

Argonne National Laboratory Prime Contract**Appendix A: Personnel Appendix**

Last revised: September 29, 1999

VIII. RISK MANAGEMENT AND LIABILITY PROGRAMS**A. Requirements**

For the management and operation of Laboratory, the Contractor shall:

Maintain commercial insurance or self-insurance programs required by law, regulation, and the requirements of the contract.

Not purchase insurance to cover public liability for nuclear incidents without DOE authorization.

Demonstrate that insurance program costs comply with cost limitations and exclusions at FAR 31.205.19, Insurance and Indemnification and will ensure that the liability insurance program is being conducted in the government's best interest and at reasonable cost.

Provide current copies of all insurance policies or insurance arrangements, throughout the contract term, to the Contracting Officer. Ensure that self-insurance programs and reports include the following elements:

Criteria required to justify self-insurance costs.

Demonstration of full compliance with applicable State and Federal regulations and related professional administration necessary for participation in alternative insurance programs.

Safeguards to ensure that third Party claims and claim settlements are processed in accordance with approved procedures.

B. Terminating Operations

The Contractor agrees that if operations terminate, responsible officials shall ensure:

That the government's interests are protected through proper recording of cancellation credits due to policy terminations and/or experience rating.

Continuing policy administration requirements are identified and provided by the terminated Contractor, another DOE Contractor, or a DOE Operations/Field Office.

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DOE and any self-insured Contractor reach agreement on handling and settlement of claims incurred but not reported at time of contract termination; otherwise, the Contractor shall retain this liability.

Insurance policies are transferred to DOE through an "assignment" of policies after all claims are closed.

C. Successor Contractor Or Insurance Policy Cancellation

The Contractor agrees that unless otherwise determined by DOE to be in the government's best interests, the Laboratory shall ensure:

That insurance policies of a former DOE Contractor are assumed by the successor.

That the Laboratory will protect the government's interests, through proper recording of all cancellation credits, due to policy termination's and/or experience rating.

That the Laboratory will assist in ensuring that a successor Contractor assume any continued claims administration relating to the former DOE Contractor operation.

That all incurred but not reported claims, at the time of termination, will be reported to and handled by the appropriate insurer.

That the Laboratory will assist in ensuring that any successor Contractors obtain the written approval from the Contracting Officer before any change in program direction; and insurance coverage replacement is implemented.

D. Reports

The Laboratory shall each year of the contract provide the Contracting Officer with annual experience reports for each type of liability (i.e., automobile and commercial general liability) listing the following for each category.

- The amount paid for each claim.
- The amount reserved for each claim.
- The direct expenses related to each claim.
- A summary for the year showing total number of claims.
- A total amount for claims paid.

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- A total amount reserved for claims.
- The total amount of direct expenses.

When applicable, separately identify total policy expenses (e.g., commissions, premiums, and costs for claims servicing) and major claims during the year including those expected to become major claims (e.g., those valued at \$100,000 or greater).

Additional claim and financial experience data may be requested from the policyholder on a case by case.