

656B (Termination for Convenience – Over £5M), or provided that references in the provisions DEFCON 656B (Termination for Convenience – Over £5M) to "Authority", "Contractor" and "Contract" shall be construed (as appropriate) as references to "Contractor", "Sub-Contractor" and "Sub-Contract" (respectively) for the purposes of the corresponding Sub-Contract provisions.

32.1.7. a requirement for any further Sub-Contracts of lower tiers to contain provisions capable of giving effect to all of the provisions of Clauses 31 (Sub-Contracts) and 32 (Matters to be Included in Sub-Contracts), to the extent reasonably required by the Authority.

32.2. When placing subcontracts, the Contractor is asked to give consideration, as far as possible, to placing work on a competitive basis with Subcontractors that are Supported Businesses. The Contractor can find details of Supported Businesses in the United Kingdom on the Supported Business Directory that is British Association for Supported Employment at Unit 4, 200 Bury Road, Tottington, Lancashire BL8 3DX (Telephone: 01204 880733) or <http://business.base-uk.org/procurement>.

### **33. Care and Protection of the Intercept and Escort Craft(s)**

#### General

33.1. The Contractor shall be responsible for the care, protection, physical security, loss and damage of the Authority's Intercept and Escort Craft(s), their equipment and other equipment and materials whilst in their custody from the point of either:

33.1.1. collection by the Contractor in accordance with DEFCON 621B (Transport (if the Contractor is responsible for Transport)): or

33.1.2. delivery by the Authority to the Contractor's Premises in accordance with DEFCON 621A (Transport (if the Authority is responsible for Transport)):

to the point of either:

33.1.3. delivery by the Contractor in accordance with DEFCON 621B (Transport (if the Contractor is responsible for Transport)): or

33.1.4. collection by the Authority from the Contractor's Premises in accordance with DEFCON 621A (Transport (if the Authority is responsible for Transport))

33.2. The Authority when handing over custody of an Intercept and Escort Craft will present the Contractor with a signed Care and Custody Certificate form at Schedule 10c (Care and Custody Certificate). The Contractor shall sign the certificate accepting custody of an Intercept and Escort Craft and shall complete the engine serial number and hours before and after the refit or repair work has been undertaken. When returning custody of an Intercept and Escort Craft, the Contractor shall sign and return the completed certificate to the Authority.

#### Berthing/Slipping/Lift-out

33.3. The Intercept and Escort Craft(s) whilst in the care and protection of the Contractor shall be docked and undocked, slipped and unslipped, lifted out and re-launched in accordance with the requirements of the Work Request Form (MoD Boats Form 1020) and as required to complete the work. At all other times the Contractor shall place the Intercept and Escort Craft(s) in a suitable berth approved by the Authority. Except as may otherwise be approved by the Authority, the Contractor shall ensure the Intercept and Escort Craft(s) is fully afloat at all states of the tide.



Stability

- 33.4. The Contractor shall be responsible for ensuring the Intercept and Escort Craft(s) stability is, at all times, satisfactory whilst in their care and protection. The Authority will have the right to require the Contractor, at the Contractor's expense, to check the stability of an Intercept and Escort Craft at any time.

Clean Intercept and Escort Craft(s) and Protection of Equipment

- 33.5. The Contractor shall maintain high standards of cleanliness to decks, Intercept and Escort Craft(s) compartments and passageways, Intercept and Escort Craft(s) structure, dock bottom and steps (where applicable) and dock side.
- 33.6. The Contractor shall ensure there is no contamination of equipment or installation by any means including dirt, condensation, paint, shipyard arisings, corrosive products of grit blasting, lagging and kindred operations. Arisings shall be removed on a daily basis, whenever the nature of the work permits, and debris shall not be allowed to accumulate. In places where equipment may be subject to heavy wear or knocks from passing traffic it must be boxed in. All deck coverings shall be protected from dirt and damage.
- 33.7. The Contractor shall be responsible for making good damage to paint-work and fittings arising from Work in Way.
- 33.8. The Contractor shall remain responsible for the condition and cleanliness until acceptance of the Intercept and Escort Craft(s) by the Authority.
- 33.9. The Contractor shall ensure compartments in which switchboards are located are kept clear of stores, tools and clothing.
- 33.10. The Contractor shall ensure all work which may have an adverse effect on electronic and/or environmentally sensitive equipment is completed before any such equipment is moved aboard and/or fitted.

Fire Precautions

- 33.11. The Contractor shall be responsible for firefighting arrangements whilst an Intercept and Escort craft is in their care and protection. The Contractor shall:
- 33.11.1. provide access and action by the local fire authority to meet applicable legislation;
  - 33.11.2. provide fire watcher and fire-fighters at all times during working hours and up to one hour after any hot work is complete in accordance with hot work procedures and for security rounds at cessation of the Business Day;
  - 33.11.3. ensure clearance of fire hazards;
  - 33.11.4. ensure availability of alarms, extinguishers and appliances;
  - 33.11.5. provide equipment and training and exercising of personnel.
- 33.12. Without prejudice to the Contractor's responsibility under Shipbuilding and Ship Repairing Regulations (1960), supplemented by the Health and Safety at Work Act and the Shipyard Auditable Health and Safety Policy Document and all applicable legislation, the Contractor shall as and when requested by the Authority:
- 33.12.1. allow access to the Contractor's facilities to enable the Authority to check that the efficacy of the Contractor's precautions at Clause 33.11 above is to the entire satisfaction of the Authority; and



33.12.2. provide evidence of their compliance with this 33.12.

#### **34. Continuing Obligations**

34.1. Save as otherwise expressly provided in this Contract or as already taken into account in the calculation of any payment on termination pursuant to this Contract:

34.1.1. termination of this Contract shall be without prejudice to any accrued rights or obligations under this Contract prior to termination; and

34.1.2. termination of this Contract shall not affect the continuing rights and obligations of the Contractor and the Authority under:

34.1.2.1. Clauses 3 (Precedence of Documents), 9 (Contractor's Obligations), DEFCON 527 (Waiver), DEFCON 529 (Law (English), DEFCON 530 (Disputes), DEFCON 531 (Disclosure of Information), and DEFCON 538 (Severability); or:

34.1.2.2. any other Clause or any provision of this Contract which is expressed or implied to survive termination, or which is required to give effect to such termination or the consequences of such termination.

#### **35. Debt Factoring**

35.1. Subject to the Contractor obtaining the prior written consent of the Authority in accordance with DEFCON 518 (Transfer) the Contractor may assign to a third party ("the Assignee") the right to receive payment of the Contract Price or any part thereof due to the Contractor under this Contract (including any interest incurred by the Authority under any Contract Clause concerning the late payment of debts).

35.2. Any assignment of the right to receive payment of the Contract Price (or any part thereof) under DEFCON 518 (Transfer) shall be subject to:

35.2.1. reduction of any sums in respect of which the Authority exercises its right of recovery under DEFCON 509 (Recovery of Sums Due), or any narrative Clause concerning recovery of sums due;

35.2.2. all related rights of the Authority under the Contract in relation to the recovery of sums due but unpaid; and

35.2.3. the Authority receiving notification under both Clause 35.3 and sub-Clause 35.4.2 below.

35.3. In the event that the Contractor obtains from the Authority the consent to assign the right to receive the Contract Price (or any part thereof) under Clause 35.1 above, the Contractor shall notify the Authority in writing of the assignment and the date upon which the assignment becomes effective.

35.4. The Contractor shall ensure that the Assignee:

35.4.1. is made aware of the Authority's continuing rights under sub-Clauses 35.2.1 and 35.2.2 of this Clause 35; and

35.4.2. Notifies the Authority of the Assignee's contact information and bank account details, to which the Authority shall make payment, subject to any reduction made by the Authority in accordance with sub-Clauses 35.2.1 and 35.2.2 above.



- 35.5. The provisions of the Contract, including any Clauses concerning payment, shall continue to apply in all other respects after the assignment and shall not be amended without the prior approval of the Authority.

### **36. Health and Safety**

- 36.1. Notwithstanding and without prejudice to the provisions detailed elsewhere in the Contract, the Contractor shall be entirely responsible for the safety, whilst on his premises, of all personnel in connection with the Contract, whether or not in his employ.
- 36.2. Save as may otherwise be specifically defined in the Contract, the Contractor shall be in charge of, and entirely responsible for, the care, protection and security of the Intercept and Escort Craft(s) and all Authority property whilst in their possession.
- 36.3. Where the Authority engages an Independent Safety Advisor/Auditor/Assessor the Contractor shall provide access to records, including Sub-Contractor records to enable the Authority to carry out safety audits and other assessment activities. This shall include the provision of access to the Contractor and Sub-Contractors premises if required.

### **37. Attendance by Makers', Representatives and Certification Authorities**

- 37.1. The Contractor shall be responsible for co-ordinating and arranging all attendance to execute or oversee work in connection with delivery, installation on board, setting to work, acceptance, maintenance, trials and repair or examination of machinery, systems and equipment's, under the Contract.
- 37.2. The Contractor shall make all arrangements for, and provide all necessary drawings, access and facilities for any work in connection with registration, classification, certification, surveys or trials.
- 37.3. The Contractor shall be responsible for co-ordinating and arranging attendance by all surveyors necessary for any certification required by the Contract.
- 37.4. The Contractor is encouraged to bring to the attention of the Authority any measures which might promote sustainable procurement from a social, economic and environmental point of view.
- 37.5. The Contractor shall take all reasonable steps to ensure that all activities under this Contract shall comply with certified environmental management standards based on ISO14001 or equivalent.

### **38. Certification and Classification**

- 38.1. The Intercept and Escort Craft(s) shall be designed, constructed, surveyed, tested and delivered in compliance with the applicable laws, rules, regulations and requirements of the Classification Society, the Regulatory Authorities (including the Authority whose requirements are specified in this Contract):
- 38.1.1. in force as of the date of this Contract, or
- 38.1.2. if not in force as of the date of this Contract, which are ratified and promulgated on or before the date of this Contract and which will be compulsory for the Intercept and Escort Craft(s) on or before the delivery of the Intercept and Escort Craft(s).
- 38.2. All such laws, rules, regulations and requirements of the Classification Society and the Regulatory Authorities shall be complied with without qualification.