

2. AMENDMENT/MODIFICATION NO. M010	3. EFFECTIVE DATE See Block 16.c	4. REQUISITION/PURCHASE REQ. NO. WPAS-NOPR	5. PROJECT NO. (If applicable)
6. ISSUED BY U.S. Department of Energy Oak Ridge Office Procurement and Contracts Division ATTN: Beth L. Holt P.O. Box 2001 Oak Ridge, TN 37831-8758		7. ADMINISTERED BY (If other than Item 6)	

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)	()	9A. AMENDMENT OF SOLICITATION NO.
Oak Ridge Associated Universities P.O. Box 117 Oak Ridge, TN 37831	()	9B. DATED (SEE ITEM 11)
	(X)	10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC05-06OR23100
		10B. DATED (SEE ITEM 13) December 21, 2005

11. THIS ITEM APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. **FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
Amount Obligated: \$5,052,322.43

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT/ORDER NO. IN ITEM 10A.
<input type="checkbox"/>	
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input checked="" type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: P.L. 95-91 and Mutual Agreement
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 2 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

See Page 2

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) <i>Ivan A. Boatner, General Counsel</i>	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Barbara J. Jackson, Contracting Officer
15B. CONTRACT/OFFEROR BY <i>[Signature]</i> (Signature of person authorized to sign)	15C. DATE SIGNED <i>5/12/06</i>
16B. UNITED STATES OF AMERICA BY <i>[Signature]</i> (Signature of Contracting Officer)	16C. DATE SIGNED <i>5/12/06</i>

14. Description of Amendment/Modification:

The purpose of this modification is to accomplish the following:

- 1) Change the evaluation periods in the clause in Section B entitled Estimated Cost, Base Fee, and Award Fee to reflect evaluation periods on a fiscal year basis.
- 2) Change the evaluation periods in the clause in Section B entitled Option to Extend the Contract to reflect evaluation periods on a fiscal year basis
- 3) Update the clause in Section H entitled Government Property Alternate I to reflect current reporting requirements in paragraph (c), changing the acquisition cost threshold for reporting from \$25,000 to \$50,000. This update also reflects a change in paragraph (d) for Contracting Officer approval level for direct charge items from \$5,000 to \$100,000, corresponding with review levels established in ORAU's approved purchasing system.
- 4) Authorize the contractor to use government property for commercial use in accordance with the clause in Section I, FAR 52.245-9 entitled Use and Charges, by incorporation of clause H.34 entitled Contractor Use of Government Property.

Accordingly, the contract is hereby modified as follows:

1. **Clause B.2 ESTIMATED COST, BASE FEE, AND AWARD FEE is deleted in its entirety and the following is substituted in lieu thereof:**

B.2 ESTIMATED COST, BASE FEE, AND AWARD FEE (APR 2006)

- (a) The contract period of performance shall include a non-fee bearing transition period of one month from January 1, 2006 through January 31, 2006, and a fee bearing performance period from January 1, 2006 through December 31, 2010. The transition period shall be concurrent with the performance period.

- (1) LINE ITEM 001-The estimated cost of transition activities is \$33,086

No fee will be payable for transition activities.

- (2) LINE ITEM 002-Base Period of Performance

- (i) ESTIMATED COST: The estimated cost for the base period, January 1, 2006 – December 31, 2010 is: \$730,707,745

- (ii) FEE: A base fee is payable over each of the evaluation periods in accordance with the clause in Section G entitled Payment of Base Fee and Award Fee. An award fee will be payable after evaluations at the conclusion of each specified evaluation period in accordance with the clause in Section G entitled Payment of Base Fee and Award Fee. In the event that the contractor has failed to comply with contract terms and conditions relating to the safeguarding of Restricted Data or other classified information or relating to the protection of worker safety and health, the Contractor's fee may be reduced. Any such reduction shall be in accordance with the clause in Section I, DEAR 952.223-76 entitled Conditional Payment of Fee or Profit – Safeguarding Restricted Data and Other Classified Information and Protection of Worker Safety and Health. The maximum fee available for each period of the contract is as follows:

EVALUATION PERIOD

(A) January 1, 2006 – September 30, 2006

Base Fee:	\$	<u>0</u>
Award Fee:		<u>\$2,325,000</u>
TOTAL FEE		<u>\$2,325,000</u>

(B) October 1, 2006 – September 31, 2007

Base Fee:	\$	<u>0</u>
Award Fee:		<u>\$3,143,268</u>
TOTAL FEE		<u>\$3,143,268</u>

(C) October 1, 2007 – September 30, 2008

Base Fee:	\$	<u>0</u>
Award Fee:		<u>\$3,210,606</u>
TOTAL FEE		<u>\$3,210,606</u>

(D) October 1, 2008 – September 30, 2009

Base Fee:	\$	<u>0</u>
Award Fee:		<u>\$3,283,187</u>
TOTAL FEE		<u>\$3,283,187</u>

(E) October 1, 2009 – December 31, 2010 *

Base Fee:	\$	<u>0</u>
Award Fee:		<u>\$4,202,917</u>
TOTAL FEE		<u>\$4,202,917</u>

**Total contract period estimated cost, base fee, and
award fee is: \$746,872,723**

In the event of contract termination in whole or in part, the amount of award fee available shall represent a pro-rata distribution associated with evaluation period activities or events as determined by the Contracting Officer.

* If the option period described in clause B.3 is exercised, the evaluation period in Item (E) will be adjusted to October 1, 2009 – September 30, 2010 and the amount of award fee will be \$3,358,532, and the adjusted total contract period estimated cost, base fee, and award fee will be \$746,028,338.

NOTE: If a transition period is not required, performance period dates and award fee period dates will be adjusted.

- (b) The estimated cost will be reviewed annually to derive accurate projections of Participant Costs. Any adjustments will include only those costs specifically identified as Participant Costs and will be based on available historical data and projections of Participant Costs. The amount of Base Fee and available Award Fee will not be

increased or decreased due to any adjustment of Participant Costs. Estimated Participant Costs (included in the above total) for the base period are:

January 1, 2006 through December 31, 2006	\$82,205,315
January 1, 2007 through December 31, 2007	\$85,493,528
January 1, 2008 through December 31, 2008	\$88,913,269
January 1, 2009 through December 31, 2009	\$92,469,800
January 1, 2010 through December 31, 2010	\$96,168,591

2. Clause B.3 OPTION TO EXTEND THE CONTRACT is deleted in its entirety and the following is substituted in lieu thereof:

B.3 OPTION TO EXTEND THE CONTRACT (APR 2006)

- (a) In order to demonstrate the value it places on quality performance, the Department has provided a mechanism for continuing a contractual relationship with a successful Contractor that performs at a level which meets or exceeds quality performance expectations as communicated to the Contractor, in writing, by the Contracting Officer or designated representative. When deciding whether to exercise the option, the Contracting Officer will consider the quality of the Contractor's performance under the contract.
- (b) This contract may be extended, at the unilateral option of the Government, in accordance with the clause in Section I, FAR 52.217-9 entitled Option to Extend the Term of the Contract. The Contractor agrees that the performance under the option period exercised will be accomplished within the following estimated cost, base fee, and award fee.
- (1) LINE ITEM 003 – Option Period of Performance
- (i) ESTIMATED COST: The estimated cost for the option period,
January 1, 2011 – December 31, 2015 \$877,666,267
- (ii) FEE: A base fee is payable over each of the option evaluation periods in accordance with the clause in Section G entitled Payment of Base Fee and Award Fee. An award fee will be payable after evaluations at the conclusion of each specified evaluation period in accordance with the clause in Section G entitled Payment of Base Fee and Award Fee. In the event that the contractor has failed to comply with contract terms and conditions relating to the safeguarding of Restricted Data or other classified information or relating to the protection of worker safety and health, the Contractor's fee may be reduced. Any such reduction will be in accordance with the clause in Section I, DEAR 952.223-76 entitled Conditional Payment of Fee or Profit – Safeguarding Restricted Data and Other Classified Information and Protection of Worker Safety and Health. The maximum fee available for each period of the option, if exercised, is as follows:

EVALUATION PERIOD

(A) January 1, 2011 – September 30, 2011**

Base Fee:	\$ <u>0</u>
Award Fee:	<u>\$2,592,316</u>
TOTAL FEE	<u>\$2,592,316</u>

(B) October 1, 2011 – September 30, 2012

Base Fee:	\$ <u>0</u>
Award Fee:	<u>\$3,517,854</u>
TOTAL FEE	<u>\$3,517,854</u>

(C) October 1, 2012 – September 30, 2013

Base Fee:	\$ <u>0</u>
Award Fee:	<u>\$3,601,726</u>
TOTAL FEE	<u>\$3,601,726</u>

(D) October 1, 2013 – September 30, 2014

Base Fee:	\$ <u>0</u>
Award Fee:	<u>\$3,688,051</u>
TOTAL FEE	<u>\$3,688,051</u>

(E) October 1, 2014 – December 31, 2015

Base Fee:	\$ <u>0</u>
Award Fee:	<u>\$4,727,446</u>
TOTAL FEE	<u>\$4,727,446</u>

Total option period estimated cost, base fee, and award fee is: \$895,793,660

In the event of contract termination in whole or in part, the amount of award fee available will be pro-rated on evaluation period activities or events as determined by the Contracting Officer.

** If notification has been made in accordance with the clause in Section I, FAR 52.217-9 entitled Option to Extend the Term of the Contract, the evaluation period in Item (A) will be adjusted in coordination with the adjustment to the evaluation period in Item (E) in clause B.2. The resulting evaluation period will be October 1, 2010 – September 30, 2011 and the available award fee amount will be \$3,436,701. The option period estimated cost, base fee, and award fee will be adjusted to \$896, 638,045. There will be no change to the estimated total contract estimated cost, base fee, and award fee of \$1,642,699,469.

(c) The estimated cost will be reviewed annually to derive accurate projections of Participant Costs. Any adjustments will include only those costs specifically identified as Participant Costs and will be based on available historical data and projections of

Participant Costs. The amount of Base Fee and available Award Fee will not be increased or decreased due to any adjustment of Participant Costs. Estimated Participant Costs (included in the above total) for the option period are:

January 1, 2011 through December 31, 2011	\$100,015,335
January 1, 2012 through December 31, 2012	\$104,015,948
January 1, 2013 through December 31, 2013	\$108,176,586
January 1, 2014 through December 31, 2014	\$112,503,649
January 1, 2015 through December 31, 2015	\$117,003,796

3. **Clause H.9 GOVERNMENT PROPERTY ALTERNATE I is deleted in its entirety and the following is substituted in lieu thereof:**

H.9 GOVERNMENT PROPERTY ALTERNATE I (APR 2006)

- (a) Only that property and data specifically included in Section J, Attachment B, entitled "List of Government Furnished or Acquired Property," shall be furnished by the Government or acquired by the Contractor as a direct charge to this contract. The List of Government Furnished or Acquired Property indicates whether the property is to be Government Furnished Property or Contractor Acquired Property.
- (b) Any request from the Contractor to acquire direct charge property shall include the following, where applicable:
 - (1) Sufficient details to justify and support the acquisition, including the itemized description and cost estimate.
 - (2) An analysis of the most economical method of acquisition (e.g, lease versus purchase).
 - (3) A description of the material equity arising from any proposed lease agreement to reflect any changes in the acquisition authorization.

The List of Government Furnished or Acquired Property shall be modified as appropriate to reflect any changes in the acquisition authorization.

- (c) The Federal Acquisition Regulation (FAR Subpart 45.5) prescribes the Contractor recordkeeping and reporting requirements for Federal contracts. The FAR reporting requirements apply to plant equipment having an acquisition cost of \$50,000 or more. In addition to these requirements, the Department of Energy requires the Contractor to use established DOE asset codes to identify Government property. The Contractor shall furnish an annual report, as of August 31 of each year for all Government property at subcontractor facilities. The report is due not later than 45 days after the end of the reporting period. The annual reporting requirement applies to capital equipment and real property acquired or disposed of during the period, by asset type.

Except as otherwise authorized by the Contracting Officer in writing and notwithstanding paragraph (a) above, the Contractor is not authorized to acquire as a direct charge item under this contract any facilities, equipment (including office equipment), furniture, fixtures or other real or personal property items having a unit acquisition cost of \$100,000 or more. The Contractor may request authorization for such acquisitions from the

Contracting Officer. Any request for authorization shall include an analysis of the most economical method of acquisition.

4. The following clause H.34 CONTRACTOR USE OF GOVERNMENT PROPERTY is inserted in Section H and is in full force and effect.

H.34 CONTRACTOR USE OF GOVERNMENT PROPERTY (APR 2006)

In accordance with the provisions of the clause in Section I, FAR 52.245-9 entitled Use and Charges, this clause sets forth the authorization under which the Contractor may utilize the Government-furnished equipment and buildings associated with this contract for commercial activities.

- a) Non-interference with Government Work

The Contractor recognizes that the primary objective of Contract DE-AC05-06OR23100 is the performance of work in support of DOE, as detailed in the Performance Work Statement. The Contractor further recognizes that the use of Government-furnished equipment and buildings for commercial purposes is a privilege extended by DOE. The Contractor's commercial activities utilizing the Government-furnished equipment and buildings must be compatible with existing or planned Government activities and must not interfere with the Contractor's performance of work under Contract DE-AC05-06OR23100.

The Government shall have the right to suspend its approval for contractor use of Government-furnished equipment and buildings, or to withdraw its approval, at any time. The Government will provide reasonable advance written notice to the Contractor, if practicable.

- b) Unavailability of Government-furnished Equipment and Buildings

The unavailability to the Contractor of said Government-furnished equipment and buildings for commercial purposes for any reason, including, but not limited to, action by the Contracting Officer, shall not constitute a breach of this agreement and no claims for damages or reimbursement of costs of any nature, relating to the unavailability of said machinery and equipment, shall be considered under this contract. In the event of said unavailability of equipment and buildings, the Contractor shall continue performance in accordance with the requirements of this contract.

- c) Covered Equipment and Buildings

The Government property authorized for contractor use in performing commercial activities includes all Government-furnished buildings, equipment and other property located within the ORISE facilities, including, without limitation, desks, chairs, office equipment, and computers, and associated software and business systems. The use of Government-furnished buildings carries with it the incidental use of associated utilities, such as telephone, electrical, and water service.

- d) Reimbursement Method

With respect to Contract DE-AC05-06OR23100, it is in the Government's best interest to make available to the Contractor Government-furnished property for commercial work subject

to a rental charge as described below. In reaching this conclusion, the savings to the Government related to providing such property were considered.

The Contractor, a non-profit educational institution, shall reimburse the Government by offset or direct payment for commercial activities of the Contractor utilizing ORISE resources through the application of its approved indirect cost structure that is common to both corporate and Government projects. Costs not directly associated with specific ORISE or Corporate projects or cost objectives, but common to both, will be collected in indirect cost pools and distributed in like manner to both corporate and ORISE projects. The Contractor will pay its calculated share, thereby reducing the cost to the Government of ORISE operations. Through the application of this reimbursement method, the Government receives a benefit, savings through indirect cost sharing. By charging no additional rental use, the Government encourages the Contractor to increase its corporate work which will increase the Government savings through its pro-rata share of indirect costs. Should the Contractor's anticipated use of Government property for corporate activities exceed 10 percent measured on a labor hour basis, the Contractor shall notify the Government and the charge for use of Government equipment and buildings shall be reconsidered.

e) Personnel costs

All direct labor and related benefit costs associated with commercial activities of personnel normally dedicated to the ORISE contract shall be direct charged to the Contractor corporate labor accounts for all periods of time when the said employees are engaged in commercial activities.

f) Indemnification of the Government

The Contractor shall indemnify and hold harmless the Government and DOE, their officers, agents, servants, and employees against liability and claims of any kind (including costs and expenses incurred) arising by reason of or incident to the use by the Contractor of Government equipment and buildings for commercial activities, other than in the performance of work under Contract DE-AC05-06OR23100.

Contractor's Statement of Release

In consideration of the modification agreed to herein as a complete equitable adjustment, the Contractor hereby releases the Government from any and all liability under this contract for further equitable adjustments attributable to changes implemented as a result of this modification. There is no increase or decrease in the estimated cost of, or the time required for performance of any part of the work under this contract.

All other terms and conditions remain unchanged.