydrocarbons.**	
5	Modification of article 45		**Economic-Financial Balance** Operating companies may carry out the necessary actions for the exercise of the activities that have been transferred to them and enter into the corresponding contracts, all in accordance with the provisions of this Law. Contracts for the exercise of primary activities by the operating companies referred to in items 2 and 3 of Article 23 shall maintain the economic-financial balances originally agreed upon, which must be preserved throughout the term of the contract. When, after their execution, modifications occur in the legal, fiscal, regulatory, or contractual framework that negatively and substantially affect the project's economics, the Ministry with authority over hydrocarbons shall agree on the necessary adjustments to restore such balance, through the modification of royalties, taxes, tariffs, contractual terms,	It adds the explicit recognition of the impact of legal, fiscal, or regulatory changes. CLYDE&CO Successful risk navigation

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CLYDE&CO Successful risk navigation			ecoonomic conditions, or compensation mechanisms, in order to restore the operating company to the economic position it would have had if such changes had not occurred.	
6	Modification to article 33 (now 34)	**Section Three: Mixed Companies** **Article 33.** The formation of mixed companies and the conditions that will govern the performance of primary activities shall require the prior approval of the National Assembly, for which purpose the National Executive, through the Ministry of Energy and Petroleum, must inform it of all relevant circumstances regarding such formation and conditions, including the special advantages provided in favor of the Republic. The National Assembly may modify the proposed conditions or establish those it deems appropriate. Any subsequent modification of such conditions must also be approved	Incorporation of Mixed Companies Article 34. The constitution of mixed companies and the conditions that will govern the performance of primary activities shall be **authorized by the President of the Republic and notified to the National Assembly for the purpose of exercising parliamentary oversight. The National Executive, through the Ministry with authority over hydrocarbons, shall submit a report containing all relevant circumstances regarding such constitution and the agreed conditions, including the special advantages provided in favor of the Bolivarian Republic of Venezuela. Mixed companies shall be governed by **this Law** and, in each particular case, by the Decree that authorizes their creation,	It adds express Presidential authorization. It maintains notification to the National Assembly for parliamentary oversight. It establishes exclusion from the public procurement regime: mixed companies are not subject to the Public Procurement Law. CLYDE&CO Successful risk navigation

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CLYDE&CO Successful risk navigation		by the National Assembly, following a favorable report from the Ministry of Energy and Petroleum and the Permanent Commission on Energy and Mines. Mixed companies shall be governed by this Law and, in each particular case, by the terms and conditions established in the Agreement issued by the National Assembly in accordance with the law, based on the Report issued by the Permanent Commission on Energy and Mines, by which it approves the creation of the respective mixed company in special cases and when it serves the national interest. Supplementary provisions of the Commercial Code and other applicable laws shall also apply.	their statutory constitutive document, and, supplementarily, by the Commercial Code and other applicable laws. Mixed companies shall be excluded from the scope of application of the Decree with Rank, Value and Force of Law on Public Procurement and its Regulation, and shall be required to implement transparent contracting mechanisms in accordance with the principles of honesty, efficiency, equality, planning, publicity, and simplification.	CLYDE&CO Successful risk navigation

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7	Modification to article 34 (now 35)	**Article 34.** The conditions referred to in the previous article must meet the following minimum requirements: 1. Maximum duration of twenty-five (25) years, extendable for a period to be agreed upon by the parties, not exceeding fifteen (15) years. This extension must be requested after half of the term for which the right to carry out the activities was granted has elapsed, and before five (5) years prior to its expiration. 2. Specification of the location orientation, extent, and shape of the area where the activities are to be carried out, as well as other specifications established by the Regulations. 3. The conditions must include, and when not expressly stated shall be deemed incorporated, the following clauses:	**Conditions for the Constitution of Mixed Companies** **Article 35.** The constitution of mixed companies shall be subject to the following conditions: 1. Maximum duration of twenty-five (25) years, extendable for a period to be agreed upon by the parties, not exceeding fifteen (15) years. This extension must be requested by the operating company to the Ministry with authority over hydrocarbons, after half of the term for which the right to carry out the activities was granted has elapsed, and before five (5) years prior to its expiration. 2. Determination of the location, orientation, extent, and shape of the area where the activities are to be carried out, as well as other specifications established by the Regulations. 3. Right of first refusal of the majority shareholder for the acquisition of shares in the event of assignment, sale, or transfer by the private shareholder of the mixed company.	It adds the right of first refusal in favor of the majority shareholder. The investment regime is separated: it establishes both the obligation of reinvestment and the duty of asset conservation. The scope of reinvestment is expanded to include data acquired, generated, processed, and interpreted. Reinvestment remains without compensation.

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CLYDE&CO Successful risk navigation		a. Lands and permanent works, including facilities, accessories, and equipment that form an integral part thereof, and any other assets acquired for the purpose of carrying out such activities, regardless of their nature or title of acquisition, must be maintained in good condition to be delivered in ownership to the Republic, free of liens and without any compensation, upon termination for any reason of the rights granted, in such a way as to ensure the possibility of continuing the activities, if applicable, or their cessation with minimal economic and environmental damage. b. Doubts and disputes of any nature that may arise in connection with the performance of activities and that cannot be amicably resolved by the parties, including arbitration in cases	4. Reversion or transfer to the Republic of lands and permanent works, including facilities, accessories, and equipment forming an integral part thereof, **as well as data acquired, generated, processed, or interpreted, and any other assets obtained for the purpose of** carrying out such activities, regardless of their nature or title of acquisition, upon termination for any reason of the rights granted. Operating companies are obligated to maintain the aforementioned assets in good condition to be delivered in ownership to the Republic, free of liens and without any compensation, in such a way as to ensure the possibility of continuing the activities, if applicable, or their cessation with minimal economic and environmental damage.	CLYDE&CO Successful risk navigation

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8	New article 36		**Authorizations** **Article 36.** The National Executive, through the Ministry with authority over hydrocarbons, may authorize the mixed company so that the minority shareholder may carry out the following activities: 1. Directly market all or a portion of the mixed company's production, under the terms provided in this Law. 2. Open and manage bank accounts in any currency and jurisdiction for the use and administration of funds. 3. Exercise the technical and operational management of the mixed company, directly or through a specialized service provider. The cost of these petroleum services must be reasonable. The mixed company must be sufficiently efficient so that	It clarifies that the comparative cost is the direct production cost, not the total cost. It introduces the criterion of comparable circumstances of similar nature. It removes the explicit reference to return on investment as a temporal limit for economic-financial balance. It requires formalization through agreements or contractual

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9	Modification to article 36 (new 38)	**Article 36**. In the instruments through which the right to carry out the activities is granted, special advantages for the Republic may be established, such as increases in royalties, contributions, or other considerations provided for in	**Special Advantages** **Article 38.** In the instruments through which the right to carry out the activities provided for in this Law is granted, special advantages in favor of the Republic may be agreed, such as an economic consideration for access to hydrocarbon reserves, the use or	The possibility of increasing royalties is not established. It is replaced by: economic and technological consideration,

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10	New Section Added (IV)		Section Four On Contracts for the Development of Primary Activities	
11	New article (new 40)		**Comprehensive Management** **Article 40.** Companies exclusively owned by the Republic or their subsidiaries may enter into contracts with private companies domiciled in Venezuela for the execution of primary activities. In these contracts, the operating company shall assume comprehensive management of the activities, at its own cost, account, and risk, upon prior demonstration of its financial and technical capacity through a business	It expressly excludes the public procurement regime. CLYDE&CO Successful risk navigation

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CLYDE&CO Successful risk navigation			plan approved by the Ministry with authority over hydrocarbons. The Republic shall retain ownership of the hydrocarbon deposits over which the operating companies will carry out the primary activities. **The contracting provided for in this article shall be excluded from the scope of the Decree with Rank, Value, and Force of Law on Public Procurement and its Regulations.** **For the contracting of private companies domiciled in Venezuela, their suitability and capacity to carry out primary activities must be previously evaluated.**	
12	New article (new 41)		**Percentage Participation** **Article 41.** The compensation of operating companies under the contracts for the development of primary activities shall consist of one or both of the following modalities: 1. A percentage share of the monitored hydrocarbon volumes, which **shall** be	A second modality of compensation is added. CLYDE&CO Successful risk navigation

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CLYDE&CO Successful risk navigation			directly marketed by the operating company once the government obligations have been fulfilled, under the terms provided in this Law. 1. Any other form of profit participation as determined by the Ministry with authority over hydrocarbons.}	
13	New article (new 42)		**Right to Use Assets and Assignment of the Operational Area** **Article 42.** Companies exclusively owned by the Republic or their subsidiaries, when entering into contracts with private companies domiciled in Venezuela, may, during the term of the contract **for the development of primary activities:** 1. **Grant the operating company the right to use** the assets and materials they own or have legal availability of, intended for the exercise of primary activities. 2. **Assign to the operating company the right to use the operational area and the delineated area,** upon prior authorization from the Ministry with authority over hydrocarbons.	The monetary fee is replaced with in-kind compensation (a percentage of hydrocarbons). Legally, it is redefined as a right of use, not a lease. CLYDE&CO Successful risk navigation

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CLYDE&CO Successful risk navigation			As consideration for the use of such assets and areas, the operating company shall pay the companies exclusively owned by the Republic or their subsidiaries **a percentage of the monitored hydrocarbon volumes, which shall be established in the respective contract.** The rights conferred over such assets and areas shall automatically expire upon the termination of the contract.	
14	New article (new 43)		**Right of Reversion** **Article 43.** Once the term of the contract **for the development of primary activities** has ended, the operating company shall return the leased assets and transfer ownership, free of any encumbrance, to the companies exclusively owned by the Republic or their subsidiaries, of **all assets incorporated, constructed, or acquired during the term of the contract, including all data obtained, generated, processed, and interpreted,** without creating any obligation of payment or compensation.	The reversion now explicitly includes all petroleum-related data. CLYDE&CO Successful risk navigation

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15	New article (new 44)		Tax Regime **Article 44.** Companies **exclusively owned by the Republic or any of their subsidiaries shall act as withholding or collection agents for the royalties and the integrated hydrocarbons tax provided for in this Law, corresponding to contracts for the development of primary activities.**	The state's role is limited to a withholding or collection agent for the integrated hydrocarbons tax and royalties.
16	New article (new 51)	Article 45. The royalty may be collected by the National Executive, in kind or in cash, in whole or in part. Unless otherwise demanded, it shall be understood that the National Executive opts to receive it fully in cash.	Royalty Article 51. Of the volumes of hydrocarbons extracted and **not reinjected** from any deposit, the State is entitled to a royalty of up to thirty percent (30%). The National Executive, through the Ministry with competence in hydrocarbons and following the opinion of the Ministry with competence in Finance, shall determine the applicable royalty percentage(s) for each project during its execution phases, taking into	"Up to 30%" variable by project. Royalty reduction: at the Ministry's discretion. It is clarified that it applies to hydrocarbons that are extracted and not reinjected.

CLYDE&CO
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CLYDE&CO Successful risk navigation			account: 1. The nature of the project. 2. The capital investment requirements. 3. The economic feasibility of the project. 4. The need to ensure international competitiveness. The National Executive, through the Ministry with competence in hydrocarbons, is empowered to modify the royalty percentage within the limit established in this article when it is demonstrated that such modification is necessary to guarantee the economic balance of the project.	
17	Modification to numeral 4 of article 48 (new 55)	**4. Extraction Tax**. One-third (1/3) of the value of all liquid hydrocarbons extracted from any reservoir, calculated on the same basis established in Article 47 of this Law for the calculation of the royalty in cash. This tax shall be paid monthly along with the	**Integrated Hydrocarbons Tax** **Article 55.** Legal entities, whether public or private, that carry out the activities referred to in this Law shall be subject to the payment of the Integrated Hydrocarbons Tax. The tax base for the Integrated Hydrocarbons Tax shall consist of the total gross income accrued	The classic extraction tax is eliminated, replaced by an integrated tax (up to 15% on gross income accrued annually). CLYDE&CO Successful risk navigation

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CLYDE&CO Successful risk navigation		royalty provided in Article 44 of this Law by the operating company that extracts such hydrocarbons. When calculating the Extraction Tax, the taxpayer has the right to deduct what has been paid as royalty, including any additional royalty paid as a special benefit. The taxpayer also has the right to deduct from the Extraction Tax any amount paid for any annually payable special benefit, but only in periods subsequent to the payment of such annual special benefit. The National Executive, when deemed justified according to market conditions or a specific investment project to incentivize, among others, secondary recovery projects, may reduce the Extraction Tax for a determined period, to a minimum of twenty percent (20%). It may likewise restore the Extraction Tax to its original level when it considers	monthly by the taxpayers of this tax. The accrued gross income shall not allow any deductions, except in cases of refunds, unconditional discounts agreed at the time of the transaction, and reimbursements for billing errors or undue payments that are properly documented. **For projects involving extraction activities, gross income accrued shall be understood as the total value of hydrocarbons extracted and not reinjected.**	Gross income from extraction is explicitly defined as the total value of hydrocarbons extracted and not reinjected. CLYDE&CO Successful risk navigation

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		that the reasons for the exemption have ceased.		
18	New article 56		**Rate** **Article 56.** The rate of the integrated hydrocarbons tax shall be up to fifteen percent (15%) on the **corresponding taxable base.** The National Executive, through the Ministry with competence in hydrocarbons, and after consulting the Ministry with competence in Finance, shall determine the rate of the integrated hydrocarbons tax applicable to each project during its execution phases, within the limits established in this article, taking into account: 1. The nature of the project. 2. The capital investment requirements. 3. The economic feasibility of the project. 4. The need to ensure international competitiveness. The National Executive, through the Ministry with competence in hydrocarbons, is empowered to modify	The rate of the Integrated Tax is set at up to 15%.

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			the rate within the limit set forth in this article when it is demonstrated that such modification is necessary to ensure the economic balance of the project, in accordance **with the terms established in this Law.**	
19	New article 57		**Determination and Payment of the Integrated Hydrocarbons Tax** **Article 57.** The integrated hydrocarbons tax shall be determined **and prepaid** on a monthly basis and **fully settled** annually. **This tax must be** declared and paid in accordance with the timing, mechanisms, procedures, and conditions established by **the Ministry with competence in hydrocarbons.** **The integrated hydrocarbons tax may be collected by the National Executive in kind or in cash, in whole or in part.**	Incorporates the mandatory monthly prepayment. Regulatory authority is transferred from SENIAT to the Ministry of Hydrocarbons.
20	New article 58		**Income Tax** **Article 58**. The National Executive, through the Ministry with competence	The order of ministerial consultation is reversed: first the Ministry

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CLYDE&CO Successful risk navigation			**in Finance,** and after the opinion of the Ministry with competence in **Hydrocarbons**, may reduce the income tax rate, **taking into account the criteria established in Article 51,** when it is demonstrated that such reduction is necessary to ensure the economic balance of the project.	of Finance, for the reduction of income tax. The reduction is variable, based on the same criteria used for setting royalties.
21	New article 59		**Exemption from Taxes and Parafiscal Contributions** **Article 59.** Public or private legal entities that carry out the activities referred to in this Law shall be exempt from the payment of the following taxes and special contributions: 1. Tax on Large Fortunes. 2. Special contribution established in the Organic Law of Science, Technology, and Innovation. 3. Special contribution established in the Organic Law on Sport, Physical Activity, and Physical Education. 4. Special contribution established in	It establishes exemptions from: 1. Tax on Large Fortunes. 2. Organic Law of Science, Technology, and Innovation. 3. Organic Law on Sport, Physical Activity, and Physical Education. 4. Organic Law on Drugs. 5. Law for the Protection of Social Security Pensions CLYDE&CO Successful risk navigation

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CLYDE&CO Successful risk navigation			**the Organic Law on Drugs** 5. **Contribution established in the Law for the Protection of Social Security Pensions Against Imperialist Blockades.** **The activities referred to in this Law are not subject to the social responsibility obligations established in the Decree with Rank, Value, and Force of Law on Public Procurement, nor to state or municipal taxes.**	of Social Security Pensions Against Imperialist Blockades.
22	Amendment to Article 57 **(now Article 68)**	**Article 57.** The activities of marketing natural hydrocarbons, as well as those of derivative products designated by Decree by the National Executive, may only be carried out by the companies referred to in Article 27 of this Law. To this effect, mixed companies engaged in primary activities may only sell the natural hydrocarbons they produce to the companies referred to in Article 27 of this Law.	**Regarding Commercialization Activities** **Article 68.** The activities of marketing natural hydrocarbons, as well as derivative products designated by Decree by the National Executive, shall be carried out by the companies referred to in Article 28 of this Law. The National Executive, acting through the Ministry with competence in hydrocarbons, may authorize the companies referred to in items 2 and 3 of Article 23 of this Law to directly commercialize all or a portion of the volumes of natural hydrocarbons produced in the assigned area.	The requirement of "price above PDVSA" is removed (however, it is established that the price must be equal to or higher than that of the State-owned company) (see the following article). CLYDE&CO Successful risk navigation

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CLYDE&CO Successful risk navigation			Authorized direct commercialization shall, under no circumstances, imply the transfer of ownership of the hydrocarbon fields, nor authorize the creation of real guarantees over the fields or over sovereignty rights.	
23	Amendment to Article 57 **(renumbered as Article 69)**		**Requirements for Commercialization** **Article 69.** The companies referred to in items 2 and 3 of Article 23 of this Law, authorized to directly commercialize natural hydrocarbons, shall: 1. Comply with the commercialization plan approved by the Ministry with competence in hydrocarbons. 2. Ensure t**hat sale prices are equal to or higher than the prices achieved in the market by the company wholly owned by the Republic or its subsidiaries.** 3. Fulfill the fiscal and environmental obligations arising from such direct commercialization. 4. Comply with the provisions regarding domestic supply as established by the Ministry with competence in hydrocarbons.	A separate regime of requirements is created. The pricing criterion is tightened: prices must be equal to or higher than those of the state company. CLYDE&CO Successful risk navigation

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24	New First derogatory Provision		**FIRST**. The Law for the Regularization of Private Participation in the Primary Activities Provided for in Decree No. 1,510 with the Rank and Force of the Organic Law of Hydrocarbons, published in the Official Gazette of the Bolivarian Republic of Venezuela No. 38,419 dated April 18, 2006, is hereby derogatory.	
25	New Second derogatory Provision		**SECOND.** The Organic Law that reserves to the State the goods and services related to the primary activities of hydrocarbons, published in the Official Gazette of the Bolivarian Republic of Venezuela No. 39,173 dated May 7, 2009, is hereby derogatory.	
26	New Third derogatory Provision		**THIRD**. The Law creating the Special Contribution for Extraordinary Prices and Exorbitant Prices in the International Hydrocarbons Market, published in the Official Gazette of the Bolivarian Republic of Venezuela No. 40,114 dated February 20, 2013, is hereby derogatory.	

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Successful risk navigation

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27	New Fourth derogatory Provision		**FOURTH**. Decree No. 5,200, with Rank, Value and Force of Law on the Migration to Mixed Companies of the Association Agreements of the Orinoco Oil Belt, as well as the At-Risk-and-Shared-Profits Exploration Agreements, published in the Official Gazette of the Bolivarian Republic of Venezuela No. 38,632 dated February 26, 2007, is hereby derogatory.	
28	New Fifth derogatory Clause		**FIFTH.** The Agreement of the National Assembly by which the Terms and Conditions for the Creation and Operation of Mixed Companies and the Model Contract were approved, published in the Official Gazette of the Bolivarian Republic of Venezuela No. 38,410 dated March 31, 2006, is hereby derogatory.	
29	New Sixth derogatory Clause		SIXTH. The Agreement of the National Assembly by which the modification of First Agreement, numeral 6, subparagraph (a), of the Terms and Conditions for the Creation and Operation of Mixed Companies contained in the Model Contract for Mixed Companies between Corporación Venezolana del Petróleo,	

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CLYDE&CO Successful risk navigation			S.A., and Private Entities, published in the Official Gazette of the Bolivarian Republic of Venezuela No. 39,273 dated September 28, 2009, is hereby derogatory.	
30	New Second Transitional Provision		**SECOND.** Within one hundred eighty (180) days following the entry into force of this Law, the Ministry with competence in Hydrocarbons shall carry out an evaluation of the Mixed Companies established prior to the entry into force of this Law, and may agree on the necessary adjustments to align them with the provisions of this Law and adopt the appropriate measures for the comprehensive utilization of hydrocarbons. During this period, the tax regime in force prior to the publication of this Law shall continue to apply. Under no circumstances shall the adjustment process imply or result in a deterioration of the conditions agreed upon with the companies that, directly or indirectly, have carried out or are carrying out the comprehensive management of the Mixed Companies.	180 days for the necessary adjustments, during which the existing tax regime shall continue to apply. CLYDE&CO Successful risk navigation

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31	New Third Transitional Provision		**THIRD.** Production Sharing Contracts and other contractual models entered into pursuant to the Constitutional Anti-Blockade Law for National Development and the Guarantee of Human Rights shall retain their full validity and legal effectiveness. Within one hundred eighty (180) days following the entry into force of this Law, the parties to the Production Sharing Contracts and other contractual models referred to in this transitory provision shall make the necessary adjustments to such contracts in order to align them with the provisions of this Law. During this period, the tax regime in force prior to the publication of this Law shall continue to apply. Under no circumstances shall the adjustment process imply or result in a deterioration of the conditions previously contractually agreed upon.	180 days for the adjustment of PSCs and other contractual models. The tax regime in force shall continue to apply for 180 days.
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32	New Fourth Transitional Provision		**FOURTH.** Within thirty (30) days following the entry into force of this Law, the Ministry with competence in Hydrocarbons shall issue the regulations necessary for the determination, assessment, declaration, and payment of the integrated hydrocarbons tax.	
33	Formalities of Printing and Publication		ARTÍCLE 33. This Law shall be printed incorporating the approved amendments and in a single consolidated text. Gender-inclusive language shall be applied in the relevant articles; headings shall be added to articles lacking them; the designation “Ministry of Energy and Petroleum” shall be replaced by “Ministry with competence in Hydrocarbons”; references to tax units shall be replaced by the official exchange rate of the currency of highest value published by the Central Bank of Venezuela; and the numbering of articles and	

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34	Validity		**ARTÍCLE 34.** This Partial Reform Law of the Organic Law of Hydrocarbons shall enter into force as of its publication in the Official Gazette of the Bolivarian Republic of Venezuela, except for Articles 51, 55, 56, 57, 58, and 59, which shall enter into force once sixty (60) consecutive days have elapsed following their publication.	CLYDE&CO Successful risk navigation