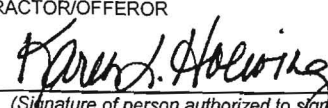



<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>		1. CONTRACT ID CODE	PAGE <b>1</b>	OF PAGES <b>5</b>
2. AMENDMENT/MODIFICATION NO. <b>M481</b>		3. EFFECTIVE DATE (M/D/Y) <b>See Block 16C</b>	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
6. ISSUED BY <b>U.S. Department of Energy Pacific Northwest Site Office P. O. Box 350 Richland, WA 99352</b>		7. ADMINISTERED BY (If other than Item 6)		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP code)  <b>Battelle Memorial Institute Pacific Northwest Division Richland, WA 99352</b>		9A. AMENDMENT OF SOLICITATION NO.		
DUNS # 032987476		9B. DATED (SEE ITEM 11)		
CODE		10A. MODIFICATION OF CONTRACT/ ORDER NO. <b>DE-AC05-76RL01830</b>		
FACILITY CODE		10B. DATED (SEE ITEM 13) <b>December 30, 1964</b>		
<b>11. THIS ITEM APPLIES TO AMENDMENTS OF SOLICITATIONS</b>				
<input type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> 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 DATE AND HOUR 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 amendment and is received prior to the opening hour and date specified.				
12. ACCOUNTING AND APPROPRIATION DATA (If required)				
<b>13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS SET FORTH IN ITEM 14.</b>				
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"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO AUTHORITY OF FAR 43.103(b).			
<input checked="" type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO THE AUTHORITY OF: Mutual agreement of the parties.			
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)			
<b>E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return <u>2</u> copies to the issuing office.</b>				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)  This contract modification incorporates the DOE Office of Science's current guidance regarding Laboratory planning activities; lists key personnel in the contract; and incorporates the revised clause DEAR 970.5232-3 "Accounts, Records and Inspection." See attached for details.				
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) <b>Karen L. Hoewing General Counsel</b>		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) <b>Jewel J. Short Contracting Officer</b>		
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED <b>5-9-08</b>	16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED <b>5-13-08</b>	

**Purpose of Modification:**

The purpose of this contract modification is to incorporate the DOE Office of Science's current guidance regarding Laboratory planning activities; list key personnel in the contract; and incorporate the revised clause DEAR 970.5232-3 "Accounts, Records and Inspection".

**Description of Modification:**

The following changes are hereby incorporated into the contract:

1. Section C, "Description/Specifications/Work Statement", Clause C-2 "Laboratory Vision" is changed as follows: The text and title of Clause C-2 is deleted in its entirety and replaced with the following:

**"C-2 The Laboratory Plan**

Consistent with the Department's, Office of Science's and other applicable program office's strategic plans, the Contractor shall develop a Laboratory plan covering a five year period. The Laboratory plan shall be updated yearly as called for within the Clause entitled "Long-Range Planning, Program Development, And Budgetary Administration". The Performance Evaluation and Measurement Plan, as called for within the Clause entitled "Standards of Contractor Performance Evaluation", identifies performance outcomes and indicators, which are updated and agreed upon by the Parties annually, as standards against which the Contractor's overall performance of scientific, technical, operational, and/or managerial obligations under this Contract shall be assessed. **[M481]**"

2. Section H, "Special Contract Requirements", Clause H-17 "Long-Range Planning, Program Development and Budgetary Administration" is changed as follows: The text of subparagraph (b) is deleted in its entirety and replaced with the following:

"(b) Laboratory planning. It is the intent of the Parties to develop a Laboratory plan covering a five year period which will be updated annually. Development of this plan is a component of the strategic planning process by which the Parties, through mutual consultation, reach an understanding on the general types and levels of activity which will be conducted at the Laboratory for the period covered by the plan. The plan provides a framework for long-range planning of Laboratory programs, management of Laboratory capabilities including site and facility development, and for budget preparation. It also serves as a baseline for placement of work at the Laboratory. **[M481]**"

(Continued on Next Page)

3. Section I, "Contract Clauses", Clause I-68 "952.215-70 Key Personnel" is changed as follows: The text of subparagraph (b) is deleted in its entirety and replaced with the following:

"(b) The list of personnel may, with the consent of the contracting Parties, be amended from time to time during the course of the Contract to add or delete personnel. **[M481]**

- (1) Michael Kluse, Laboratory Director;
  - (2) Douglas Ray, Deputy Director for S&T (Interim);
  - (3) J. Michael Davis, Associate Laboratory Director, Energy and Environment;
  - (4) Douglas Ray, Associate Laboratory Director, Fundamental and Computational Sciences;
  - (5) Barry Merrill, Associate Laboratory Director (Acting), National Security;
  - (6) Michael H. Schlender, Associate Laboratory Director, Operational Systems;
  - (7) Paula Linnen, Associate Laboratory Director, Organizational Development Systems;
  - (8) Martin Conger, Associate Laboratory Director, Business Systems, and Chief Financial Officer;
  - (9) Roby D. Enge, Director, Environment, Health, Safety, & Security Division;
  - (10) Larry E. Maples, Director, Facilities and Operations Division."
4. Section I "Contract Clauses", Clause I-105 "970.5232-3 Accounts, Records and Inspection (Dec 2000) Alternate II (Dec 2000)" is deleted in its entirety and replaced with the June 2007 version of the clause which is included below. In addition, the parties agree to the following regarding the "Internal Audit Implementation Plan" (IAIP) at subparagraph (i)(1): The design shall be due 60 days after the exercise of an option or the extension of the contract that triggers submission to DOE. In addition, should DOE extend the contract by quarters as allowed by the contract at Section F, Clause F-3, then the requirement for approval of a new IAIP will not be triggered. This shall not be construed to interfere with the Government's rights under Clause I-105(i)(4).

**I-105 970.5232-3 Accounts, Records, and Inspection (JUN 2007)**

(a) Accounts. The contractor shall maintain a separate and distinct set of accounts, records, documents, and other evidence showing and supporting: all allowable costs incurred; collections accruing to the contractor in connection with the work under this contract, other applicable credits, negotiated fixed amounts, and fee accruals under this contract; and the receipt, use, and disposition of all Government property coming into the possession of the contractor under this contract. The system of accounts employed by the contractor shall be satisfactory to DOE and in accordance with generally accepted accounting principles consistently applied.

(b) Inspection and audit of accounts and records. All books of account and records relating to this contract shall be subject to inspection and audit by DOE or its designees in accordance with the provisions of Clause, Access to and ownership of records, at all reasonable times, before and during the period of retention provided for in paragraph (d) of this clause, and the contractor shall afford DOE proper facilities for such inspection and audit.

(c) Audit of subcontractors' records. The contractor also agrees, with respect to any subcontracts (including fixed-price or unit-price subcontracts or purchase orders) where, under the terms of the subcontract, costs incurred are a factor in determining the amount payable to the subcontractor of any tier, to either conduct an audit of the subcontractor's costs or arrange for such an audit to be performed by the cognizant government audit agency through the contracting officer.

(d) Disposition of records. Except as agreed upon by the Government and the contractor, all financial and cost reports, books of account and supporting documents, system files, data bases, and other data evidencing costs allowable, collections accruing to the contractor in connection with the work under this contract, other applicable credits, and fee accruals under this contract,

with the work under this contract, other applicable credits, and fee accruals under this contract, shall be the property of the Government, and shall be delivered to the Government or otherwise disposed of by the contractor either as the contracting officer may from time to time direct during the progress of the work or, in any event, as the contracting officer shall direct upon completion or termination of this contract and final audit of accounts hereunder. Except as otherwise provided in this contract, including provisions of Clause, Access to and ownership of records, all other records in the possession of the contractor relating to this contract shall be preserved by the contractor for a period of three years after final payment under this contract or otherwise disposed of in such manner as may be agreed upon by the Government and the contractor.

(e) Reports. The contractor shall furnish such progress reports and schedules, financial and cost reports, and other reports concerning the work under this contract as the contracting officer may from time to time require.

(f) Inspections. The DOE shall have the right to inspect the work and activities of the contractor under this contract at such time and in such manner as it shall deem appropriate.

(g) Subcontracts. The contractor further agrees to require the inclusion of provisions similar to those in paragraphs (a) through (g) and paragraph (h) of this clause in all subcontracts (including fixed-price or unit-price subcontracts or purchase orders) of any tier entered into hereunder where, under the terms of the subcontract, costs incurred are a factor in determining the amount payable to the subcontractor.

(h) Comptroller General. (1) The Comptroller General of the United States, or an authorized representative, shall have access to and the right to examine any of the contractor's directly pertinent records involving transactions related to this contract or a subcontract hereunder.

(2) This paragraph may not be construed to require the contractor or subcontractor to create or maintain any record that the contractor or subcontractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(3) Nothing in this contract shall be deemed to preclude an audit by the General Accounting Office of any transaction under this contract.

(i) Internal audit. The contractor agrees to design and maintain an internal audit plan and an internal audit organization.

(1) Upon contract award, the exercise of any contract option, or the extension of the contract, the contractor must submit to the contracting officer for approval an Internal Audit Implementation Design to include the overall strategy for internal audits. The Audit Implementation Design must describe:

(i) The internal audit organization's placement within the contractor's organization and its reporting requirements;

(ii) The audit organization's size and the experience and educational standards of its staff;

(iii) The audit organization's relationship to the corporate entities of the contractor;

(iv) The standards to be used in conducting the internal audits;

(v) The overall internal audit strategy of this contract, considering particularly the method of auditing costs incurred in the performance of the contract;

(vi) The intended use of external audit resources;

(vii) The plan for audit of subcontracts, both pre-award and post-award; and

(viii) The schedule for peer review of internal audits by other contractor internal audit organizations, or other independent third party audit entities approved by the DOE contracting officer.

(2) By each January 31 of the contract performance period, the contractor must submit an annual audit report, providing a summary of the audit activities undertaken during the previous fiscal year. That report shall reflect the results of the internal audits during the previous fiscal year and the actions to be taken to resolve weaknesses identified in the contractor's system of business, financial, or management controls.

(3) By each June 30 of the contract performance period, the contractor must submit to the contracting officer an annual audit plan for the activities to be undertaken by the internal audit organization during the next fiscal year that is designed to test the costs incurred and contractor management systems described in the internal audit design.

(4) The contracting officer may require revisions to documents submitted under paragraphs (i)(1), (i)(2), and (i)(3) of this clause, including the design plan for the internal audits, the annual report, and the annual internal audits.

(j) Remedies. If at any time during contract performance, the contracting officer determines that unallowable costs were claimed by the contractor to the extent of making the contractor's management controls suspect, or the contractor's management systems that validate costs incurred and claimed suspect, the contracting officer may, in his or her sole discretion, require the contractor to cease using the special financial institution account in whole or with regard to specified accounts, requiring reimbursable costs to be claimed by periodic vouchering. In addition, the contracting officer, where he or she deems it appropriate, may: Impose a penalty under 970.5242-1, Penalties for unallowable costs; require a refund; reduce the contractor's otherwise earned fee; and take such other action as authorized in law, regulation, or this contract.

**[M481]**

(End of Clause)

5. There are no other changes to the terms and conditions of the contract. The contractor hereby releases the Government from any and all liability under this contract for equitable adjustments attributable to this contract modification.

(End of Contract Modification M481)