INSURANCE REQUIREMENTS FOR FFDG SUBCONTRACTED WORK AT SURF
Risk Category 3

1. Insurance: This clause applies to work performed at the Sanford Underground Research Facility (SURF) worksite and incorporates the insurance requirements of Fermi Forward Discovery Group, LLC (the contracting entity), as well as the Risk Transfer Protocols (attached) for Contractors and Project Sponsors of the South Dakota Science and Technology Authority (SDSTA) (site operator).

2. Minimum Insurance Coverage: Before undertaking any work under this Subcontract, the Subcontractor shall, except as otherwise approved by FFDG, take out and maintain at its own cost and expense, insurance coverages, in at least the amounts listed below, through insurers with an A.M. Best rating of A, VII or higher.

LINE OF COVERAGE	LIMITS		
GENERAL LIABILITY **Commercial General Liability** **☒Occurrence ☒Project**	EACH OCCURRENCE		$1,000,000
	GENERAL AGGREGATE PRODUCTS - COMPLETED OPERATIONS AGGREGATE (To be maintained for at least 10 years after final completion) Coverage will be at least as broad as ISO form CG 00 01		$2,000,000 $2,000,000
AUTOMOBILE LIABILITY **Any Auto** **☒Occurrence**	COMBINED SINGLE LIMIT AND IN THE AGGREGATE Covering owned, non-owned, and hired automobiles with coverage at least as broad as ISO Business Auto Form CA 00 01		$1,000,000
EXCESS LIABILITY **☒Occurrence**	For All Liability Coverages Required following the form of underlying insurance EACH OCCURRENCE / AGGREGATE (Limits may be met through a combination of underlying and excess policies)		$4,000,000
WORKERS' COMPENSATION **&** **EMPLOYER'S LIABILITY**	WC STATUTORY LIMITS	OTHER	As required by South Dakota law
	E.L. EACH ACCIDENT		$1,000,000
	E.L. DISEASE EA EMPLOYEE		$1,000,000
	E.L. DISEASE-POLICY LIMIT		$1,000,000

CONTRACTOR'S POLLUTION LIABILITY **Required for construction contracts of $50,000 or more and for equipment procurement or installation when the installation or testing of the equipment involves the use of asphyxiants (including otherwise benign gases or vapors which displace breathable air) or the use of hazardous or other materials excluded from coverage under a commercial general liability policy**	EACH OCCURRENCE OR PER CLAIM ANNUAL AGGREGATE If policy is claims-made, the retroactive date or prior acts exclusion shall pre-date the date of the Subcontract and the date services are first provided. Coverage shall be maintained for a minimum of 5 years after project completion or, if cancelled, maintain an extended reporting period for 5 years after last work is performed.	$10,000,000 $10,000,000
CONTRACTOR'S PROFESSIONAL LIABILITY **☒ Claims Made and in Aggregate** ***Required for construction subcontracts that have design/build, delegated design, or construction management services requirements.**	EACH OCCURRENCE OR PER CLAIM AND ANNUAL AGGREGATE The retroactive date or prior acts exclusion shall pre-date the date of the Subcontract and the date services are first provided. Coverage shall be maintained for a minimum of 5 years after project completion or, if cancelled, maintain an extended reporting period for 5 years after last work is performed.	$1,000,000
PROFESSIONAL LIABILITY/ERRORS & OMISSIONS **☒ Claims Made and in Aggregate** **Required for subcontracts that have professional services requirements.**	PER CLAIM AND ANNUAL AGGREGATE For Subcontracts for less than $3.5M For Subcontracts greater than $3.5M The retroactive date or prior acts exclusion shall pre-date the date of the Subcontract and the date services are first provided. Coverage shall be maintained for a minimum of 5 years after project completion or, if cancelled, maintain an extended reporting period for 5 years after project last work performed.	$1,000,000 $5,000,000

3. **Supplemental Coverages:** The following coverages checked below are required:

☐ Aircraft Liability Insurance with limits not less than $1,000,000 per occurrence

☐ All Builder's Risk, Special Form insurance, or its equivalent, at replacement cost for materials, supplies, equipment, machinery, and fixtures that are, or will become, part of FFDG, DOE, or South Dakota Science and Technology Authority-owned property. Such insurance shall:

1. Remain in effect until completion of the project and acceptance by FFDG.

2. Include coverage for earthquake, flood, ordinance or law, temporary offsite storage, debris removal, pollutant cleanup and removal, preservation of property, excavation costs, landscaping, shrubs and plants, and full collapse coverage during construction.

3. Waive rights of subrogation against the Additional Insureds identified in paragraph 4.

☐ Broad Form cargo insurance to cover damage to or loss of cargo in the amount of $_____ per occurrence, Subcontractor will be transporting property owned by the U.S. Government, Department of Energy, and may be transporting property belonging to other entities contributing to Fermilab-hosted projects and experiments. The property owner shall be named as a loss payee, and the insurer shall waive rights of subrogation against FFDG and the property owner. The required insurance shall cover the entire geographic scope in which the Subcontractor will operate under this Agreement.

☐ Installation floater covering the value of the equipment to be installed. Such insurance shall include:

1. FFDG as additional insured.

2. Coverage for testing, water damage, mechanical breakdown, and electrical injury.

3. Waive rights of subrogation against the Additional Insureds identified in paragraph 4.

4. **Commercial General Liability Insurance; Exclusion/Terms Not Allowed:**

a. Exclusion for claims by one insured against another insured, if the exclusion is based on the fact that the other claimant is an insured and there would otherwise be coverage for the claim;
b. Exclusion for claims for property damage included within the Products-Completed Operations Hazard, where the completed work or the work out of which the damage arises are performed by a subcontractor;
c. Exclusion for claims against any Additional Insured for bodily injury, including claims made by employees of the Subcontractor or sub-subcontractor(s);
d. Exclusion for claims for indemnity arising out of injury to employee(s) of the Subcontractor or sub-subcontractor(s);
e. Exclusion for claims related to earth subsidence or movement (where the work involves such hazards);
f. Exclusion for claims related to explosion, collapse or underground hazards (where the work involves such hazards);

g. Provision that erodes limits of insurer by insurer's payment of defense costs; or
h. Provision allowing insurer to obtain reimbursement of defense costs.

5. <u>Additional Insureds:</u> Subcontractor's liability policies (excluding Workers' Compensation/Employer's Liability and Professional Liability but including Pollution Liability, (if required) shall provide by appropriate language that the following are included as additional insureds as required by written contract, that the insurance afforded by such policies to the Additional Insureds is primary insurance, and that all rights of the insurer for contribution from other insurers are waived:

- Fermi Forward Discovery Group, LLC, and its officers, agents, employees
- the University of Chicago, and its officers, agents, employees
- Universities Research Association, Inc., and its officers, agents, employees
- the United States Government, and its officers, agents, employees
- the South Dakota Science and Technology Authority, and its officers, agents, employees
- Barrick Gold Corporation, its affiliates, and each of their officers, directors, employees, and agents, and any visitor, contractor, or consultant that they invite unto, allow, or authorize to use SURF
- Homestake Mining Company of California, its affiliates, and each of their officers, directors, employees, and agents, and any visitor, contractor, or consultant that they invite unto, allow, or authorize to use SURF.

For construction Subcontracts with a price greater than $3.5 million, additional insured coverage will be at least as broad as the coverage provided by ISO forms CG 2010 10 01 and GC 2037 10 01. All of Subcontractor's policies, including Workers' Compensation, shall include a waiver of subrogation in favor of the Additional Insureds. All additional insureds coverage must include current and completed operations.

Subcontractor shall hold the Additional Insureds harmless against liability for damage to Subcontractor's property. Subcontractor's property policies, including but not limited to equipment, cargo, and in-transit coverages, whether such policies are required by the Subcontract, shall include a waiver of subrogation in favor of the Additional Insureds.

6. <u>Evidence of Insurance:</u> The Subcontractor agrees to deliver to FFDG within ten (10) days of the signing and delivery of this Subcontract, certificates evidencing compliance with the insurance requirements herein. Subcontractor shall provide a certificate identifying an Additional Insured as a certificate holder upon request from FFDG. **The certificates shall state that waiver of subrogation is granted in favor of the additional insureds as required by written contract and that the insurance afforded by such policies is primary insurance, and that all rights of the insurer for contribution are waived.** The Subcontractor must provide complete, certified copies of all required insurance policies if requested by FFDG or SDSTA. Receipt or review by FFDG or FFDG's representatives of any evidence of insurance coverage, failure to request such evidence of insurance coverage, or failure to object to any evidence of insurance coverage that does not comply with these requirements, shall not be deemed a waiver of such requirements and shall not relieve Subcontractor of any obligation to comply with these insurance requirements.

7. <u>Notice of Cancellation or Material Change in Coverage/Condition:</u> Coverage will not be suspended, voided, cancelled, or reduced in limits except after thirty (30) days' prior written notice,

except that ten (10) days' prior written notice shall be required in the event of cancellation for nonpayment of premium. FFDG reserves the right to obtain replacement coverage if contractor does not and FFDG may deduct the cost of the replacement insurance from the amounts payable to the Subcontractor.

8. Special Provisions Applicable to All Coverages: Self-insurance and self-insured retentions and/or deductibles must be declared and approved by FFDG. Insurance policies must include a provision that the insurer will not raise any coverage defense based on the statutory immunity of the State of South Dakota, the South Dakota Science and Technology Authority, or the Homestake Indemnified Parties.

9. Sub-Subcontractor Insurance Requirements: Insurance requirements, including Additional Insured requirements, shall apply to all sub-subcontractors, consultants, and others doing work in connection of this subcontract. The insurance requirements applicable will be determined on a per sub-subcontractor basis, taking into account the appropriate category of risk, the particular work to be done by the sub-subcontractor or others doing work under the subcontract, and the interrelationship of that work together with other work being conducted by the Subcontractor. In no event may the limits required of a sub-subcontractor doing work on the Surface Property only be less than $1,000,000.00 per occurrence and $2,000,000.00 aggregate, nor may the limits required of a sub-subcontractor doing any work in the Underground Property be less than $5,000,000.00 per occurrence and $5,000,000.00 aggregate. The Subcontractor shall certify to SDSTA that it has required its sub-subcontractors to maintain appropriate limits of liability. Before permitting any sub-subcontractor to perform any work, each sub-subcontractor shall furnish satisfactory evidence that it maintains insurance appropriate for the particular work to be done by the sub-subcontractor and shall require the sub-subcontractor(s) to provide certificates of insurance to FFDG and SDSTA. Upon request, Subcontractor and sub-subcontractor(s) shall provide a certificate of insurance identifying an Additional Insured as a certificate holder.

10. Indemnification: The Subcontractor shall indemnify FFDG for any expense incurred or loss suffered by FFDG for the failure of the Subcontractor to comply with the insurance requirements for this Subcontract.