

SWIRE PACIFIC OFFSHORE GROUP – TERMS AND CONDITIONS OF SERVICE

1. GENERAL

1.1 Definitions

"AFFILIATE" shall mean in relation to a party, (a) any subsidiary or parent or holding company of such party, or (b) any subsidiary of such holding company. For the purpose of this definition, "subsidiary" and "holding company" shall have the meaning assigned to them under Section 1159 of the UK Companies Act 2006, as amended or re-enacted for the time being in force.

"CO-VENTURER" shall mean any other entity with whom the COMPANY is or may be from time to time a party to a joint venture or similar agreement relating to the Vessel or operations for which the SERVICES are being provided, and the successors in interest of such CO-VENTURER or the assignees of any interest of such CO-VENTURER.

"COMMENCEMENT DATE" shall mean the date on which the SERVICES shall be provided to COMPANY by CONTRACTOR as specified in the SERVICE ORDER or notified to CONTRACTOR by COMPANY in writing.

"COMPANY" shall mean the COMPANY named in the SERVICE ORDER, which expression shall include the COMPANY's legal representatives, successors and assigns.

"COMPANY GROUP" shall mean the COMPANY and any of its AFFILIATES and/or branch offices and/or related companies, and its and their respective directors, officers and employees (including agency personnel), but shall not include any member of the CONTRACTOR GROUP.

"COMPLETION DATE" shall mean the date on which the SERVICES shall be completed as specified in the SERVICE ORDER or notified to CONTRACTOR by COMPANY in writing.

"CONTRACTOR" shall mean the CONTRACTOR named in the SERVICE ORDER to supply SERVICES hereinafter defined and shall include the CONTRACTOR's legal personal representatives, successors and assigns.

"CONTRACTOR GROUP" shall mean the CONTRACTOR, its sub-contractors, its and their AFFILIATES, its and their respective directors, officers and employees (including agency personnel), but shall not include any member of the COMPANY GROUP.

"SERVICES" shall mean the services to be provided by CONTRACTOR as specified in the SERVICE ORDER, including the provision of all materials, services and equipment to be rendered in accordance with the SERVICE ORDER.

"SERVICE ORDER" shall mean the Service Order (including any attachments thereto) issued by the COMPANY and accepted by the CONTRACTOR, which shall automatically incorporate these Terms and Conditions (subject to any specific special conditions in the SERVICE ORDER).

"WARRANTY PERIOD" shall mean the period specified in the SERVICE ORDER during which the CONTRACTOR guarantees that the SERVICES shall be free from defects and if no such period is specified in the SERVICE ORDER, the default Warranty Period shall be 12 months from the Completion Date.

"WORK SITE" means any location(s), site(s) or vessel(s) on which the SERVICES are to be performed.

1.2 Interpretation

All instructions, notices, agreements, authorisations, approvals and acknowledgements shall be in writing. All such documentation together with all correspondence and other documents shall be in the English language.

Any reference to statute, statutory provision or statutory instrument shall include any re-enactment or amendment thereof for the time being in force.

Unless the context otherwise requires, words importing the singular shall include the plural, and words importing the masculine gender shall include the feminine and neuter genders, and vice versa.

Time is of the essence for all times, dates and periods specified in the SERVICE ORDER.

1.3 Invalidity and Severability

If any provision of this SERVICE ORDER shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability shall not affect the other provisions of this SERVICE ORDER and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect. The COMPANY and the CONTRACTOR agree to attempt to substitute, for any invalid or unenforceable provision, a valid or enforceable provision which achieves to the greatest possible extent, the economic, legal and commercial objectives of the invalid or unenforceable provision.

1.4 Entire Agreement

The SERVICE ORDER constitutes the entire agreement between the COMPANY and the CONTRACTOR, which supersedes all previous written or oral understandings, representations or agreements between them. Any amendment(s) to or variation(s) to any SERVICE ORDER shall be invalid unless made in writing and signed either by a duly authorised representative of the COMPANY; or (if applicable) by the Master or Chief Engineer of the Vessel described in the SERVICE ORDER.

1.5 Exclusion of Conflicting Terms

Unless separately accepted by the COMPANY in writing, nothing in the CONTRACTOR's acceptance of the SERVICE ORDER or in the CONTRACTOR's own terms and conditions (even if attached to the CONTRACTOR's acceptance) shall change, vary or nullify the terms of the SERVICE ORDER and this SERVICE ORDER shall prevail in the event of any conflict or inconsistency with the CONTRACTOR's acceptance or the CONTRACTOR's own terms and conditions.

2. DUTIES AND RIGHTS OF CONTRACTOR

2.1 Acceptance of SERVICE ORDER

Unless otherwise mutually agreed, a contract between CONTRACTOR and COMPANY for the SERVICES specified in the SERVICE ORDER subject to and incorporating all the terms and conditions set out in the SERVICE ORDER and in these Terms and Conditions of Service, shall form and be binding upon CONTRACTOR and COMPANY upon the earlier of:

(a) CONTRACTOR's written acceptance of the SERVICE ORDER; or

(b) The expiry of 48 hours of receipt by CONTRACTOR of the SERVICE ORDER from COMPANY if no objections to the SERVICE ORDER are raised by CONTRACTOR prior to the expiry of the aforesaid 48 hours.

2.2 Duties of Contractor

The CONTRACTOR warrants and undertakes that it shall:

(a) carry out all of its obligations under the SERVICE ORDER and perform the SERVICES in a timely manner and with all due professional care, diligence and skill to be expected of a reputable contractor experienced in the types of SERVICES to be performed under the SERVICE ORDER;

(b) only use personnel, who are competent, appropriately qualified, have the necessary skills in their trade and are capable of working safely to perform the SERVICES. Evidence of such competency and/or qualifications shall be provided if requested by COMPANY;

(c) provide all management, supervision, personnel, materials and equipment, plant, consumables, facilities and all other things, whether of a temporary or permanent nature, so far as is necessary for it to perform and complete the SERVICES;

(d) comply with all reasonable standards of safety and comply with the COMPANY's health and safety procedures notified to the CONTRACTOR for the time being in force and report to COMPANY any unsafe working conditions or practices;

(e) allow reasonable access and opportunity to other contractors of the COMPANY at the Work Site to perform their work or contracts and cooperate fully with such parties;

(f) on completion of the SERVICES or any portion thereof, the CONTRACTOR shall without delay clear and remove all equipment and materials provided by the CONTRACTOR including debris, thereby leaving the WORK SITE in a clean, tidy and safe condition;

(g) comply with all proper requests and instructions of COMPANY in relation to the results to be obtained from the SERVICES, but always retaining and exercising its own discretion with respect to the actual performance and superintendence of the SERVICES, which shall at all times be under its control and direction as to how it should be performed.

2.3 Contractor to Inform Itself

(a) The CONTRACTOR shall be deemed to have satisfied itself, before accepting the SERVICE ORDER, as to the extent, nature and requirement of the SERVICES, the correctness and sufficiency of the rates and prices for the SERVICES as specified in the SERVICE ORDER, general and local conditions and all other matters which could affect progress of performance of the SERVICES.

(b) Any failure by the CONTRACTOR to take account of matters which affect the SERVICES will not relieve the CONTRACTOR from its obligations under the SERVICE ORDER.

2.4 Access

(a) The CONTRACTOR will allow the COMPANY to inspect and test the SERVICES on reasonable prior notice and CONTRACTOR shall afford every facility and assistance to COMPANY in conducting such inspection and testing.

(b) Any inspection or testing or any failure to do so shall in no way relieve the CONTRACTOR of its obligations as specified in the SERVICE ORDER.

2.5 Specifications

The CONTRACTOR will ensure that the SERVICES will meet the COMPANY's requirements with regard to any quality, fitness for purpose, quantity or specifications, which are set out in the SERVICE ORDER.

2.6 Defects Correction

(a) The CONTRACTOR shall rectify any of the SERVICES which are defective during the WARRANTY PERIOD at its own cost and expense, including but not limited to the costs and expenses of transporting any personnel, equipment or material required to rectify such defects.

(b) If any of the SERVICES are reperfomed, rectified or replaced by the CONTRACTOR under Clause 2.6(a), Clause 2.6(a) shall apply to the portion so reperfomed, rectified or replaced and the WARRANTY PERIOD in respect of such portion shall be extended for

a further 12 months from the time such reperformance, rectification or replacement is completed.

(c) For the purposes of this Clause, if applicable, the CONTRACTOR shall not be liable to the COMPANY for the costs of transport of personnel by supply boat, crew-boat, or launch between the COMPANY- designated supply base or port and the offshore part of the WORK SITE or for the costs of offshore accommodation and messing.

2.7 Documentation

The CONTRACTOR will provide at no additional cost to the COMPANY all drawings, certificates or other documentation required to perform the SERVICES in the specified format and quantities as detailed in the SERVICE ORDER.

2.8 Health, Safety and Environment

(a) The COMPANY places prime importance on health, safety and environment (hereinafter "HSE") issues and requires that the CONTRACTOR GROUP actively pursues the highest standards of HSE performance.

(b) The CONTRACTOR shall take full responsibility for the adequacy, stability and safety of all its operations and methods necessary for the performance of the WORK, including the WORK SITE when under its care, control or custody.

(c) The CONTRACTOR shall have in place and maintain HSE policies, procedures and work practices as appropriate to the SERVICES and shall further comply with the COMPANY's HSE policy as may be amended and updated from time to time and published on the COMPANY's website at:

<http://www.swire.com.sg/HSE/Policies.aspx>

(d) Failure to comply with the COMPANY's HSE policies or to satisfy the COMPANY's reasonable requirements with regard to the control of HSE risks in any material respect will be regarded as due cause for the COMPANY giving notice to terminate all or any part of the SERVICES or the SERVICE ORDER in accordance with Clause 4.10.

(e) In the event of any accident or incident at the WORK SITE which endangers the safety or health of any persons or property, CONTRACTOR shall:

- (i) immediately inform COMPANY of such accident or incident;
- (ii) co-operate with COMPANY to provide an appropriate response to such accident or incident; and
- (iii) take all actions as may be necessary to protect life and make safe property.

2.9 Status of CONTRACTOR

CONTRACTOR undertakes and warrants that it shall:

(a) perform the SERVICES under the SERVICE ORDER as an independent contractor and that all employees or persons retained, appointed, assigned or provided by or through CONTRACTOR to perform the SERVICES are servants or employees of CONTRACTOR or its AFFILIATES;

(b) not make nor have any authority to make any statements, representations or commitments of any kind, or to take any action on behalf of COMPANY except as may be specifically authorized by COMPANY in writing;

(c) be responsible and liable for and shall release, defend, protect, indemnify, and hold harmless COMPANY GROUP from and against any and all employment-related taxes, compensation, benefits, charges, levies, contributions imposed by any trade union, guild, professional association, government or regulatory authority having jurisdiction over the parties, the SERVICES rendered hereunder or over the WORK SITE in respect of such employees or persons.

3. DUTIES AND RIGHTS OF COMPANY

3.1 Terms

The COMPANY will engage the SERVICES from the CONTRACTOR on the terms set out in this SERVICE ORDER.

3.2 Offshore Transportation

(a) Where the SERVICES are to be performed offshore, onboard a COMPANY-designated vessel, the COMPANY shall provide, at no cost to the CONTRACTOR, all routine and medi-vac transportation for CONTRACTOR provided personnel, and transportation for CONTRACTOR-provided equipment and material which are capable of transportation by supply boat, crew-boat, or launch between the COMPANY- designated supply base or port as specified in the SERVICE ORDER and the offshore part of the WORK SITE.

(b) Non-routine transportation shall be for CONTRACTOR's cost and expense and at CONTRACTOR's risk.

3.3 Right to Replace CONTRACTOR's personnel

(a) The COMPANY may instruct the CONTRACTOR to remove from the WORK SITE any person engaged in any part of the SERVICES who in the reasonable opinion of the COMPANY is either:

- (i) Incompetent or negligent in the performance of his duties; or
- (ii) Engaged in activities which are contrary or detrimental to the interests of the COMPANY; or
- (iii) Not conforming to relevant safety procedures as stipulated in Clause 2.8 above or persists in any conduct likely to be prejudicial to safety, health or the environment.

(b) Any such person shall be removed forthwith from the WORK SITE. Any person removed for any of the above reasons shall not be engaged again in the SERVICES or assigned to perform the SERVICE ORDER without the prior approval of the COMPANY.

(c) The CONTRACTOR shall provide a suitable replacement for any such person within twenty four (24) hours or such longer time as may be agreed by the COMPANY.

3.4 Payment

(a) The COMPANY will pay for SERVICES performed to COMPANY's satisfaction against the CONTRACTOR's invoice in the amounts specified in the SERVICE ORDER within forty-five (45) days of receipt of the CONTRACTOR's correctly issued invoice (including all necessary supporting documents), the receipt not being earlier than the COMPLETION DATE unless otherwise stated in the SERVICE ORDER.

(b) Each invoice shall be issued in strict accordance with the requirements stated in the SERVICE ORDER, failing which COMPANY may reject the invoice and require the CONTRACTOR to re-issue a corrected invoice.

(c) If the COMPANY disputes any items on any invoice in whole or in part or if the invoice is prepared or submitted incorrectly in any respect, the COMPANY shall notify the CONTRACTOR of the reasons and request the CONTRACTOR to issue a credit note for the unaccepted part or whole of the invoice as applicable. Upon receipt of such credit note the COMPANY shall be obliged to pay the undisputed part of a disputed invoice but may withhold the disputed part until the dispute has been finally resolved.

(d) On settlement of any dispute, the CONTRACTOR shall submit an invoice for sums due and the COMPANY shall make the appropriate payment in accordance herewith.

(e) The CONTRACTOR shall not terminate the SERVICE ORDER for non-payment or late payment without first giving the COMPANY prior written notice allowing the COMPANY ten (10) business days in which to remedy any failure to make payment.

(f) Unless expressly provided otherwise in these Terms and Conditions, the full price which the COMPANY has agreed to pay for the SERVICES is set out in the SERVICE ORDER and (unless otherwise stipulated in the SERVICE ORDER) includes the following:

- (i) All applicable taxes, duties or other charges, including but not limited to general sales tax, service tax, withholding tax, etc.;
- (ii) The costs of testing and certification in relation to the SERVICES (whether described in the SERVICE ORDER or generally required by custom, practice or usage); and
- (iii) All incidental and necessary costs, expenses and disbursements arising from and in relation to performing the SERVICES, including but not limited to the costs of transporting any personnel or equipment required to perform the SERVICES to the place where the SERVICES are to be supplied.

3.5 Variation

(a) The COMPANY has the right to issue instructions to the CONTRACTOR at any time to make any variations to the SERVICES which are within the capability and resources of the CONTRACTOR. The CONTRACTOR shall proceed immediately as instructed.

(b) Any adjustment to the price(s) or rate(s) as set out in the SERVICE ORDER resulting from such variation shall be valued at the appropriate rates and prices specified in the SERVICE ORDER or, in the absence of any appropriate rates and prices, a fair valuation shall be made (as agreed between CONTRACTOR and COMPANY) and such variation to the SERVICES and associated adjustment to the prices(s) or rate(s) shall be documented and authorised in accordance with the provisions of Clause 1.4.

3.6 Status of COMPANY

The COMPANY enters into the SERVICE ORDER for itself and as agent for and on behalf of its CO-VENTURERS. Without prejudice to the provisions of Clause 4.13 and notwithstanding the above:

(a) the CONTRACTOR agrees to look only to the COMPANY for the due performance of the SERVICE ORDER and nothing contained in the SERVICE ORDER will impose any liability upon, or entitle the CONTRACTOR to commence any proceedings against any CO-VENTURER other than the COMPANY; and

(b) the COMPANY is entitled to enforce the SERVICE ORDER on behalf of all CO-VENTURERS as well as for itself. For that purpose the COMPANY may commence proceedings in its own name to enforce all obligations and liabilities of the CONTRACTOR and to make any claim which any CO-VENTURER may have against the CONTRACTOR.

4. THE PARTIES' COMMITMENTS TO EACH OTHER

4.1 Ownership, Patents and other Proprietary Rights

4.1.1 The COMPANY shall retain title to all items, information, materials and equipment provided by the COMPANY under the SERVICE ORDER.

4.1.2 All designs, drawings and other technical information relating to the SERVICES or services, including any software provided solely by the CONTRACTOR under the SERVICE ORDER, and the intellectual property rights therein made or acquired solely by the

CONTRACTOR prior to or during the preparation of the proposal or tender or in the course of work on the SERVICE ORDER shall be and remain the CONTRACTOR's property unless otherwise set out in the SERVICE ORDER.

4.1.3 The CONTRACTOR shall save, indemnify, defend and hold harmless the COMPANY GROUP from all claims, losses, damages, costs (including legal costs), expenses, and liabilities of every kind and nature for, or arising out of, any alleged infringement of any patent or proprietary or protected right arising out of or in connection with the performance of the obligations of the CONTRACTOR under the SERVICE ORDER except where such infringement necessarily arises from the COMPANY's specific instructions. This is provided that the CONTRACTOR shall use its reasonable endeavours to identify any infringement in the COMPANY's instructions of any patent or proprietary or protected right. Should the CONTRACTOR become aware of such infringement or possible infringement then the CONTRACTOR shall inform the COMPANY immediately.

4.2 Indemnity Arrangements

4.2.1 The CONTRACTOR shall be responsible for and shall save, indemnify, defend and hold harmless the COMPANY GROUP from and against all claims, losses, damages, costs (including legal, medical or repatriation costs) expenses and liabilities in respect of:

- (a) loss of or damage to property of the CONTRACTOR GROUP whether owned, hired, leased or otherwise provided by the CONTRACTOR GROUP arising from, relating to or in connection with the performance or non-performance of the SERVICE ORDER; and
- (b) personal injury including death or disease to any person employed, assigned or provided by the CONTRACTOR GROUP arising from, relating to or in connection with the performance or non-performance of the SERVICE ORDER; and
- (c) subject to any other express provisions of the SERVICE ORDER, personal injury including death or disease or loss of or damage to the property of any third party to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of the CONTRACTOR GROUP. For the purposes of this sub-clause, "third party" shall mean any party, which is not a member of the COMPANY GROUP or the CONTRACTOR GROUP.

4.2.2 The COMPANY shall be responsible for and shall save, indemnify, defend and hold harmless the CONTRACTOR GROUP from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of:

- (a) loss of or damage to property of the COMPANY GROUP (excluding the SERVICES prior to delivery) relating to the performance or non-performance of the SERVICE ORDER; and
- (b) personal injury including death or disease to any person employed by the COMPANY GROUP arising from, relating to or in connection with the performance or non-performance of the SERVICE ORDER; and
- (c) subject to any other express provisions of the SERVICE ORDER, personal injury including death or disease or loss of or damage to the property of any third party to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of the COMPANY GROUP. For the purposes of this sub-clause "third party" shall mean any party which is not a member of the CONTRACTOR GROUP or the COMPANY GROUP.

4.2.3 All exclusions and indemnities given under this Clause 4.2 (save for those under Clauses 4.2.1 (c), 4.2.2 (c) and Clause 4.3 shall apply irrespective of cause and notwithstanding the negligence or breach of duty (whether statutory or otherwise) of the indemnified party or any other entity or party and shall apply irrespective of any claim in tort, under contract or otherwise at law.

4.2.4 If either party becomes aware of any incident likely to give rise to a claim under the above indemnities it shall promptly notify the other and both parties shall co-operate fully in investigating the incident.

4.3 Consequential Loss

(a) For the purposes of this Clause the expression "Consequential Loss" shall mean:

- (i) consequential or indirect loss under English law; and
- (ii) loss and/or deferral of production, loss of product, loss of use, loss of revenue, profit or anticipated profit (if any), in each case whether direct or indirect to the extent that these are not included in (a), and whether or not foreseeable at the date of the SERVICE ORDER.

(b) Notwithstanding any provision to the contrary elsewhere in the SERVICE ORDER and except to the extent of any agreed liquidated damages (including without limitation any predetermined termination fees) provided for in the SERVICE ORDER, the COMPANY shall save, indemnify, defend and hold harmless the CONTRACTOR GROUP from the COMPANY GROUP's own Consequential Loss and the CONTRACTOR shall save, indemnify, defend and hold harmless the COMPANY GROUP from the CONTRACTOR GROUP's own Consequential Loss, arising from, relating to or in connection with the performance or non-performance of the SERVICE ORDER.

4.4 Insurance

(a) The COMPANY and the CONTRACTOR shall maintain levels of insurance sufficient to cover their respective liabilities and obligations under the SERVICE ORDER and under applicable laws and regulations.

(b) Without prejudice to the generality of the foregoing, at a minimum the CONTRACTOR (and its permitted sub-contractors, if any) shall procure and maintain the following insurances with reputable and substantial insurers, to the extent that such insurances are relevant to the performance of the SERVICE ORDER:

- (i) Workmen's Compensation and/or Employer's Liability Insurance for Employees, covering any persons for whom the CONTRACTOR is liable as employer for statutory benefits pursuant to any applicable law, to the minimum value required by any applicable law (including extended cover for working offshore, if applicable);
- (ii) General Third Party Liability insurance for any incident or series of incidents, covering the operations of the CONTRACTOR in the performance of the SERVICE ORDER, in an amount not less than USD five million (US\$5,000,000) per occurrence (or such higher limit as may be specified in the SERVICE ORDER);
- (iii) Third Party and Passenger Liability insurance and other motor insurance as required by applicable law; and
- (iv) Such other insurances (if any) as may be specified in the SERVICE ORDER.

(b) The provisions of this Clause shall in no way limit the liability of the CONTRACTOR under the SERVICE ORDER.

(c) All insurances required under this Clause shall be endorsed to provide that the insurers waive any right of recourse, including in particular, subrogation rights against the COMPANY, CO-

VENTURERS and its and their respective AFFILIATES in relation to the SERVICE ORDER to the extent of the liabilities assumed by the CONTRACTOR under the SERVICE ORDER.

(d) Upon request, the CONTRACTOR shall provide the COMPANY with reasonable evidence of its compliance with the foregoing insurance requirements.

4.5 Confidentiality

(a) The COMPANY and the CONTRACTOR each undertake that it shall not (at any time up to three years after the completion or termination of the SERVICE ORDER) disclose to any person, any confidential information concerning the business, affairs, customers, clients or suppliers of the other party, except with the other party's prior written consent or except as permitted hereunder. No party shall use the other party's confidential information for any purpose other than to perform the SERVICE ORDER.

(b) Each party may disclose the other party's confidential information:

- (i) to its employees, officers, representatives or advisers who need to know such information for the purposes of carrying out the party's obligations under this SERVICE ORDER (provided that each party shall procure the compliance of its employees, officers, representatives or advisers, with all the confidentiality obligations herein); or
- (ii) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

(c) The CONTRACTOR shall not make any publicity releases or announcements concerning the SERVICE ORDER without the prior written consent of COMPANY.

(d) CONTRACTOR shall ensure that the provisions of this clause are incorporated in any of its contracts with its subcontractors (if approved by COMPANY).

4.6 Liens

(a) The CONTRACTOR shall not claim any lien or attachment or cause any encumbrance upon the SERVICES or on any property of the COMPANY in the possession of the CONTRACTOR or at the WORK SITE.

(b) Without prejudice to any other provisions of this clause, CONTRACTOR shall save, indemnify, defend and hold harmless the COMPANY from and against all liens or attachments by any of its subcontractors in connection with or arising out of the SERVICE ORDER.

(c) The CONTRACTOR shall immediately notify the COMPANY of any possible lien or attachment which may affect the SERVICES or any part thereof.

(d) If at any time there is evidence of any lien or attachment to which, if established, the COMPANY or its property might be subjected, whether made by any persons against the CONTRACTOR or made by any subcontractor against the COMPANY, then the COMPANY shall have the right to withhold and/or set off or otherwise recover from the CONTRACTOR such sum of money as will fully indemnify the COMPANY against any such lien or attachment.

(e) Before withholding any payment due to the CONTRACTOR in accordance with Clause 4.6(d), the COMPANY shall give to the CONTRACTOR a reasonable opportunity to demonstrate that the purported lien or attachment is either unenforceable or is covered by the provisions of a security to the reasonable satisfaction of the COMPANY.

(f) For the purpose of this Clause, reference to the COMPANY shall include the CO-VENTURERS and its and their AFFILIATES and references to the CONTRACTOR shall include its AFFILIATES.

4.7 Force Majeure

(a) Neither the COMPANY nor the CONTRACTOR shall be responsible for any failure to fulfil any term or condition of the SERVICE ORDER if and to the extent that fulfilment has been delayed or temporarily prevented by a force majeure occurrence, as hereunder defined, which has been notified in accordance with this Clause 4.7 and which is beyond the control and without the fault or negligence of the party affected and which, by the exercise of reasonable diligence, the said party is unable to provide against.

(b) For the purposes of this SERVICE ORDER only the following occurrences shall be force majeure:

- (i) Riot, war, invasion, act of foreign enemies, hostilities (whether war be declared or not), acts of terrorism, civil war, rebellion, revolution, insurrection of military or usurped power;
- (ii) Ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- (iii) Pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
- (iv) Earthquake, flood, fire, explosion and/or other natural physical disaster, but excluding weather conditions as such, regardless of severity;
- (v) Strikes at a national or regional level or industrial disputes at a national or regional level, or strikes or industrial disputes by labour not employed by the affected party its sub-contractors or its suppliers and which affect a substantial or essential portion of the SERVICES;
- (vi) Maritime or aviation disasters; or
- (vii) Changes to any general or local Statute, Ordinance, Decree, or other Law, or any regulation or by-law of any local or other duly constituted authority or the introduction of any such Statute, Ordinance, Decree, Law, regulation or by-law.

(c) In the event of a force majeure occurrence, the party that is or may be delayed in performing the SERVICE ORDER shall notify the other party without delay giving the full particulars thereof and shall use all reasonable endeavours to remedy the situation without delay.

(d) Following notification of a force majeure occurrence in accordance with Clause 4.7 (c) above, CONTRACTOR and COMPANY shall meet without delay with a view to agreeing a mutually acceptable course of action to minimize any effects of such occurrence.

4.8 Assignment, transfer and sub-contracting of SERVICE ORDER

The CONTRACTOR shall not at any time assign, transfer or sub-contract any part of its rights or obligations under the SERVICE ORDER to any other person, except with the COMPANY's prior written consent.

4.9 Dispute Resolution

Any dispute between the parties in connection with or arising out of the SERVICE ORDER or the SERVICES shall be resolved by means of the following procedure:

(a) The dispute shall initially be referred by either party, by means of a formal notice setting out the brief particulars or nature of

the dispute (“**Formal Notice**”), to a duly authorized representative of the parties who shall meet within 7 days of the date of the formal notice, to discuss the dispute and make all reasonable efforts to settle the dispute amicably;

(b) If no settlement is reached within 30 days of the service of the Formal Notice, the dispute shall be referred to the senior management of the parties or their authorized delegate;

(c) If no settlement is reached between the senior management of the parties or their authorized delegate within 75 days of the service of the Formal Notice, either party is entitled to refer the dispute to and to have the dispute finally resolved by arbitration in Singapore in accordance with the Arbitration Rules of the Singapore Chamber of Maritime Arbitration (“SCMA Rules”) for the time being in force at the commencement of the arbitration, which rules are deemed to be incorporated by reference in this Clause.

4.10 Termination

4.10.1 Termination for Convenience

(a) The COMPANY may at any time give written notice to the CONTRACTOR to terminate all or any part of the SERVICES or the SERVICE ORDER immediately and in such event the COMPANY shall pay, and the CONTRACTOR shall accept in settlement of all claims for such SERVICES or under the SERVICE ORDER, such sums as shall reasonably compensate it for:

- (i) all work done and obligations assumed by it in performance of such SERVICES or the SERVICE ORDER prior to its termination; and
- (ii) all work reasonably done by the CONTRACTOR in giving effect to such termination.

(b) The value of any material, payment for which has been made by the COMPANY, but which has not been used and can be put to use by the CONTRACTOR, shall be taken into account when calculating such losses, but such sum shall in no event exceed the price set out in the SERVICE ORDER unless otherwise previously agreed.

4.10.2 Termination for Cause

(a) The CONTRACTOR or the COMPANY may terminate all or any part of the SERVICES or the SERVICE ORDER immediately by written notice to the other party upon the occurrence of any of the following events:

- (i) the other party is in breach of its obligations under the SERVICE ORDER and fails to remedy such breach within 7 calendar days after receiving written notice to do so (subject to Clause 3.4); or
- (ii) the other party becoming bankrupt or making a composition or arrangement with its creditors or a winding-up order being made or (except for the purposes of amalgamation or reconstruction) a resolution for its voluntary winding-up being passed or a provisional Liquidator, Receiver, Administrator or Manager of its business or undertaking being appointed; or
- (iii) presenting a petition or having a petition presented applying for an administration order to be made pursuant to Section 9 of the UK Insolvency Act 1986, or possession being taken by or on behalf of the holders of any debenture secured by a Floating Charge of any property comprised in or subject to the Floating Charge, or any equivalent act or thing being done or suffered under any applicable law.

(b) Where such SERVICES or the SERVICE ORDER is terminated under this Clause 4.10.2, the COMPANY’s only remaining obligation will be to pay for SERVICES completed by the

CONTRACTOR in accordance with the SERVICE ORDER which has not been paid for.

(c) Any advance payments made but not earned at the date of termination, shall be refunded by the CONTRACTOR to the COMPANY together with interest thereon at six percent (6%) per annum pro rata, calculated from the date on which the CONTRACTOR received the advance payment up to the date on which the COMPANY receives the refund in full.

4.10.3 Effect of Termination

If the COMPANY gives the CONTRACTOR notice of termination of all or any part of the SERVICES or the SERVICE ORDER, such notice shall become effective on the date specified therein (or in the absence of any specified date, on the date of receipt of the notice) whereupon the CONTRACTOR shall immediately:

(a) Cease performance of the SERVICES or such part thereof as may be specified in the notice;

(b) Allow the COMPANY or its nominee full right of access to take over the SERVICES or the relevant part of the SERVICES;

(c) Assign to the COMPANY or its nominee, to the extent desired by the COMPANY, all or the relevant parts of the rights, titles, liabilities and any subcontracts relating to the SERVICES which the CONTRACTOR may have acquired or entered into.

4.11 Governing Law and Language

The SERVICE ORDER shall be governed by and construed in accordance with English Law excluding those conflicts of law rules and choice of law principles which would deem otherwise.

The ruling language of the SERVICE ORDER shall be the English Language.

4.12 Special Terms

The CONTRACTOR and the COMPANY agree that any special conditions set out in the SERVICE ORDER (or amendment thereto) will take precedence over the general terms and conditions set out herein.

4.13 Contracts (Rights of Third Parties) Act

4.13.1 Subject to Clause 4.13.3, the parties intend that no provision of the SERVICE ORDER shall, by virtue of the UK Contracts (Rights of Third Parties) Act 1999 (“the Act”) confer any benefit on, nor be enforceable by any person who is not a party to the SERVICE ORDER.

4.13.2 For the purposes of this Clause 4.13, “Third Party” shall mean any member of the COMPANY GROUP (other than the COMPANY) or CONTRACTOR GROUP (other than the CONTRACTOR).

4.13.3 Subject to the remaining provisions of the SERVICE ORDER, Clauses 4.1.3, 4.2, 4.3 and 4.4 are intended to be enforceable by a Third Party by virtue of the Act.

4.13.4 Notwithstanding Clause 4.13.3, the SERVICE ORDER may be rescinded, amended or varied by the parties to the SERVICE ORDER without notice to or the consent of any Third Party even if, as a result, that Third Party’s right to enforce a term of this SERVICE ORDER may be varied or extinguished.

4.13.5 The rights of any Third Party under Clause 4.13.3 shall be subject to the following:-

(a) any claim, or reliance on any term of the SERVICE ORDER by a Third Party shall be notified in writing in accordance with the requirements of Clause 4.2.4 by such Third Party as soon as such Third Party becomes aware that an event is likely to give rise to such a claim and such notification shall contain the following information as a minimum:

- (i) details of the occurrence giving rise to the claim; and
- (ii) the right relied upon by the Third Party under the SERVICE ORDER,

(b) the provisions of Clause 4.9 shall apply in respect of any claim by a Third Party in that the relevant parties agree to resolve any dispute between them in a prompt and amicable manner by adopting the provisions of Clause 4.9,

(c) the Third Party's written agreement to submit irrevocably to the jurisdiction of the English Courts in respect of all matters relating to such rights.

4.13.6 In enforcing any right to which it is entitled by virtue of the Act and the provisions of this SERVICE ORDER, the remedies of a Third Party shall be limited to damages.

4.13.7 A Third Party shall not be entitled to assign any benefit or right conferred on it under this SERVICE ORDER by virtue of the Act.

5 COMPLIANCE WITH APPLICABLE LAWS, RELEVANT REQUIREMENTS AND POLICIES

5.1 Applicable Laws and Regulations

(a) The CONTRACTOR shall comply with all applicable laws, rules and regulations of any governmental or regulatory body having jurisdiction over the SERVICES and/or the WORK SITE.

(b) The CONTRACTOR shall obtain all licences, permits, temporary permits and authorisations required by the applicable laws, rules and regulations for the performance of the SERVICES, save to the extent that the same can only be legally obtained by the COMPANY, in which case CONTRACTOR shall notify COMPANY promptly and provide all reasonable assistance to COMPANY to obtain such licences, permits and authorisations.

5.2 Relevant Requirements and Policies

(a) The CONTRACTOR shall (and shall procure that the CONTRACTOR GROUP and all persons associated with it or other persons provided by it who are performing services or providing SERVICES in connection with the SERVICE ORDER shall):

(a) Comply with all applicable laws, statutes, regulations, and codes ("**RELEVANT REQUIREMENTS**") including those relating to anti-bribery and anti-corruption (which shall be deemed to include the UK Bribery Act 2010);

(b) Not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the UK Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;

(c) Comply with the COMPANY's Code of Conduct and other guidelines ("**RELEVANT POLICIES**"), as may be amended and updated from time to time and published on the COMPANY's website at <http://www.swire.com.sg>, including but not limited to the following:

- (i) SPO Corporate Code of Conduct;
- (ii) SPO Sustainable Development Policy;
- (iii) Swire Group Green Guidelines;
- (iv) Policy Statement on Modern Slavery and Human Trafficking;
- (v) SPO Safety Policy;
- (vi) SPO Confidential Whistleblowing Hotline.

(d) not do, or omit to do, any act that will cause or lead the COMPANY to be in breach of any of the RELEVANT REQUIREMENTS or RELEVANT POLICIES;

(e) Promptly report to the COMPANY any request or demand for any undue financial or other advantage of any kind received by the CONTRACTOR in connection with the performance of the SERVICE ORDER;

(f) Have and maintain its own policies and procedures, including but not limited to adequate procedures under the UK Bribery Act 2010, to ensure compliance with the RELEVANT REQUIREMENTS and the RELEVANT POLICIES, and will enforce them where appropriate;

(g) Upon request, provide written certification (signed by an officer of the CONTRACTOR) that the CONTRACTOR GROUP and all persons associated with it or other persons who are performing services or supplying SERVICES in connection with the SERVICE ORDER, have complied with the requirements hereunder. The CONTRACTOR shall provide such supporting evidence of compliance as the COMPANY may reasonably request;

(h) Indemnify the COMPANY against any losses, liabilities, damages, costs (including but not limited to legal fees) and expenses incurred by, or awarded against, the COMPANY as a result of any breach of this Clause by the CONTRACTOR.

5.3 Audit and record keeping

(a) The CONTRACTOR shall permit the COMPANY and its representatives, on reasonable notice during normal business hours to access and take copies of the CONTRACTOR's records and any other information held at the CONTRACTOR's premises and to meet with the CONTRACTOR's personnel for the purpose of auditing:

- (i) All invoiced charges by CONTRACTOR to COMPANY; and
- (ii) the CONTRACTOR's compliance with its obligations under the SERVICE ORDER.

(b) The CONTRACTOR shall give all necessary assistance to the conduct of such audits. Such audit rights shall continue throughout the term of the SERVICE ORDER and for three years after completion or termination of the SERVICE ORDER.

5.4 Warranties

The CONTRACTOR warrants and represents that:

(a) Neither the CONTRACTOR, its AFFILIATES nor any of their respective officers, employees or other persons associated with them:

- (i) has been convicted of any offence involving bribery or corruption, fraud or dishonesty;
- (ii) having made reasonable enquiries, so far as it is aware, has been or is the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence under the RELEVANT REQUIREMENTS; or
- (iii) has been or is listed by any government agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in government procurement programmes or other government contracts.

(b) None of the officers or employees of the CONTRACTOR or any person associated with it or any other person who is performing services or providing SERVICES in connection with the SERVICE ORDER is a foreign public official; and

(c) No foreign public official owns a direct or indirect interest in the CONTRACTOR or any person associated with it and no public official has any legal or beneficial interest in any payments made by the COMPANY under the SERVICE ORDER.

5.5 The CONTRACTOR shall promptly notify the COMPANY if, at any time, its circumstances, knowledge or awareness changes such that it would not be able to repeat the warranties set out above at the relevant time.

5.6 Breach of any requirement in this Clause shall be deemed a repudiatory breach of the SERVICE ORDER.

5.7 If the COMPANY terminates the SERVICE ORDER for breach of this Clause, the CONTRACTOR shall not be entitled to claim compensation or any further remuneration, regardless of any activities or agreements with additional third parties entered into before termination.

5.8 Regardless of any other provision herein, the COMPANY shall not be obliged to do, or omit to do, any act which would, in its reasonable opinion, put it in breach of any of the RELEVANT REQUIREMENTS or RELEVANT POLICIES.

5.9 For the purposes of this clause, the meaning of 'adequate procedures' and 'foreign public official' and whether a person is associated with another person, shall be determined in accordance with section 7(2) of the UK Bribery Act 2010 (and any guidance issued under section 9 of that Act), sections 6(5) and 6(6) of that Act, and section 8 of that Act respectively. A person associated with the CONTRACTOR includes any of its suppliers or sub-contractors involved in providing SERVICES, equipment or services relating to the SERVICE ORDER.

6 DATA PROTECTION

6.1 In this clause:

- (a) "**Data Controller**" has the meaning set out in the Data Protection Legislation;
- (b) "**Data Processor**" has the meaning set out in the Data Protection Legislation;
- (c) "**Data Protection Legislation**" means all privacy laws applicable to any Personal Data processed under or in connection with this SERVICE ORDER, including, without limitation, the Data Protection Directive 95/46/EC (as the same may be superseded by the General Data Protection Regulation 2016/679 (the "**GDPR**")), the Privacy and Electronic Communications Directive 2002/58/EC and all national legislation implementing or supplementing the foregoing and all associated codes of practice and other guidance issued by any applicable data protection authority, all as amended, re-enacted and/or replaced and in force from time to time;
- (d) "**Personal Data**" has the meaning set out in the Data Protection Legislation; and
- (e) "**process**" and other derivations such as "**processed**" and "**processing**" means any use of or processing applied to any Personal Data and includes "processing" as defined in the Data Protection Legislation.
- (f) "**Services**" means the services provided or to be provided hereunder, including (as the context may require) the provision of goods and/or materials.

6.2 The parties agree that the performance of the Services will involve the processing of Personal Data as follows:

- (a) Categories of Personal Data processed: business contact information of the Parties or their representatives such as title, first name, last name, address, date of birth, and any other information required in order to perform the Services under this SERVICE ORDER;
- (b) Duration of Processing: the Personal Data shall be processed until the earliest of (i) expiry/termination of this SERVICE

ORDER in accordance with its terms or (ii) the date upon which processing is no longer necessary for the purposes of either party performing its obligations under this SERVICE ORDER;

- (c) Nature and purpose of the processing: the Personal Data will only be processed and be disclosed to such of a party's representatives or sub-processors as is necessary in order for performance of the Services and/or a party's obligations under this SERVICE ORDER.

6.3 The Contractor warrants that it has complied with, and undertakes to continue to comply with the Data Protection Legislation at all times.

6.4 The parties hereby acknowledge and agree that:

- (a) With respect to Personal Data provided by or through the Company or in respect of its personnel, the Company is the Data Controller and the Contractor is the Data Processor.
- (b) With respect to Personal Data provided by or through the Contractor or in respect of its personnel, the Contractor is the Data Controller and the Company is the Data Processor.

6.5 In respect of Personal Data provided by or through the Company or in respect of its personnel, the Contractor warrants that it shall:

- (a) only process such Personal Data in order to provide the Services and shall act only in accordance with this SERVICE ORDER and the Company's written instructions issued from time to time;
- (b) implement appropriate technical and organisational measures to ensure a level of security appropriate to the risks that are presented by the processing, in particular protection against accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to Personal Data transmitted, stored or otherwise processed pursuant to this SERVICE ORDER;
- (c) take reasonable steps to ensure the reliability of any of its staff who will have access to such Personal Data and ensure that anyone who accesses it shall respect and maintain all due confidentiality;
- (d) not engage any sub-processors in the performance of the Services without the prior written consent of the Company and then only on the basis of a written contract which imposes on such person terms equivalent to those imposed on the Contractor in this Clause ("**Relevant Terms**"). The Contractor shall procure the performance by such person of the Relevant Terms and shall be directly liable to the Company for any breach by such person of any of the Relevant Terms;
- (e) not cause or permit any Personal Data to be transferred or processed outside where the Contractor is based, including the European Economic Area (EEA), without first seeking the instructions of the Company, which may, where Personal Data is transferred outside of the EEA, include the requirement to execute the Standard Contractual Clauses for transfers from Data Controllers to Data Processors approved by the Commission pursuant to Decision 2010/87/EU, as amended from time to time including by Commission Implementing Decision (EU) 2016/2297;
- (f) immediately notify the Company of any actual or alleged incident of unauthorised or accidental disclosure of or access to any Personal Data or other breach of this SERVICE ORDER by any of its staff, sub-processors or any other identified or unidentified third party;
- (g) where applicable in respect of any Personal Data processed pursuant to this SERVICE ORDER, provide full cooperation and assistance to the Company in ensuring compliance with:
 - i. the Company's obligations to respond to requests from any data subject(s) seeking to exercise its/their rights under the Data Protection Legislation, including but not limited to

Chapter III of the GDPR, including by notifying the Company of any written subject access requests the Contractor receives relating to the Company's obligations under the Data Protection Legislation; and

- ii. the Company's obligations set out under the Data Protection Legislation, including Articles 32–36 of the GDPR, to:
 - ensure the security of the processing;
 - notify the relevant supervisory authority, and any data subject(s), where relevant, of any breaches relating to Personal Data;
 - carry out any data protection impact assessments ("DPIA") of the impact of the processing on the protection of Personal Data; and
 - consult the relevant supervisory authority prior to any processing where a DPIA indicates that the processing would result in a high risk in the absence of measures taken to mitigate the risk.
 - (h) make available to the Company all information necessary to demonstrate compliance with the obligations set out in this Clause and allow for and contribute to any audits, including inspections, conducted by the Company or its appointed auditor; and
 - (i) delete or return to the Company upon request, all Personal Data processed pursuant to this SERVICE ORDER upon the expiry or earlier termination of this SERVICE ORDER.
- 6.6 Without prejudice to any other rights or remedies of the Company, the Contractor agrees to indemnify and keep indemnified and defend at its own expense the Company against all costs, claims, damages or expenses incurred by the Company or for which the Company may become liable due to any failure by the Contractor, its subprocessors and/or their respective employees or agents to comply with any obligations under this Clause.

7. ANTI-SLAVERY

In this clause, "Anti-slavery Policy" means the COMPANY's Policy Statement on Modern Slavery and Human Trafficking, as revised, reissued, amended or updated from time to time.

7.1 In performing its obligations, the CONTRACTOR shall (and shall procure that the CONTRACTOR GROUP and all persons associated with it or other persons who are performing services or providing GOODS in connection with the SERVICE ORDER shall):

- (a) comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the UK Modern Slavery Act 2015;
- (b) comply with the Anti-slavery policy;
- (c) not engage in any activity, practice or conduct that would constitute an offence under sections 1, 2 or 4, of the UK Modern Slavery Act 2015.

7.2 The CONTRACTOR represents and warrants that:

- (a) its responses to the COMPANY's due diligence questionnaire (if applicable) are complete and accurate; and
- (b) neither the CONTRACTOR nor any of its officers, employees or other persons associated with it:
 - (i) has been convicted of any offence involving slavery and human trafficking; and
 - (ii) has been or is the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence or alleged offence of or in connection with slavery and human trafficking.

7.3 The CONTRACTOR shall implement reasonable due diligence procedures to ensure that there is no slavery or human trafficking taking place in its supply chains.

7.4 The CONTRACTOR shall not subcontract its obligations under the SERVICE ORDER without the prior written consent of the COMPANY.

7.5 In order to help the COMPANY reach a decision on a proposed subcontract, the CONTRACTOR shall provide the COMPANY with any information that the COMPANY may reasonably require about the proposed subcontractor.

7.6 The CONTRACTOR shall notify the COMPANY as soon as it becomes aware of:

- (a) any breach, or potential breach, of the Anti-slavery Policy or of the foregoing provisions; or
- (b) any actual or suspected slavery or human trafficking in a supply chain which has a connection with any SERVICE ORDER.

7.7 The CONTRACTOR shall prepare and deliver to the PURCHASER, within 21 days after receiving the PURCHASER's request, an annual slavery and human trafficking report setting out the steps it has taken to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its business.

7.8 The CONTRACTOR shall:

- (a) maintain a complete set of records to trace the supply chain of all Goods and Services provided to the COMPANY in connection with any SERVICE ORDER;
- (b) permit the COMPANY and its third party representatives, on reasonable notice during normal business hours but without notice in case of any reasonably suspected breach of this clause, to have access to and take copies of the CONTRACTOR's records and any other information and to meet with the CONTRACTOR's personnel to audit the CONTRACTOR's compliance with its obligations this clause.

7.9 The CONTRACTOR represents warrants and undertakes that it conducts its business in a manner that is consistent with the Anti-slavery Policy.

7.10 The CONTRACTOR shall indemnify the COMPANY against any losses, liabilities, damages, costs (including but not limited to legal fees) and expenses incurred by or awarded against the COMPANY as a result of any breach by CONTRACTOR of the Anti-slavery Policy or any of the foregoing provisions.

7.11 The COMPANY may terminate any SERVICE ORDER with immediate effect by giving written notice to the CONTRACTOR if the CONTRACTOR commits a breach of the Anti-slavery Policy or any of the foregoing provisions.

8. SANCTIONS

8.1 The provisions of this clause shall apply in relation to any sanction, prohibition or restriction (each a "Sanction") imposed on any persons, entities, vessels, bodies, industries or sectors pursuant to resolutions, decisions, laws and/or regulations issued by any government or government authority, including, without limitation, the European Union, the United Kingdom, the United Nations, the United States of America, or Singapore.

8.2 If at any time (i) COMPANY becomes aware of any Sanction which would prohibit or render unlawful any performance or payment contemplated under this SERVICE ORDER or which would expose COMPANY (or its direct or indirect parent entities) to Sanctions as a consequence of any SERVICE ORDER or (ii) any payment made or to be made as contemplated by the transactions described in any SERVICE ORDER cannot be made or received as intended due to or because of any Sanction, including because monies or accounts have

been frozen as a result of any such Sanction, or (iii) CONTRACTOR becomes, or becomes owned or controlled by, a party or government that is subject to any Sanction, COMPANY may in its sole option terminate the SERVICE ORDER forthwith by written notice without cost, penalty or liability to COMPANY and without prejudice to any rights accrued to COMPANY at the date of termination.

8.3 If, in compliance with the provisions of this Clause, anything is done or is not done by COMPANY GROUP such shall not be deemed a breach or deviation but shall be considered due fulfillment of its obligations under the SERVICE ORDER.

8.4 Notwithstanding anything in this Clause to the contrary, neither CONTRACTOR nor COMPANY shall be required to do anything which constitutes a violation of any SANCTIONS or the laws and regulations of any country or state to which it (or its direct or indirect parent entities) is or are subject.