



**U.S. Department
of Transportation**

1200 New Jersey Ave., S.E.
Washington, DC 20590

Office of the Secretary
of Transportation

SUBJECT: Class Deviation No. 2026-17 from the Transportation Acquisition Regulation for TAR Part 1217 in Support of Executive Order 14275, Restoring Common Sense to Federal Procurement

FROM: Chrishaun Jones
Senior Procurement Executive
Office of the Senior Procurement Executive

TO: Department of Transportation Chiefs of the Contracting Offices

- I. Purpose:** This memorandum approves a class deviation to the Transportation Acquisition Regulation (TAR) part 1217 for the purpose of implementing, in the TAR, Federal Acquisition Regulation (FAR) Class Deviation (CD) (No. 2025-35) for FAR part 17 in support of Executive Order (E.O.) 14275, “Restoring Common Sense to Federal Procurement.”
- II. Effective Date:** Immediately.
- III. Background:** On April 15, 2025, [Executive Order \(E.O.\) 14275, Restoring Common Sense to Federal Procurement](#) was signed. Section 2 of the E.O. establishes the policy that the FAR “should only contain provisions required by statute or essential to sound procurement, and any FAR provisions that do not advance these objectives should be removed.” The Revolutionary FAR Overhaul (RFO) initiative will make the FAR more concise, understandable, and focused on core procurement requirements. This also applies to agency supplements to the FAR.

Under this initiative, the FAR is being updated to:

- Remove language that is not required by statute
- Remove duplicative or outdated language
- Clarify or provide more plain language
- Revise language for the new FAR framework
- Retain language necessary for governmentwide acquisition standards.

The RFO FAR part 17 model deviation text upon which this RFO TAR part 1217 deviation is also based, establishes bedrock principles. The Department of Transportation (DOT) issued [FAR CD 2025-35](#) for FAR part 17 on October 7, 2025.

To ensure alignment with issued E.O.s and the RFO FAR part CD, it is necessary to issue this RFO TAR CD in advance of a proposed rule to implement these requirements to ensure DOT policies and procedures align with these requirements. DOT intends on conducting further analysis and developing a rule for publication in the Federal Register for public comment after the release of this CD, and after FAR proposed and final rules are published.

IV. Summary of Changes:

Change	Description
New/Retained/Updated	Part 1217—Special Contracting Methods • General – Updated TAR content and headings to align with RFO FAR Part 17. • Subpart 1217.70—Fixed-Price Contracts for Vessel Repair, Alteration, or Conversion ○ 1217.7000, Definition. Removed. ○ 1217.7001, Clauses. Renumbered and section header retitled to 1217.7000, Contract clauses, since the existing text for the single definition at 1217.7000 was removed. See below. ▪ Prescriptions updated to RFO FAR drafting style, removing extraneous “shall” and “may” usage. Part 1252—Solicitation Provisions and Contract Clauses • Subpart 1252.2—Text of Provisions and Clauses. Updates the following clauses to align with RFO FAR drafting style, removing extraneous “shall” usage and/or updates the revised prescription citations. ○ 1252.217-70, Guarantee. ○ 1252.217-71, Delivery and Shirting of Vessel. ○ 1252.217-72, Performance. ○ 1252.217-73, Inspection and Manner of Doing Work. ○ 1252.217-74, Subcontracts. ○ 1252.217-75, Lay Days. ○ 1252.217-76, Liability and Insurance. ○ 1252.217-77, Title. ○ 1252.217-78, Discharge of Liens. ○ 1252.217-79, Delays. ○ 1252.217-80, Department of Labor Safety and Health Regulations for Ship Repair.
Removed	General – Text has been deleted in the sections below to remove non-statutory guidance. ○ 1217.7000, Definitions. This section is being removed, and the Lay Days definition is being moved to 1252.217-75 paragraph (a), first sentence, as a more appropriate placement. Coverage in the TAR subpart as a separate section is unnecessary.

- V. **Required Actions:** Contracting Officers shall follow the RFO TAR part 1217 deviation text, including the corresponding part 1252 deviation text, in lieu of TAR part 1217 and part 1252 as codified at 48 CFR, chapter 12. The RFO TAR deviation text is shown in the Attachment including any cognizant TAR part 1252 solicitation provisions or contract clauses prescribed in TAR part 1217.

Chiefs of the Contracting Offices (COCOs) must ensure this deviation is disseminated to the acquisition workforce and ensure compliance with the requirements in the CD.

For new solicitations, contracts or orders:

- Include applicable deviated provisions and clauses (marked **(JUN 2026)(RFO Deviation)**) as attached.

For open solicitations:

- The contracting officer has discretion regarding the need to enforce or amend the provisions or clauses. Note that without some of the removed provisions or clauses, the contracting officer may be required to separately address certain aspects in an awarded contract.

For existing contracts and orders:

- No action required for the clause associated with this class deviation.

- VI. **Applicability:** This CD applies to all DOT Operating Administrations (OAs), the Office of the Secretary of Transportation (OST), and the Office of the Inspector General (OIG), excluding the Federal Aviation Administration (FAA) in accordance with RFO TAR 1201.103-70(b).
- VII. **Authority:** This CD is issued under the authority of RFO FAR 1.304, Class deviations; TAR 1201.404, Class deviations; and the revised citation at RFO TAR 1201.304, for the purpose of implementing policy in the TAR to comply with requirements of certain E.O.s, statutes, and other directives in DOT FAR CD No. 2025-35.
- VIII. **Expiration Date:** This CD will remain in effect until it is incorporated into the TAR, superseded, or is otherwise rescinded, whichever occurs first.
- IX. **Point of Contact:** Questions or comments regarding this deviation may be directed to DOTAcquisitionPolicy@dot.gov.

Attachment:

- A. RFO TAR Part 1217 & Applicable Part 1252 Deviation Text – Bold/Bracketed/Line-in Line-Out (BB-LILO)

Transportation Acquisition Regulation (TAR) Class Deviation (CD) No. 2026-17

Attachment A

RFO TAR Part 1217 and 1252 Deviation Text

TAR Text Baseline is 48 CFR chapter 12 as of June 2, 2026.

Additions are shown as **[bolded and bracketed]** and deletions are shown in strikethrough ~~deletions~~.

TAR Text unchanged shown as asterisks.

Part 1217—Special Contracting Methods

Subpart 1217.70—Fixed-Price Contracts for Vessel Repair, Alteration, or Conversion

~~1217.7000—Definition.~~

1217.700**[0]**~~4~~ [Contract] ~~€[c]~~lauses.

Authority: [5 U.S.C. 301](#); [41 U.S.C. 1121\(c\)\(3\)](#); [and] [41 U.S.C. 1702](#); ~~and [48 CFR 1.301](#) through [1.304](#).~~

PART 1217—SPECIAL CONTRACTING METHODS [(RFO DEVIATION)]

Subpart 1217.70—Fixed-Price Contracts for Vessel Repair, Alteration, or Conversion

~~1217.7000 Definition.~~

~~Lay Days means time allowed to the master of a vessel for loading and unloading the same.~~

1217.7004[0] [Contract] €[c]lauses.

(a) ~~The [Insert the]~~ clause at 1252.217-70, Guarantee, ~~shall be used~~ where general guarantee provisions are deemed desirable by the contracting officer.

(1) When inspection and acceptance tests will afford full protection to the Government in ascertaining conformance to specifications and the absence of defects and deficiencies, no guarantee clause for that purpose shall be included in the contract.

(2) The customary guarantee period, to be inserted in the first sentence of the clause at 1252.217-70, Guarantee, is 60 days. In certain instances, it may be advisable for the contracting officer to include a contract clause for a guarantee period longer than 60 days. These instances are as follows—

(i) If, as a result of a full inquiry, the contracting officer determines that there will be no increased costs as a result of a longer guarantee period, the contracting officer may substitute guarantee longer than the usual 60 days; or

(ii) When the contracting officer's inquiry discloses that increased costs will result or are expected to result from a longer guarantee period, the contracting officer shall submit a letter to the Chief of the Contracting Office, requesting approval for use of guarantee period in excess of 60 days. The letter must contain sufficient facts to justify the use of a longer guarantee period. Upon approval, the contracting officer may insert a longer period in the first sentence of the clause at 1252.217-70, Guarantee.

(b) ~~The contracting officer shall i~~[(I)]nset the following clauses in solicitations and contracts for vessel repair, alteration or conversion:

(1) 1252.217-71, Delivery and Shifting of Vessel.

(2) 1252.217-72, Performance.

(3) 1252.217-73, Inspection and Manner of Doing Work.

(4) 1252.217-74, Subcontracts.

(5) 1252.217-76, Liability and Insurance.

(6) 1252.217-77, Title.

(7) 1252.217-78, Discharge of Liens.

(8) 1252.217-79, Delays.

(9) 1252.217-80, Department of Labor Safety and Health Regulations for Ship Repair.

(c) ~~The contracting officer may insert the clause at 1252.217-75, Lay Days, in sealed bid fixed-price solicitations and contracts for vessel repair, alteration, or conversion which are to be performed within the United States, the District of Columbia, and all territories and possessions of the United States.~~

~~[(d)] The contracting officer may also insert the clause at 1252.217-75, Lay Days, in negotiated solicitations and contracts to be performed outside the United States.~~

Part 1252 – Solicitation Provisions and Contract Clauses

Subpart 1252.2—Text of Provisions and Clauses

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1252.217-70	Guarantee. [(RFO Deviation)(JUN2026)]
1252.217-71	Delivery and Shifting of Vessel. [(RFO Deviation)(JUN2026)]
1252.217-72	Performance. [(RFO Deviation)(JUN2026)]
1252.217-73	Inspection and Manner of Doing Work. [(RFO Deviation)(JUN2026)]
1252.217-74	Subcontracts. [(RFO Deviation)(JUN2026)]
1252.217-75	Lay Days. [(RFO Deviation)(JUN2026)]
1252.217-76	Liability and Insurance. [(RFO Deviation)(JUN2026)]
1252.217-77	Title. [(RFO Deviation)(JUN2026)]
1252.217-78	Discharge of Liens. [(RFO Deviation)(JUN2026)]
1252.217-79	Delays. [(RFO Deviation)(JUN2026)]
1252.217-80	Department of Labor Safety and Health Regulations for Ship Repair. [(RFO Deviation)(JUN2026)]

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1252.217-70 Guarantee.

As prescribed at 1217.700[0]4(a), insert the following clause:

Guarantee (~~NOV 2022~~[JUN 2026]) [(RFO DEVIATION)]

(a) In the event any work performed or materials furnished by the Contractor prove defective or deficient within 60 days from the date of redelivery of the vessel(s), the Contractor, as directed by the Contracting Officer and at its own expense, shall correct and repair the deficiency in accordance with the contract terms and conditions.

(b) If the Contractor or any subcontractor has a guarantee for work performed or materials furnished that exceeds the 60-day period, the Government ~~shall be~~ [is] entitled to rely upon the longer guarantee until its expiration.

(c) With respect to any individual work item identified as incomplete at the time of redelivery of the vessel(s), the guarantee period shall run from the date the item is completed.

(d) If practicable, the Government ~~shall~~ [will] give the Contractor an opportunity to correct the deficiency.

(1) If the Contracting Officer determines it is not practicable or is otherwise not advisable to return the vessel(s) to the Contractor, or the Contractor fails to proceed with the repairs promptly, the Contracting Officer may direct that the repairs be performed elsewhere, at the Contractor's expense.

(2) If correction and repairs are performed by other than the Contractor, the Contracting Officer may discharge the Contractor's liability by making an equitable deduction in the price of the contract.

(e) The Contractor's liability shall extend for an additional 90-day guarantee period on those defects or deficiencies that the Contractor corrected.

(f) At the option of the Contracting Officer, defects and deficiencies may be left uncorrected. In that event, the Contractor and Contracting Officer shall negotiate an equitable reduction in the contract price. Failure to agree upon an equitable reduction shall constitute a dispute under the Disputes clause of this contract.

(End of clause)

1252.217-71 Delivery and Shifting of Vessel.

As prescribed at 1217.700[0]4(b), insert the following clause:

Delivery and Shifting of Vessel (~~NOV 2022~~[JUN 2026]) [(RFO DEVIATION)]

The Government ~~shall~~ [will] deliver the vessel to the Contractor at his place of business. Upon completion of the work, the Government ~~shall~~ [will] accept delivery of the vessel at the Contractor's place of business. The Contractor shall provide, at no additional charge, upon 24 hours' advance notice, a tug or tugs and docking pilot, acceptable to the Contracting Officer, to assist in handling the vessel between (to and from) the Contractor's plant and the nearest point in a waterway regularly navigated by vessels of equal or greater draft and length. While the vessel is in the hands of the Contractor, any necessary towage, cartage, or other transportation between ship and shop or elsewhere, which may be incident to the work herein specified, shall be furnished by the Contractor without additional charge to the Government.

(End of clause)

1252.217-72 Performance.

As prescribed at 1217.700[0]4(b), insert the following clause:

Performance (~~NOV 2022~~[JUN 2026]) [(RFO DEVIATION)]

- (a) Upon the award of the contract, the Contractor shall promptly start the work specified and ~~shall~~ diligently prosecute the work to completion. The Contractor ~~shall~~ **[must]** not start work until the contract has been awarded except in the case of emergency work ordered by the Contracting Officer in writing.
- (b) The Government ~~shall~~ **[will]** deliver the vessel described in the contract at the time and location specified in the contract. Upon completion of the work, the Government ~~shall~~ **[will]** accept delivery of the vessel at the time and location specified in the contract.
- (c) The Contractor shall without charge—
- (1) Make available to personnel of the vessel while in dry dock or on a marine railway, sanitary lavatory and similar facilities at the plant acceptable to the Contracting Officer;
 - (2) Supply and maintain suitable brows and gangways from the pier, dry dock, or marine railway to the vessel;
 - (3) Treat salvage, scrap or other ship's material of the Government resulting from performance of the work as items of Government-furnished property, in accordance with clause 52.245-1, Government Property;
 - (4) Perform, or pay the cost of, any repair, reconditioning or replacement made necessary as the result of the use by the Contractor of any of the vessel's machinery, equipment or fittings, including, but not limited to, winches, pumps, rigging, or pipe lines; and
 - (5) Furnish suitable offices, office equipment and telephones at or near the site of the work for the Government's use.
- (d) The contract will state whether dock and sea trials are required to determine whether the Contractor has satisfactorily performed the work.
- (1) If dock and sea trials are required, the vessel shall be under the control of the vessel's commander and crew.
 - (2) The Contractor shall not conduct dock and sea trials not specified in the contract without advance approval of the Contracting Officer. Dock and sea trials not specified in the contract shall be at the Contractor's expense and risk.
 - (3) The Contractor shall provide and install all fittings and appliances necessary for dock and sea trials. The Contractor shall be responsible for care, installation, and removal of instruments and apparatus furnished by the Government for use in the trials.

(End of clause)

1252.217-73 Inspection and Manner of Doing Work.

As prescribed at 1217.700[0]4(b), insert the following clause:

Inspection and Manner of Doing Work (NOV 2022[JUN 2026]) [(RFO DEVIATION)]

(a) The Contractor shall perform work in accordance with the contract, any drawings and specifications made a part of the job order, and any change or modification issued under the Changes clause.

(b)(1) Except as provided in paragraph (b)(2) of this clause, and unless otherwise specifically provided in the contract, all operational practices of the Contractor and all workmanship, material, equipment, and articles used in the performance of work under this contract shall be in accordance with the best commercial marine practices and the rules and requirements of all appropriate regulatory bodies including, but not limited to the American Bureau of Shipping, the U.S. Coast Guard, and the Institute of Electrical and Electronic Engineers, in effect at the time of Contractor's submission of offer, and shall be intended and approved for marine use.

(2) When Navy specifications are specified in the contract, the Contractor shall follow Navy standards of material and workmanship. The solicitation shall prescribe the Navy standard whenever applicable.

(c) The Government may inspect and test all material and workmanship at any time during the Contractor's performance of the work.

(1) If, prior to delivery, the Government finds any material or workmanship is defective or not in accordance with the contract, in addition to its rights under the Guarantee clause, the Government may reject the defective or nonconforming material or workmanship and require the Contractor to correct or replace it at the Contractor's expense.

(2) If the Contractor fails to proceed promptly with the replacement or correction of the material or workmanship, the Government may replace or correct the defective or nonconforming material or workmanship and charge the Contractor the excess costs incurred.

(3) As specified in the contract, the Contractor ~~shall~~ **[must]** provide and maintain an inspection system acceptable to the Government.

(4) The Contractor shall maintain complete records of all inspection work and ~~shall~~ make them available to the Government during performance of the contract and for 90 days after the completion of all work required.

(d) The Contractor shall not permit any welder to work on a vessel unless the welder is, at the time of the work, qualified to the standards established by the U.S. Coast Guard, American Bureau of Shipping, or Department of the Navy for the type of welding being performed. Qualifications of a welder ~~shall be~~ **[will be]** as specified in the contract.

(e) The Contractor shall—

(1) Exercise reasonable care to protect the vessel from fire;

- (2) Maintain a reasonable system of inspection over activities taking place in the vicinity of the vessel's magazines, fuel oil tanks, or storerooms containing flammable materials.
- (3) Maintain a reasonable number of hose lines ready for immediate use on the vessel at all times while the vessel is berthed alongside the Contractor's pier or in dry dock or on a marine railway;
- (4) Unless otherwise provided in the contract, provide sufficient security patrols to reasonably maintain a fire watch for protection of the vessel when it is in the Contractor's custody;
- (5) To the extent necessary, clean, wash, and steam out or otherwise make safe, all tanks under alteration or repair.
- (6) Furnish the Contracting Officer a "gas-free" or "safe-for-hotwork" certificate before any hot work is done on a tank;
- (7) Treat the contents of any tank as Government property in accordance with clause 52.245-1, Government Property; and
- (8) Dispose of the contents of any tank only at the direction, or with the concurrence, of the Contracting Officer.
- (9) Be responsible for the proper closing of all openings to the vessel's underwater structure upon which work has been performed. The Contractor additionally must advise the COR of the status of all valve closures and openings for which the Contractor's workers were responsible.
- (f) Except as otherwise provided in the contract, when the vessel is in the custody of the Contractor or in dry dock or on a marine railway and the temperature is expected to go as low as 35 Fahrenheit, the Contractor shall take all necessary steps to—
 - (1) Keep all hose pipe lines, fixtures, traps, tanks, and other receptacles on the vessel from freezing; and
 - (2) Protect the stern tube and propeller hubs from frost damage.
- (g) The Contractor shall, whenever practicable—
 - (1) Perform the required work in a manner that will not interfere with the berthing and messing of Government personnel attached to the vessel; and
 - (2) Provide Government personnel attached to the vessel access to the vessel at all times.
- (h) Government personnel attached to the vessel ~~shall~~ [will] not interfere with the Contractor's work or workers.
- (i)(1) The Government does not guarantee the correctness of the dimensions, sizes, and shapes set forth in any contract, sketches, drawings, plans, or specifications prepared or furnished by the Government, unless the contract requires that the Contractor perform the work prior to any opportunity to inspect.

(2) Except as stated in paragraph (i)(1) of this clause, and other than those parts furnished by the Government, ~~and~~ the Contractor shall be responsible for the correctness of the dimensions, sizes, and shapes of parts furnished under this contract.

(j) The Contractor shall at all times keep the site of the work on the vessel free from accumulation of waste material or rubbish caused by its employees or the work. At the completion of the work, unless the contract specifies otherwise, the Contractor shall remove all rubbish from the site of the work and leave the immediate vicinity of the work area "broom clean."

(End of clause)

1252.217-74 Subcontracts.

As prescribed at 1217.700[0]4(b), insert the following clause:

Subcontracts (~~NOV 2022~~[JUN 2026]) [(RFO DEVIATION)]

(a) Nothing contained in the contract ~~shall~~ [should] be construed as creating any contractual relationship between any subcontractor and the Government. The divisions or sections of the specifications are not intended to control the Contractor in dividing the work among subcontractors or to limit the work performed by any trade.

(b) The Contractor shall be responsible to the Government for acts and omissions of its own employees, and of subcontractors and their employees. The Contractor shall also be responsible for the coordination of the work of the trades, subcontractors, and material men.

(c) The Contractor shall, without additional expense to the Government, employ specialty subcontractors where required by the specifications.

(d) The Government or its representatives will not undertake to settle any differences between the Contractor and its subcontractors, or any differences between subcontractors.

(End of clause)

1252.217-75 Lay Days.

As prescribed at 1217.700[0]4(c), insert the following clause:

Lay Days (~~NOV 2022~~[JUN 2026]) [(RFO DEVIATION)]

(a) [Lay Day means time allowed to the master of a vessel for loading and unloading the same.] Lay day time will be paid by the Government at the Contractor's stipulated bid price for this item of the contract when the vessel remains on the dry dock or marine railway as a result of any change that involves work in addition to that required under the basic contract.

(b) No lay day time ~~shall~~ [will] be paid until all items of the basic contract for which a price was established by the Contractor and for which docking of the vessel was required have been satisfactorily completed and accepted.

(c) Days of hauling out and floating, whatever the hour, ~~shall~~ **[will]** not be paid as lay day time, and days when no work is performed by the Contractor ~~shall~~ **[will]** not be paid as lay day time.

(d) Payment of lay day time ~~shall~~ **[will]** constitute complete compensation for all costs, direct and indirect, to reimburse the Contractor for use of dry dock or marine railway.

(End of clause)

1252.217-76 Liability and Insurance.

As prescribed at 1217.700[0]4(b), insert the following clause:

Liability and Insurance (~~NOV 2022~~[JUN 2026]) [(RFO DEVIATION)]

(a) The Contractor shall exercise its best efforts to prevent accidents, injury, or damage to all employees, persons, and property, in and about the work, and to the vessel or part of the vessel upon which work is done.

(b) *Loss or damage to the vessel, materials, or equipment.* (1) Unless otherwise directed or approved in writing by the Contracting Officer, the Contractor shall not carry insurance against any form of loss or damage to the vessel(s) or to the materials or equipment to which the Government has title or which have been furnished by the Government for installation by the Contractor. The Government assumes the risks of loss of and damage to that property.

(2) The Government does not assume any risk with respect to loss or damage compensated for by insurance or otherwise or resulting from risks with respect to which the Contractor has failed to maintain insurance, if available, as required or approved by the Contracting Officer.

(3) The Government does not assume risk of and will not pay for any costs of the following:

(i) Inspection, repair, replacement, or renewal of any defects in the vessel(s) or material and equipment due to—

(A) Defective workmanship performed by the Contractor or its subcontractors;

(B) Defective materials or equipment furnished by the Contractor or its subcontractors; or

(C) Workmanship, materials, or equipment which do not conform to the requirements of the contract, regardless of whether the defect is latent or whether the nonconformance is the result of negligence.

(ii) Loss, damage, liability, or expense caused by, resulting from, or incurred as a consequence of any delay or disruption, willful misconduct or lack of good faith by the Contractor or any of its representatives that have supervision or direction of—

(A) All or substantially all of the Contractor's business; or

(B) All or substantially all of the Contractor's operation at any one plant.

(4) As to any risk that is assumed by the Government, the Government shall be subrogated to any claim, demand or cause of action against third parties that exists in favor of the Contractor. If required by the Contracting Officer, the Contractor shall execute a formal assignment or transfer of the claim, demand, or cause of action.

(5) No party other than the Contractor shall have any right to proceed directly against the Government or join the Government as a codefendant in any action.

(6) Notwithstanding the foregoing, the Contractor shall bear the first \$5,000 of loss or damage from each occurrence or incident, the risk of which the Government would have assumed under the provision of this [paragraph \(b\)](#).

(c) *Indemnification.* The Contractor indemnifies the Government and the vessel and its owners against all claims, demands, or causes of action to which the Government, the vessel or its owner(s) might be subject as a result of damage or injury (including death) to the property or person of anyone other than the Government or its employees, or the vessel or its owner, arising in whole or in part from the negligence or other wrongful act of the Contractor, or its agents or employees, or any subcontractor, or its agents or employees.

(1) The Contractor's obligation to indemnify under this paragraph shall not exceed the sum of \$300,000 as a consequence of any single occurrence with respect to any one vessel.

(2) The indemnity includes, without limitation, suits, actions, claims, costs, or demands of any kind, resulting from death, personal injury, or property damage occurring during the period of performance of work on the vessel or within 90 days after redelivery of the vessel. For any claim, etc., made after 90 days, the rights of the parties shall be as determined by other provisions of this contract and by law. The indemnity applies to death occurring after 90 days where the injury was received during the period covered by the indemnity.

(d) *Insurance.* (1) The Contractor shall, at its own expense, obtain and maintain the following insurance—

(i) Casualty, accident, and liability insurance, as approved by the Contracting Officer, insuring the performance of its obligations under paragraph (c) of this clause.

(ii) Workers Compensation Insurance (or its equivalent) covering the employees engaged on the work.

(2) The Contractor shall ensure that all subcontractors engaged on the work obtain and maintain the insurance required in paragraph (d)(1) of this clause.

(3) Upon request of the Contracting Officer, the Contractor ~~shall~~ **[must]** provide evidence of the insurance required by paragraph (d) of this clause.

(e) The Contractor shall not make any allowance in the contract price for the inclusion of any premium expense or charge for any reserve made on account of self-insurance for coverage against any risk assumed by the Government under this clause.

(f) The Contractor shall give the Contracting Officer written notice as soon as practicable after the occurrence of a loss or damage for which the Government has assumed the risk.

- (1) The notice ~~shall~~ **[must]** contain full details of the loss or damage.
- (2) If a claim or suit is later filed against the Contractor as a result of the event, the Contractor shall immediately deliver to the Government every demand, notice, summons, or other process received by the Contractor or its employees or representatives.
- (3) The Contractor shall cooperate with the Government and, upon request, ~~shall~~ assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses, and the conduct of suits. The Government ~~shall~~ **[will not]** reimburse the Contractor for expenses incurred in this effort, other than the cost of maintaining the Contractor's usual organization.
- (4) The Contractor shall not, except at its own expense, voluntarily make any payments, assume any obligation, or incur any expense other than what would be imperative for the protection of the vessel(s) at the time of the event.
- (g) In the event of loss of or damage to any vessel(s), material, or equipment which may result in a claim against the Government under the insurance provisions of this contract, the Contractor shall promptly notify the Contracting Officer of the loss or damage. The Contracting Officer may, without prejudice to any right of the Government, either—
 - (1) Order the Contractor to proceed with replacement or repair, in which event the Contractor shall effect the replacement or repair;
 - (i) The Contractor shall submit to the Contracting Officer a request for reimbursement of the cost of the replacement or repair together with whatever supporting documentation the Contracting Officer may reasonably require, and ~~shall~~ identify the request as being submitted under the Insurance clause of this contract.
 - (ii) If the Government determines that the risk of the loss or damage is within the scope of the risks assumed by the Government under this clause, the Government will reimburse the Contractor for the reasonable allowable cost of the replacement or repair, plus a reasonable profit (if the work or replacement or repair was performed by the Contractor) less the deductible amount specified in paragraph (b) of this clause.
 - (iii) Payments by the Government to the Contractor under this clause are outside the scope of and shall not affect the pricing structure of the contract, and are additional to the compensation otherwise payable to the Contractor under this contract; ~~or~~ **[.]**
- (2) Decide that the loss or damage ~~shall~~ **[will]** not be replaced or repaired and in that event, the Contracting Officer ~~shall~~ **[will]**—
 - (i) Modify the contract appropriately, consistent with the reduced requirements reflected by the unreplaced or unrepaired loss or damage; or
 - (ii) Terminate the repair of any part or all of the vessel(s) under the Termination for Convenience of the Government clause of this contract.

(End of clause)

1252.217-77 Title.

As prescribed at 1217.700[0]4(b), insert the following clause:

Title (~~NOV 2022~~[JUN 2026]) [(RFO DEVIATION)]

(a) Unless otherwise provided, title to all materials and equipment to be incorporated in a vessel in the performance of this contract shall vest in the Government upon delivery at the location specified for the performance of the work.

(b) Upon completion of the contract, or with the approval of the Contracting Officer during performance of the contract, all Contractor-furnished materials and equipment not incorporated in, or placed on, any vessel, ~~shall~~ [may] become the property of the Contractor, unless the Government has reimbursed the Contractor for the cost of the materials and equipment.

(c) The vessel, its equipment, movable stores, cargo, or other ship's materials ~~shall~~ [is] not be considered Government-furnished property.

(End of clause)

1252.217-78 Discharge of Liens.

As prescribed at 1217.700[0]4(b), insert the following clause:

Discharge of Liens (~~NOV 2022~~[JUN 2026]) [(RFO DEVIATION)]

(a) The Contractor shall immediately discharge or cause to be discharged, any lien or right *in rem* of any kind, other than in favor of the Government, that exists or arises in connection with work done or materials furnished under this contract.

(b) If any such lien or right *in rem* is not immediately discharged, the Government, at the expense of the Contractor, may discharge, or cause to be discharged, the lien or right.

(End of clause)

1252.217-79 Delays.

As prescribed at 1217.700[0]4(b), insert the following clause:

Delays (~~NOV 2022~~[JUN 2026]) [(RFO DEVIATION)]

When during the performance of this contract the Contractor is required to delay work on a vessel temporarily, due to orders or actions of the Government respecting stoppage of work to permit shifting the vessel, stoppage of hot work to permit bunkering, stoppage of work due to embarking or debarking passengers and loading or discharging cargo, and the Contractor is not given sufficient advance notice or is otherwise unable to avoid incurring additional costs on account thereof, an equitable adjustment ~~shall~~ [may] be made in the price of the contract pursuant to the "Changes" clause.

(End of clause)

1252.217-80 Department of Labor Safety and Health Regulations for Ship Repair.

As prescribed at 1217.700[0]1(b), insert the following clause:

Department of Labor Safety and Health Regulations for Ship Repair
(~~NOV 2022~~[JUN 2026]) [(RFO DEVIATION)]

Nothing contained in this contract shall relieve[s] the Contractor of any obligations it may have to comply with—

- (a) The Occupational Safety and Health Act of 1970 ([29 U.S.C. 651](#), *et seq.*);
- (b) The Occupational Safety and Health Standards for Shipyard Employment ([29 CFR part 1915](#)); or
- (c) Any other applicable Federal, State, and local laws, codes, ordinances, and regulations.

(End of clause)

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