

**LIABILITY FOR FERMILAB PROPERTY FURNISHED
FOR REPAIR OR OTHER SERVICES**

- (a) The provisions of this clause shall govern with respect to any Government owned property furnished by Fermilab to the Subcontractor for repair or other services, and which is to be returned to Fermilab. Such property is hereafter referred to as "Fermilab property furnished for servicing" and shall not be subject to the provisions of any clause of this subcontract entitled "Fermilab-furnished Property."
- (b) The official accountable record keeping, and financial control and reporting of the property subject to this clause shall be retained by Fermilab. The Subcontractor shall maintain adequate records and procedures to assure that the Fermilab property furnished for repair or servicing may be readily accounted for and identified at all times while in its custody or possession or in the custody or possession of any sub-subcontractor.
- (c) The Subcontractor shall be liable for any loss or destruction of or damage to the Fermilab property furnished for repair or servicing (i) caused by the Subcontractor's failure to exercise such care and diligence as a reasonable prudent owner of similar property would exercise under similar circumstances; or (ii) sustained while the property is being worked upon and directly resulting therefrom, including but not limited to, any repairing, adjusting, inspecting, servicing or maintenance operation. The Subcontractor shall not be liable for loss or destruction of or damage to Fermilab property furnished for repair or servicing resulting from any other cause except to the extent that such loss, destruction, or damage is covered by insurance (including self-insurance funds or reserves).
- (d) In addition to any insurance (including self-insurance funds or reserves) carried by the Subcontractor and in effect on the date of this subcontract affording protection in whole or in part against loss or destruction of or damage to such Fermilab property furnished for repair or servicing, the amount and coverage of which the Subcontractor agrees to maintain, the Subcontractor agrees to obtain such additional insurance covering loss or destruction of or damage to Fermilab property furnished to the Subcontractor for repair or servicing as may, from time to time, be required by Fermilab. The requirements for such additional insurance shall be effected under the procedures established by the "Changes" clause of this subcontract.
- (e) The Subcontractor shall hold Fermilab and the Government harmless and shall indemnify Fermilab and the Government against all claims for injury to persons or damage to property of the Subcontractor or others arising from the Subcontractor's possession or use of the Fermilab property furnished for repair or servicing or arising from the presence of said property on the premises or property of the Subcontractor.