1239R

717298

CONCURREN
RTG. SYMBO CC-10
INITIALS/SIG SULLIV
DATE 4/18/85
RTG. SYMBO M-4
INITIALS/SIG. RANGE
DATE 4/19/85
RTG. SYMBO M-46
INITIALS/SIG.
DATE 4/1/85
RTG. SYMBOL
INITIALS/SIG.
DATE
RTG. SYMBOL
INITIALS/SIG
DATE
RTG. SYMBOL
INITIALS/SIG.
DATE
RTG. SYMBOL
INITIALS/SIG.
DATE
RTG. SYMBOL
INITIALS/SIG.
DATE

April 19, 1985

REPOSITORY Oak Ridge Operations Records Holding area
COLLECTION Documents 1944-94
BOX No. A-17-4 89-71 Bldg 2714-H 41 of 46
FOLDER Personnel-1 FOIA Trial Lawyers for Public Justice Book II

Arthur H. Bryant, Esq.
Trial Lawyers for Public Justice
Suite 611
2000 P Street, Northwest
Washington, D. C. 20036

Dear Mr. Bryant:

Please accept this letter and its enclosures with regard to your Freedom of Information Act ("FOIA") request of March 18, 1985. Your request was received on March 21, 1985.

In an April 11, 1985, telephone conversation between you and Regina Sanders of our Office of Chief Counsel, your request was reformulated by limiting the documents requested in item 1 to include only modifications 1-29 of Contract No. AT-(40-1)-GEN-33. It was also agreed that you would withdraw your request for documents requested in item 2 until further notice.

Enclosed in their entirety are modifications 1-29 to Contract AT-(40-1)-GEN-33. The enclosure consists of 145 pages. Inasmuch as the documents furnished, pursuant to your reformulated request, do not exceed the de minimis level established by the Department of Energy regulations implementing the FOIA, a formal determination on your request for a fee waiver is not necessary. There is no charge associated with our response to your request.

Sincerely,

ORIGINAL SIGNED BY
P. T. MARQUESS

P. T. Marquess
Authorizing Official
Assistant Manager
for Administration

CC-10:RSS

Enclosures:
As stated

bcc: Wayne Range, M-4, w/o encls.

CC-10:RSanders:6-1216:4/12/85

PERSONNEL -1
FOIA
Trial Lawyers for
Public

DOE FORM AD-9 (12-77) CERTIFIED MAIL
RETURN RECEIPT REQUESTED

OFFICIAL FILE COPY

11164 08

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIPT

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☒ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:
Arthur H. Bryant, Esq.
Staff Attorney
Trial Lawyers for Public Justice, PC
Suite 611, 2000 P Street, Northwest
Washington, D. C. 20036

4. Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number
P 527 566 142

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee
X

6. Signature — Agent
X APR 23 1985

7. Date of Delivery

8. Addressee's Address *(ONLY if requested and fee paid)*

P 527 566 142

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Arthur H. Bryant	
Street and No 2000 P. Street, N.W.	
P.O., State and ZIP Code Washington, D.C. 20036	
Postage	$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$
Postmark or Date	

★ U.S.G.P.O. 1983-403-517

Form 3800, Feb. 1982

1116409

1-29

It was agreed in an April 11, 1985, telephone conversation between you and Regina Sanders of our Office of Chief Counsel that you would withdraw item no. 2 until further notice.

215
53
142
17
145,

You only want Modifications 1-29.

You revised request item no. 1 (mod 1-29) to it include only modifications 1-29 of the ORINS/AEC contract. was agreed between the

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ROUTING AND TRANSMITTA SLIP Date

TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1.		
2.		
3.		
4.		
5.		

	Action		File		Note and Return
	Approval		For Clearance		Per Conversation
	As Requested		For Correction		Prepare Reply
	Circulate		For Your Information		See Me
	Comment		Investigate		Signature
	Coordination		Justify		

REMARKS

Your request for a fee waiver has been denied based on failure to show a benedit to the general public that will be derived from disclosure of the requested information.

Total pages for modifications 1-40, letter contract, and basic contract is: 285 Pages.

In our response of 11/28/84, we furnished

Mods 30-39	64 pages
& Letter contract	6 pages
	70 pages

Deducting the 70 pages from the 285 is 215 pages ($21.50)

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post) | Room No.—Bldg. | Phone No.

pub. interest has decreased.

5041-102

OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206

1116411

April 10, 1985

Received telephone call from Arthur Brant, Trial Lawyers for Public Justice. He wanted to know status of his FOIA request.

I told him that we had not yet decided on the fee waiver issue. I informed him that I had taken a look at the files requested to his request that are located in our Mail & File room and there are approximately 2½ feet of file folders that fall into the requested category of records.

I told him that I had not gone through those files, document by document, but will do so in order to omit duplicates, check to see if any of the documents has been sent to TLPJ in past requests, and to see if any of the 2½ feet of documents are not responsive.

He asked me if we could comply with requested item no. 1 if it's within the de minimis level and he will decide further on requested item no. 2.

What prompted him to want the contract and modifications was the fact that in our last FOIA response to Trial Lawyers for Public Justice, we threw in some modifications to the ORINS contract. But they were above mod. no. 40 and they were curious as to what the content of the earlier modifications reveal.

I indicated that there could be some correspondence in those file folders that would be of no interest to him. Such as specific contract negotiations, draft clauses or articles, correspondence dealing with modifications and contractual review, etc.

He asked that I give him the no. of pages involved in the contract and modifications 1-40 and he will settle on number 2 later after he receives the contract and mod. 1-40.

Regina

per our conf. hold off on #2 until we get if we can get a waiver on the 330, they will get back with us on #2. They may not need.

1116412

April 10, 1985

In our response to Trial Lawyers for Public Justice dated November 28, 1984, we transmitted the following:

1. Modifications no. 30-39 - 64 pages
2, The 6-paged letter contract dated 3/18/47 was transmitted to TLPJ by Tim's letter dated 8/24/84.

They requested a few waiver in its amended request of 3/28/84.

By their letter dated 7/27/84, they enclosed check for 2,107.50 pursuant to instructions from Wayne Range.

Jim Foutch's letter of 4/26/84 denied request for a fee waiver based on "the limited information set forth in [your] letter as justification for the waiver."

"After consultation with the ORO Authorizing Official, I have determined that no waiver is appropriate. YOu have failed to show a benefit to the general public to be deirved from disclosure of the requested information without charge."

"Considering the enormous estimated cost associated with your expansive request, consistent with our responsiblility as stewards of the public purse, we must be assured that the public would gain a benefit at least commensurate with the cost. Here, we have no indication of any benefit to the general public beyond conclusory statements of such benefit. Therefore, until we have received a reasonable description of the records you swee, and payment to the DOE of a reasonable deposit, we will not deem your request to have been received for processing. (Estimate for search was $250,000).

on 10/3/83, we denied request for a fee waiver. Estimated cost of $700.00.

In TLPJ's 9/14/83 original request for a waiver they requested a waiver of fees, the justification cited, is identical to the justification in the present FOIA request

Mods. 1-40
~~28~~ items
3/18/47 - K

RSS

185 = 2 pages
- 53
55 pages

all mods 206
55
26.10

8/26/86
We sent mods for 64 pgs 11/28/84
2 1/2 file
at least the late shelf
Contract 2
K & mods. Total
letter supplements

206 pages

6 pages 3/18/47
18 pages 5/24/48
28.50 pages
45 pages

3116113

TRIAL LAWYERS FOR PUBLIC JUSTICE, P.C.
COUNSELORS AT LAW
SUITE 61
2000 P STREET NORTHWEST
WASHINGTON, D.C. 20036
(202) 463-8600

ANTHONY E. ROISMAN
EXECUTIVE DIRECTOR
ARTHUR BERNAY
STAFF ATTORNEY
KEVIN HANNON
SCIENCE ADVISOR
SANDRA SHEPARD
OFFICE MANAGER

March 18, 1985

85 MAR 21 P3:51

Mr. Wayne Range
Freedom of Information Officer
Department of Energy
Oak Ridge Operations
P.O. Box E
Oak Ridge, Tennessee 37830

Dear Mr. Range:

Pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. § 552, Trial Lawyers for Public Justice requests copies of the following:

1. Modifications 1 through 40 of Contract No. 40-1-GEN-33 of May 29, 1946 between United States and Oak Ridge Institute of Nuclear Studies.

2. Any and all agency records and information, including but not limited to, notes, letters, memoranda, drafts, minutes, diaries, logs, calendars, tapes, transcripts, summaries, interview reports, procedures, instructions, engineering analyses, drawings, files, graphs, charts, maps, photographs, agreements, handwritten notes, studies, data sheets, notebooks, books, telephone messages, computations, voice recordings, computer runoffs, any other data compilations, interim and/or final reports, status reports, and any and all other records relevant to and/or generated in connection with the contract or modification referred to in request No. 1 above.

This request includes all agency records as defined in 10 C.F.R. § 202 et. seq. whether they currently exist in the DOE official, working, investigative or other files, or at any other location, including private residences. If any records as defined in 10 C.F.R. §§ 202 et. seq. and covered by this request have been destroyed and/or removed after this request, please provide all surrounding records, including but not limited to, a list of all records which have been or are destroyed and/or

PERSONNEL -1
FOIA
Trial Lawyers for Justice

1116414

received, a description of the action(s) taken relevant to, generated in connection with, and or issued in order to implement the actions.

As you know, the Freedom of Information Act permits you to reduce and waive fees when the release of information is considered as "primarily benefitting the public." Trial Lawyers for Public Justice requests a waiver of fees for this material as it is a public interest advocacy organization. The firm, funded through grants and individual contributions, is dedicated to utilizing trial litigation as an effective instrument of social change and a means of vindicating individual rights. The materials requested above will be used on behalf of families whose children died after being involved in the experimental radiation program at ORAU.

If all or any part of this request is denied, please cite the specific exemption(s) which you think justifies your refusal to release the information, and inform me of the appeal procedure available to me under the law.

I would appreciate your handling this request as quickly as possible, and I look forward to hearing from you within 10 days, as the law requires.

Sincerely,

Arthur H. Bryant
Staff Attorney

1116415

file

Contract No. AT-40-1-GEN-33
Modification No. 1

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 28th day of June, 1948, effective as of the 11th day of February, 1948, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee and having its principal office in Oak Ridge, Tennessee,

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a Contract No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences; and

WHEREAS, the Government desires to insure the continued conduct of research and development activities, and to assist in the acquisition of an ever-expanding fund of theoretical and practical knowledge, in the utilization of radioactive materials for medical, biological and health purposes and, to that end, desires that the Contractor conduct a clinical investigative and research program in the utilization of radioactive materials for the study and treatment of diseases; and

WHEREAS, the Government desires to make available additional funds for the Contractor's operations under said Contract during the period ending June 30, 1949; and

WHEREAS, this Supplemental Agreement is authorized by, and executed pursuant to, the Atomic Energy Act of 1946, and is in the interest of the common defense and security;

NOW, THEREFORE, the parties hereto mutually agree that said Contract No. AT-40-1-GEN-33 is hereby modified in the following particulars only:

1. Add the following Paragraph (G) to Article I, captioned "DESCRIPTION OF THE WORK":

"(G) Arrange and conduct, in and with facilities to be provided by the Commission, at Oak Ridge, Tennessee, a clinical investigative and research program in the study, and the treatment with radioactive substances or with radiation, of cancer and allied diseases and such other diseases as the Commission may, from time to time, approve for clinical investigation and research."

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2. Delete the second sentence of Paragraph 2 of Article II, captioned "Term and Estimate of Cost" and substitute therefor the following:

"Reimbursable expenditures during the period commencing March 18, 1947, and ending June 30, 1948, will not exceed One Hundred Ninety-Six Thousand, Two Hundred Dollars ($196,200.00). Said sum includes an amount not to exceed Five Thousand Dollars ($5,000.00), representing the estimated cost, during the period ending June 30, 1948, of the clinical investigative and research program described in Paragraph (G) of Article I. It is understood that, subsequent to June 30, 1948, the parties will negotiate for the purpose of determining the monetary requirements for said clinical investigative and research program for the period commencing July 1, 1948, and ending June 30, 1949, and the foregoing limitation on reimbursable expenditures will thereupon be increased accordingly."

3. a. Delete the word "Exhibit" which appears in the last sentence of subparagraph 1 (b) of Article III, captioned "COST OF THE WORK: CONTRACTOR'S ALLOWANCE", and substitute therefor the word "Appendix".

b. Add the following new subparagraphs to Paragraph 1 of Article III:

"(r) In connection with the clinical investigative and research program described in Paragraph (G) of Article I, and in addition to expenses reimbursable under other subparagraphs of this Paragraph, expenses incurred for the hospitalization, care, treatment and transportation of patients; preparation of bodies of deceased patients for burial; performance of autopsies; transportation of bodies of deceased patients; and such other types of expense as the Commission may approve in writing from time to time.

"(s) Registration and other fees, paid by the Contractor, when required for the attendance by the Contractor's employees at professional, scientific and technical meetings and conferences when the Contractor determines that such attendance will further the prosecution of the work hereunder; provided, however, that when such registration or other fee includes the cost of a meal or meals served in connection with such meeting or conference, the allowance in lieu of subsistence expenses provided for in subparagraph (c) above shall be reduced by the amount of $1.25 for each meal included in such registration or other fee.

"(t) Transportation from place of residence and return, together with cost of lodging and subsistence allowance while in travel status, of prospective employees for those position classifications which may be agreed upon in writing by the Contractor and the Commission, to the same extent as the Contractor is reimbursed under subparagraph (c) above for travel expenses of its regular employees."

4. Delete the date "June 30, 1948" which appears on the fourth line of Paragraph 2 of Article III, and substitute therefor the date "June 30, 1949".

5. Delete the words "from the conduct of educational facilities" which appear in the first sentence of Paragraph 2 of Article IV, captioned "REVENUE".

116411

6. Delete the semicolon after the word "Commission" in the fifth line from the end of Article VI, captioned "RESPONSIBILITY OF CONTRACTOR - CONTINGENCIES", and substitute therefor the following: "within a reasonable time after receipt;".

7. Delete the second sentence of Paragraph 1 of Article VIII, captioned "RECORDS AND ACCOUNTS", and substitute therefor the following:

"The Contractor shall employ a system of accounting which conforms to good commercial accounting practice. If the Commission at any time shall establish a uniform system of accounting for the control of the operations of its contractors and shall request the Contractor to adopt such uniform system, the Contractor agrees to take whatever action is necessary to bring its system of accounting into conformity with the Commission's uniform accounting system."

8. Add the following new Article XXVI:

"ARTICLE XXVI. ADVANCE PAYMENTS. (a) At any time and from time to time after the execution of this contract, the Government, at the request of the Contractor and subject to the approval of the Commission as to the need therefor, shall advance to the Contractor, without payment of interest thereon by the Contractor, sums not to exceed twenty-five percent (25%) of the estimated cost of this contract, as it may be amended from time to time.

"(b) As a condition precedent to the making of any advance payment or payments as hereinbefore provided, the Contractor shall furnish the Government with such adequate security as the Commission shall prescribe; Provided that, if other security is not prescribed, the terms of this contract shall be considered adequate security for such advance payments; and Provided further that, if at any time the Commission deems the security furnished by the Contractor inadequate, the Contractor shall furnish such additional security as shall be satisfactory to the Commission.

"(c) Until all advance payments hereunder are liquidated, all funds received as advance payments under this contract, together with all funds received as reimbursements for the cost of the work under Article III of this contract, shall be deposited in a special bank account or accounts at a member bank or banks of the Federal Reserve System or any "insured" bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (Act of August 23, 1935; 49 Stat. 684) as amended (12 U.S.C. 264) separate from the Contractor's general or other funds. Such special bank account or accounts shall be so designated as to indicate clearly to the bank their special character and purpose, and the balance in such account or accounts shall be used by the Contractor exclusively as a revolving fund for carrying out the purposes of this contract and any amendments thereto and not for

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other business of the Contractor. Any balances from time to time in such special account or accounts shall at all times secure the repayment of the advances in connection with which the special account or accounts are opened, and the Government shall have a lien upon such balances to secure the repayment of such advances, which lien shall be superior to any lien of the bank or any other person upon such account or accounts by virtue of assignment to it of this contract or otherwise; Provided: That the bank shall be under no liability to any party hereto for the withdrawal of any funds from said special account upon checks, properly endorsed and signed by the Contractor, except that after the receipt by the bank of written directions from the Commission, the bank shall act thereon and be under no liability to any party hereto for any action taken in accordance with the said written directions. Any instructions or written directions received by the bank through the Commission's representative on United States Atomic Energy Commission stationery and purporting to be signed by the Commission or its duly authorized representative, shall, in so far as the rights, duties and liabilities of the bank are concerned, be conclusively deemed to have been properly issued and filed with the bank by the Commission.

"(d) It is agreed that the aggregate of the advance payments outstanding under this contract together with funds received as reimbursement for the cost of the work by the Contractor under Article III of this contract shall, at no time, exceed the total estimated cost of the work under this contract as it may be revised from time to time and any such excess shall be immediately repaid by the Contractor to the Government or if any reimbursement is due from the Government to the Contractor, shall be deducted therefrom; Provided, however, that if the total cost of the work under this contract shall be in excess of the amount so paid to the Contractor, including said advance payments, the Government upon presentation of satisfactory evidence shall currently and promptly reimburse the Contractor to the extent of such excess cost (subject to any delay in the availability of appropriated funds).

"(e) If, upon completion of this contract, or upon the termination thereof for other than the fault of the Contractor, the advance payments made to the Contractor in respect of this contract have not been fully liquidated in the manner herein provided, the unliquidated balance of such advance payments shall be deducted from any payments otherwise due the Contractor in respect of this contract; and if the sum or sums due the Contractor be insufficient to cover such balance, the deficiency shall be paid by the Contractor in cash forthwith after demand and final audit by the Government of all accounts hereunder in respect of this contract; Provided, however, that in the event of such termination of the contract for other than the fault of the Contractor, such deduction shall not

be made prior to final audit unless, and only to the extent that the Commission shall determine that such action is reasonably required in order to secure the eventual repayment in full to the Government of such unliquidated advance payments. In the event of cancellation or termination of this contract because of the fault of the Contractor, the Contractor, notwithstanding any ultimate rights to be reimbursed, agrees to return to the Government, upon demand, without set-off of any sums alleged to be due the Contractor, the unliquidated balance of any advance payment. Furthermore, if, in the opinion of the Commission, the unobligated balance of the advance payments made by the Government under paragraph (a) hereof exceeds the amount necessary for the current needs of the Contractor, as determined by the Commission, the amount of such excess shall, upon demand by the Commission, be promptly returned to the Government and will be credited against the balance due the Government on advances previously made. If the demand made in any event set forth in this paragraph is not met upon receipt of such demand by the Contractor, the amount demanded will bear interest at the rate of six percent (6%) per annum from the date of the receipt of the demand until payment is made; Provided, however, that such payment of interest is hereby waived as to any sum paid by the Contractor within 15 days after the amount becomes due hereunder. If and when the Contractor has, by means of deductions or otherwise, reimbursed the Government in full for payments made, any money remaining in the special bank account or accounts shall be free and clear of any lien hereunder and the bank or banks concerned shall have authority to pay same to the Contractor and shall thereupon be relieved of any furhter obligation to the Government on account thereof.

"(f) The Contractor shall, at all times, afford to the Commission proper facilities for the inspection and audit of the Contractor's accounts, and the Contractor hereby agrees that the Commission shall have the right so far as the Contractor's rights are concerned, during business hours, to inspect and make copies of any entries in the books and records of the bank or banks relating to the said special account or accounts."

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

THE UNITED STATES OF AMERICA

By: UNITED STATES ATOMIC ENERGY COMMISSION

By: S. R. Tatum
Acting Deputy Manager

WITNESS:

Paul Gross

Ernest W. Goodpasture

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

By: Frank P. Graham

President
(Title)

1116420

CERTIFICATION

I, William G. Pollard do hereby certify that I am the duly qualified Secretary of the corporation named herein as the Contractor; that Frank P. Graham who signed this agreement on behalf of the Contractor was then President of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

IN WITNESS WHEREOF, I have hereunto affixed my hand and the seal of the corporation this 28th day of June, 1948.

William G. Pollard

1116421

OCE 1 h.-ed.

Contract No. AT-40-1-Gen-33
Modification No. 2

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 23rd day of September, 1948, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee,

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a contract, No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences, and said contract has been modified heretofore by Modification No. 1, dated June 28, 1948; and

WHEREAS, the Government desires to make available additional funds for the Contractor's operations under said contract during the period ending June 30, 1949; and

WHEREAS, this Supplemental Agreement is authorized by, and executed pursuant to, the Atomic Energy Act of 1946, and is in the interest of the common defense and security;

NOW, THEREFORE, the parties hereto mutually agree that said Contract No. AT-40-1-Gen-33, as heretofore modified, is hereby modified further in the following particulars only:

Delete the amount "One Hundred Ninety-Six Thousand, Two Hundred Dollars ($196,200.00)" which appears in the second sentence of Paragraph 2 of Article II, and substitute therefor the amount "Two Hundred Sixty-Six Thousand, Six Hundred and Fifty Dollars ($266,650.00)".

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: R. W. Cook
Deputy Manager
Oak Ridge Directed Operations

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Frank P. Graham

President

WITNESSES:

William G. Pollard
Secretary, ORINS
Address

Helen Reynolds
Chapel Hill, N.C.
Address

1-1-1-42

TYPED
PREPARED
APPROVED

Contract No. AT-40-1-Gen-33
Modification No. 2

RETURN TO CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 23rd day of September, 1948, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee,

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a contract, No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences, and said contract has been modified heretofore by Modification No. 1, dated June 28, 1948; and

WHEREAS, the Government desires to make available additional funds for the Contractor's operations under said contract during the period ending June 30, 1949; and

WHEREAS, this Supplemental Agreement is authorized by, and executed pursuant to, the Atomic Energy Act of 1946, and is in the interest of the common defense and security;

NOW, THEREFORE, the parties hereto mutually agree that said Contract No. AT-40-1-Gen-33, as heretofore modified, is hereby modified further in the following particulars only:

> Delete the amount "One Hundred Ninety-Six Thousand, Two Hundred Dollars ($196,200.00)" which appears in the second sentence of Paragraph 2 of Article II, and substitute therefor the amount "Two Hundred Sixty-Six Thousand, Six Hundred and Fifty Dollars ($266,650.00)".

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: s/ R. W. Cook
Deputy Manager
Oak Ridge Directed Operations
s/ C.V.

WITNESSES:

s/ William G. Pollard
Secretary, ORINS
Address

s/ Helen Reynolds
Chapel Hill, N.C.
Address

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: s/ Frank P. Graham
President

CERTIFIED A TRUE COPY
BY Miriam Michelson

1116423

Contract No. AT-40-1-GEN-33
Modification No. 3

TYPED
PREPARED
APPROVED
RETURN TO CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 4th day of February, 1949, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee,

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a contract, No. AT-40-1-Gen-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences, and said contract has been modified heretofore by Modifications Nos. 1 and 2; and

WHEREAS, the Government desires to make available additional funds for the Contractor's operations under said contract during the period ending June 30, 1949; and

WHEREAS, this Supplemental Agreement is authorized by, and executed under the Atomic Energy Act of 1946, in the interest of the common defense and security;

NOW, THEREFORE, the parties hereto mutually agree that said Contract No. AT-40-1-Gen-33, as heretofore modified, is hereby modified further in the following particulars only:

Delete Paragraph 2 of Article II, captioned "Term and Estimate of Cost" and substitute therefor the following:

"2. The Government shall reimburse the Contractor, in accordance with the provisions of this contract, for the actual cost to the Contractor in the performance of its undertakings hereunder./ Reimbursable expenditures during the period commencing March 18, 1947, and ending June 30, 1949, shall not exceed Four Hundred Sixty-two Thousand, One Hundred and Fifty Dollars ($462,150.00)./ Not less than ninety (90) days before the end of each fiscal year, the parties will commence negotiations for the purpose of determining the monetary requirements for the succeeding fiscal year and the foregoing limitation on reimbursable expenditures will thereupon be increased accordingly.

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Such increases, when made, shall constitute obligations with respect to this contract against such funds of the Commission, available for obligation at the time the increase is made, as the Commission may designate. Notwithstanding any other provision of this contract, when and if the actual cost of the work performed hereunder and expenses incurred hereunder shall exceed the limitation on reimbursable expenditures the Contractor shall be excused from further performance under this contract, and it shall not incur further costs and obligations hereunder unless and until the Government shall first agree in writing to reimburse the Contractor for such further performance. The Contractor will promptly advise the Commission when it is indicated that additional funds will be needed and shall estimate the amount of such additional funds and the time when they will be needed, together with a justification therefor."

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: R W Cook
Deputy Manager
Oak Ridge Operations

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Frank P. Graham
President
Title

WITNESSES:

George B. Pegram
[redacted] New York 28, N.Y.
Address

Theophilus A. Painter
Univ. of Texas, Austin, Texas.
Address

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TYPED
PREPARED
APPROVED

RETURN TO
CONTRACT SECTIO

Contract No. AT-40-1-GEN-33
Modification No. 4

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 2nd day of June, 1949, effective as of the 1st day of March, 1949, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee,

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a contract, No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences, and said contract has been modified heretofore by modifications 1, 2 and 3; and

WHEREAS, the Government, in the interest of furthering the dissemination of atomic energy information to the public, desires that the Contractor perform the additional services hereinafter described; and

WHEREAS, this Supplemental Agreement is authorized by, and executed under, the Atomic Energy Act of 1946, in the interest of the common defense and security;

NOW, THEREFORE, the parties hereto agree that said Contract No. AT-40-1-GEN-33, as heretofore modified, is hereby modified further, but only in the following particulars:

1. Add the following Paragraph (H) to Article I, captioned "DESCRIPTION OF THE WORK":

"(H) Establish, maintain and operate a museum of atomic energy in and with facilities to be provided by the Commission at Oak Ridge, Tennessee, subject to the following general terms and conditions:

(1) The museum will contain certain exhibits furnished by the Commission and other exhibits which the Contractor may prepare or acquire from time to time.

(2) The museum shall be open to the general public, subject to payment of an admission charge in such amount as the Commission and the Contractor may agree upon from time to time. Upon request of the Commission, the Contractor shall admit without charge guests designated by the Commission.

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(3) To the extent that the Commission shall approve, the Contractor may, from time to time, arrange for the furnishing of traveling exhibits and lecture services to university extension organizations and other organizations for the promotion of public education. Any such services will be conducted in such a manner as to cause no substantial interference with the operation of the museum at Oak Ridge. The terms and conditions governing any arrangements made for traveling exhibits shall be subject to the prior written approval of the Commission.

(4) The Contractor is authorized to enter into arrangements with concessionaires for the use of portions of the museum premises for the sale of food, beverages, literature and souvenir merchandise. Any such arrangements shall be reduced to writing and shall be in form approved by the Commission.

(5) The Contractor may procure such printed material as it deems necessary or beneficial to the proper conduct of the operation of the museum and traveling exhibits."

2. Delete the amount "Four Hundred Sixty-two Thousand, One Hundred and Fifty Dollars ($462,150.00)" which appears in Paragraph 2 of Article II, captioned "TERM AND ESTIMATE OF COST", and substitute therefor the amount "Four Hundred Sixty-three Thousand, Six Hundred and Fifty Dollars ($463,650.00)".

3. Add the following new subparagraph to Paragraph 1 of Article III, captioned "COST OF THE WORK: CONTRACTOR'S ALLOWANCE":

"(u) Taxes which the Contractor may be required by law to pay, based on the admission of persons to the Museum of Atomic Energy or to other exhibits, lectures or demonstrations conducted by the Contractor, including the admission without charge of guests designated by the Commission pursuant to Paragraph (H) (2) of Article I."

4. Add the following new Section 3 to Article IV, captioned "REVENUE":

"3. In the event that the net receipts, after payment of admission taxes, from the operation of the museum during the period ending June 30, 1949, shall be less than $4,100.00, the Contractor shall be responsible for the amount of such deficiency and the amount of the deficiency shall be deducted from payments thereafter due to the Contractor under this contract, or shall otherwise be paid to the Government as the Commission may direct."

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IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement effective as of the 1st day of March, 1949.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: _____ est
Deputy Manager
Oak Ridge Operations

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY Paul M. Gross
Vice-President
Title

WITNESSES:

_____

_____
Address

William G. Pollard

Oak Ridge, Tennessee
Address

1116428

Contract No. AT-40-1-GEN-33
Modification No. 5

TYPED
PREPARED
APPROVED

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 28th day of June, 1949, effective as of the 1st day of July 1949, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee,

RETURN TO CONTRACT SECTION

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a contract No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences, and said contract has been modified heretofore by modifications 1, 2, 3 and 4; and

WHEREAS, this Supplemental Agreement is authorized by, and executed under, the Atomic Energy Act of 1946, in the interest of the common defense and security;

NOW, THEREFORE, the parties hereto agree that said Contract No. AT-40-1-GEN-33, as heretofore modified, is hereby modified further, but only in the following particulars:

1. Delete the second sentence of Paragraph 2 of Article II, captioned "TERM AND ESTIMATE OF COST", and substitute the following sentence:

"Reimbursable expenditures, including the overhead allowance, during the period commencing March 18, 1947, and ending June 30, 1950, shall not exceed ONE MILLION FOUR HUNDRED FIVE THOUSAND FOUR HUNDRED DOLLARS ($1,405,400.00)."

2. In Paragraph 2 of Article III, captioned "COST OF THE WORK: CONTRACTOR'S ALLOWANCE"

(a) delete the amount "Two Hundred and Fifty Dollars ($250.00)," and substitute therefor the amount "Five Hundred and Fifty Dollars ($550.00)."

(b) delete the date "June 30, 1949" which appears in the fourth line of this paragraph, and substitute therefor the date "June 30, 1950".

1116429

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement effective as of the 1st day of July, 1949.

THE UNITED STATES OF AMERICA

BY: U. S. ATOMIC ENERGY COMMISSION

BY: C. Vanden Bulck

C. Vanden Bulck, Acting Deputy Manager
(Title)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Paul M. Gross

PRESIDENT
(Title)

WITNESSES:

William G. Pollard

Oak Ridge, Tenn.
(Address)

(Address)

1116430

CERTIFICATION

I, William G. Pollard do hereby certify that I am the duly qualified Secretary of the corporation named herein as the Contractor; that Paul M. Gross who signed this agreement on behalf of the Contractor was then Vice-President of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

IN WITNESS WHEREOF, I have hereunto affixed my hand and the seal of the corporation this 22nd day of June, 1949.

William G. Pollard
Secretary

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Contract No. AT-40-1-GEN-33
Modification No. 6

TYPED
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RETURN TO
CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 9th day of September ~~August~~, 1949, effective as of the 1st day of July, 1949, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee,

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a contract, No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences, and said contract has been modified heretofore by Modifications 1 through 5, inclusive; and

WHEREAS, the Government has heretofore maintained a Technical Library at the Office of Oak Ridge Operations, Atomic Energy Commission, and it has been determined advantageous to both the Government and the Contractor to arrange for the maintenance of said Library by the Contractor and the furnishing of library services to the Commission; and

WHEREAS, this Supplemental Agreement is authorized by and executed pursuant to the Atomic Energy Act of 1946;

NOW, THEREFOR, the parties hereto mutually agree that said Contract No. AT-40-1-GEN-33 is hereby further modified in the following particulars, but in no others:

1. Add the following Paragraph (I) to Article I, captioned "DESCRIPTION OF THE WORK":

"(I) Operate and maintain a Technical Library at Oak Ridge, Tennessee, and furnish library services to the Commission, subject to the following general terms and conditions:

(1) The Commission shall transfer to the Contractor the books, periodicals and other technical documents heretofore maintained by the Commission's Technical Library Section at its Oak Ridge Office. All such property shall remain the property of the Government and shall be held by the Contractor subject to the provisions of Article II of this contract.

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(2) The Contractor shall establish, maintain and operate, in premises occupied by the Contractor at Oak Ridge, a Technical Library, in which will be included the property referred to in (1) above. The Technical Library shall include normal library facilities, including reading room facilities and reference and bibliographical services.

(3) The Contractor shall furnish to the Commission such services as the Commission shall request in connection with the operation of the Technical Library, including, without limitation, telephone order and delivery service to the Commission's Office of Oak Ridge Operations; circulation of periodicals to designated employees of the Commission; and reference and bibliographical services.

(4) The Contractor shall procure such additional technical books, periodicals and documents for the Technical Library as it shall deem necessary or desirable to maintain the library material in a condition adequate to meet the requirements of the Commission and the Contractor."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement, effective as of the 1st day of July, 1949.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: P. Varnum Burke
ACTING Deputy Manager
Oak Ridge Operations

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Paul M. Gross
President
Title

WITNESSES:

William G. Pollard
Oak Ridge, Tenn.
Address

Address

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TYPED
PREPARED
APPROVED

Contract No. AT-40-1-GEN-33
Modification No. 7

RETURN TO
CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 12th day of December, 1949, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee,

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a Contract No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational programs in the nuclear and related sciences; and

WHEREAS, this contract has previously been modified by Modifications Nos. 1 through 6; and

WHEREAS, the Government and the Contractor desire to modify this contract for the purpose of integrating the contract and its previous modifications and for the purpose of clarifying the rights and obligations of the parties as of the date hereof; and

WHEREAS, this Supplemental Agreement is authorized by and executed pursuant to the Atomic Energy Act of 1946,

NOW, THEREFORE, the parties hereto do mutually agree that the contract, as modified, shall be and the same is hereby further modified to read as follows:

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ARTICLE I - DESCRIPTION OF WORK - The Contractor shall, subject to the approval of the Commission, and in accordance with general programs agreed to by the Contractor and the Commission, furnish the personnel, the supplies, equipment, facilities and services, including maintenance, not furnished by the Government, necessary to perform the following work:

(A) Establish a central administrative organization at Oak Ridge, Tennessee, to arrange, administer and accomplish such programs of education in nuclear and related sciences as shall be mutually agreed upon by the Contractor and the Commission.

(B) Arrange with a recognized University, approved by the Commission, for the conduct, in facilities provided by the Government at Oak Ridge, Tennessee, of an academically recognized graduate training program in nuclear and related sciences, leading to the Master's or Doctor's degrees, for the benefit of regular employees of the Government's operating contractors at Oak Ridge and of such others as may be approved by the Commission. The Contractor shall not enter into any such arrangement unless the terms and conditions of said arrangements have received the approval of the Commission.

(C) Arrange for and administer a program, subject to the approval of the Commission, under which selected graduate students from qualified educational institutions may complete thesis research for the degree of Doctor of Philosophy or other graduate credits through employment on regular research programs of the Commission being conducted by the operating contractors. Mod. 8

(D) Encourage, by methods consistant with the general policy of and to the extent approved by the Commission, the development, by educational institutions in the Southern region of the United States, of their own programs of research and graduate instruction in nuclear and related sciences; and make arrangements with the Commission's operating contractors at Oak Ridge whereby scientific staff members and research workers of qualified institutions can participate, to the extent approved by the Commission and the operating contractors, in the research programs of said operating contractors at Oak Ridge.

(E) Arrange and conduct, in and with facilities to be provided by the Commission at Oak Ridge, Tennessee, such educational and training programs in the field of nuclear and related sciences, as may be agreed upon from time to time by the Commission and the Contractor.

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(F) Perform such advisory and consultative functions as may be requested by the Commission and agreed upon by the Contractor.

(G) Arrange and conduct, in and with facilities to be provided by the Commission, at Oak Ridge, Tennessee, a clinical investigative and research program in the study, and the treatment with radioactive substances or with radiation, of cancer and allied diseases and such other diseases as the Commission may, from time to time, approve for clinical investigation and research. Such program may include, but not be limited to the following:

1) Hospitalization, care, treatment and transportation of patients without charge to patients;

2) Preparation of bodies of deceased patients for burial and performance of autopsies;

3) Transportation and burial of bodies of deceased persons;

4) Training of, and research participation by, resident physicians, research fellows, staff members of participating medical schools and hospitals, and individuals.

(H) Establish, maintain and operate a museum of atomic energy in and with facilities to be provided by the Commission at Oak Ridge, Tennessee, subject to the following general terms and conditions:

(1) The museum will contain certain exhibits furnished by the Commission and other exhibits which the Contractor may prepare or acquire from time to time.

(2) The museum shall be open to the general public, subject to payment of an admission charge in such amount as the Commission and the Contractor may agree upon from time to time. Upon request of the Commission, the Contractor shall admit without charge guests designated by the Commission.

(3) To the extent that the Commission shall approve, the Contractor may, from time to time, arrange for the furnishing of traveling exhibits and lecture services to university extension organizations and other organizations for the promotion of public education. Any such services will be conducted in such a manner as to cause no substantial interference with the operation of the museum at Oak Ridge. The terms and conditions governing any arrangements made for traveling exhibits shall be subject to the prior written approval of the Commission. Mod. 15

(4) The Contractor is authorized to enter into arrangements with concessionaires for the use of portions of the museum premises

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for the sale of food, beverages, literature and souvenir merchandise. Any such arrangements shall be reduced to writing and shall be in form approved by the Commission.

(5) The Contractor may procure such printed material as it deems necessary or beneficial to the proper conduct of the operation of the museum and traveling exhibits.

(I) Operate and maintain a Technical Library at Oak Ridge, Tennessee, and furnish library services to the Commission, subject to the following general terms and conditions:

(1) The Commission shall transfer to the Contractor the books, periodicals and other technical documents heretofore maintained by the Commission's Technical Library Section at its Oak Ridge Office. All such property shall remain the property of the Government and shall be held by the Contractor subject to the provisions of Article IX of this contract.

(2) The Contractor shall establish, maintain and operate, in premises furnished by the Government, a Technical Library, in which will be included the property referred to in (1) above. The Technical Library shall include normal library facilities, including reading room facilities and reference and bibliographical services.

(3) The Contractor shall furnish to the Commission such services as the Commission shall request in connection with the operation of the Technical Library, including, without limitation, telephone order and delivery service to the Commission's office at Oak Ridge Operations; circulation of periodicals to designated employees of the Commission; and reference and bibliographical services.

(4) The Contractor shall procure such additional technical books, periodicals and documents for the Technical Library as it shall deem necessary or desirable to maintain the library material in a condition adequate to meet the requirements of the Commission and the Contractor.

(J) (K) Mod 9 (J) Mod 12 (L) Mod 14

ARTICLE II - TERM AND ESTIMATE OF COST

1. The term of this contract will commence on March 18, 1947, and will end on December 31, 1951. On or before June 30, 1951, the Contractor will give written notice to the Government as to whether it desires to continue operations after December 31, 1951. If the Contractor is willing to continue operations and the Government desires to extend the term of this contract, the parties hereto agree to enter into negotiations looking to the Mod. 15

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execution of a new agreement based on such terms and conditions as shall be mutually agreeable.

2. The Government shall reimburse the Contractor, in accordance with the provisions of this contract, for the actual cost to the Contractor in the performance of its undertakings hereunder. Reimbursable expenditures, including the allowance, during the period commencing March 18, 1947, and ending June 30, 1950, shall not exceed One Million Four Hundred Five Thousand Four Hundred Dollars ($1,405,400.00). Not less than ninety (90) days before the end of each fiscal year, the parties will commence negotiations for the purpose of determining the monetary requirements for the succeeding fiscal year and the foregoing limitation on reimbursable expenditures will thereupon be increased accordingly. Such increases, when made, shall constitute obligations with respect to this contract against such funds of the Commission, available for obligation at the time the increase is made, as the Commission may designate. Notwithstanding any other provision of this contract, when and if the actual cost of the work performed hereunder and expenses incurred hereunder shall exceed the limitation on reimbursable expenditures the Contractor shall be excused from further performance under this contract, and it shall not incur further costs and obligations hereunder unless and until the Government shall first agree in writing to reimburse the Contractor for such further performance. The Contractor will promptly advise the Commission when it is indicated that additional funds will be needed and shall estimate the amount of such additional funds and the time when they will be needed, together with a justification therefor.

Mod

Mod.

Mod. 1.

ARTICLE III - COST OF THE WORK: CONTRACTOR'S ALLOWANCE

1. The contractor shall be reimbursed for all costs and expenses which it incurs in connection with its performance under this contract at the project site or elsewhere, and which are necessary or incidental to such performance and are not included in the allowance provided for in Section 3 of this Article and are not expressly excluded by other provisions of this contract; provided, however, that if the Commission, governed by the provisions of Article VI, considers any particular expenditure as not being necessary or incidental to the performance of the work it shall promptly notify the Contractor in writing with the reasons therefor, whereupon the question of necessity or incidence to the performance of the work unless disposed of by mutual agreement of the parties, shall be disposed of in accordance with the provisions of Article XIX.

2. In making reimbursement to the Contractor for costs and expenses incurred pursuant to its salary and wage, employee welfare and other policies, such as, but not limited to, hours of work and rates of pay, sick leave and vacations, recreation programs, group health insurance, travel and transportation, all such reimbursements shall be in accordance with the provisions of Appendix "A" to this contract. These policies may be revised from time to time at the request of the Contractor and with the written approval of the

1116438

Commission which will be given in the form of a "Reimbursement Authorization". The Contractor shall not be reimbursed for any compensation or benefits paid to or for any employee in excess of those stated in Appendix "A" unless and until the Commission has so approved in writing.

3. In addition to the reimbursement for its expenditures provided for in Section 1 above, the Contractor shall be paid an allowance at the rate of:

(a) Two Hundred and Fifty Dollars ($250.00) per month for the period commencing on March 18, 1947, and ending on June 30, 1949.

(b) Five Hundred and Fifty Dollars ($550.00) per month for the period commencing on July 1, 1949, and ending on June 30, 1950.

which sum shall constitute full compensation for, and shall be paid in lieu of direct reimbursement for, such items of expense as the Commission, in its discretion, considers are --

(i) items of general overhead expense, and

(ii) are connected with the office of the Contractor's President, the offices of the Contractor's Directors, the Contractor's Contributions to premiums for life insurance and retirement insurance for, but not the salary of, the Contractor's Executive Director assigned to this contract, or are connected with some other phase of the Contractor's organization, administration or activities, and

(iii) are properly for coverage under the provisions of this section as contemplated by the items shown on the list which is on file in the office of the Commission at Oak Ridge and identified as "Items for Inclusion in Allowance Under Article III, Section 3, of Contract No. AT-40-1-GEN-33 with the Oak Ridge Institute of Nuclear Studies." Mod. 12

(e) mod 12

On or before April 1 of each year the parties shall commence negotiation for the purpose of agreeing upon the amount of allowance to be paid the Contractor by the Government, under this Section, in connection with the Contractor's services to be performed in the ensuing fiscal year. Upon such mutual agreement this contract shall be modified in writing accordingly.

(c) mod. 12 (d) mod. 15

4. It is understood and agreed that the following items shall not be included in the cost of the work and shall not be reimbursed under the provisions of Section 1 of this Article and shall not be considered as proper for coverage under the provisions of Section 3 of this Article:

(a) Salaries of corporate officers, including the Executive Director.

(b) Expenses of regular meetings of the Contractor's Board of Directors, except the cost of local transportation at Oak Ridge, Tennessee (including transportation to and from transportation terminals in the vicinity of Oak Ridge), which shall be considered proper for reimbursement under the provisions of Section 1 of this Article.

(c) mod. 8

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ARTICLE IV - REVENUE

1. The Contractor shall, to the extent of its ability, take all cash and trade discounts, rebates, allowances, credits, salvage, commissions and bonifications.

2. All revenue received by the Contractor in the performance of this contract, including registration, tuition, laboratory and other fees, or from rebates, discounts and refunds will be accounted for by the Contractor and applied in reduction of the cost of the work hereunder. Revenue received by subcontractors in the performance of work hereunder may be retained by such subcontractors unless the terms of the subcontract requires that the subcontractor pay over or account to the Contractor for such revenue.

3. In the event that the net receipts, after payment of admission taxes, from the operation of the museum during the period ending June 30, 1949, shall be less than $4,100.00, the Contractor shall be responsible for the amount of such deficiency and the amount of the deficiency shall be deducted from payments thereafter due to the Contractor under this contract, or shall otherwise be paid to the Government as the Commission may direct.

ARTICLE V - PAYMENTS

1. Reimbursement for Cost. The Government will reimburse the Contractor for expenditures, in accordance with Article III, upon submission by the Contractor of properly certified vouchers, supported by such statements and/or data relating to said expenditures as the Commission shall require; except to the extent that the Contractor and the Commission may otherwise mutually agree in writing from time to time, reimbursement will be made monthly.

2. Payment of the Allowance. The allowance set out in Section 3 of Article III shall be paid by the Government as it accrues in monthly installments. Any portion of the Contractor's allowance which shall have accrued and shall not have been paid prior to date of execution of this contract, shall be paid to the Contractor as soon as practicable thereafter.

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ARTICLE VI - RESPONSIBILITY OF CONTRACTOR-CONTINGENCIES

In view of the fact that the Contractor is undertaking performance of the work hereunder without fee, it is agreed that all work under this contract is to be performed at the expense of the Government, and that the Contractor shall not be liable for, and the Government shall indemnify the Contractor against any delay, failure, loss, expense (including expense of litigation and attorney fees) or damage (including personal injuries and deaths of persons and damage to property of any kind whether due to negligence or to any cause whatsoever), arising out of the performance of the work, unless such delay, failure, loss expense or damage is caused by wilful misconduct or bad faith on the part of any corporate officer of the Contractor or on the part of the Contractor's representative responsible for direction of the whole of the work hereunder. The Government shall assume and carry on, at its own expense, or may authorize the Contractor to carry on, at Government expense, the defense of all claims, suits or legal proceedings which may be asserted or instituted against the Contractor, its directors or officers, on account of any acts or omissions, whether claimed to have arisen from negligence or otherwise, in the performance of this contract; and the Government shall pay directly and discharge completely all final judgments, including assessed costs, entered against the Contractor, its directors or officers, in such litigation and all claims which may be settled by agreement approved by the Commission; provided, however, that the provisions of this sentence shall not apply to: (1) claims, suits or legal proceedings arising from risks against which the Contractor, its directors or officers, shall be insured or would have been insured but for the failure of the Contractor to comply with any lawful direction of the Commission within a reasonable time after receipt; or (2) claims, suits or legal proceedings which arise from acts or omissions which involve wilful misconduct or lack of good faith on the part of the Contractor or of the director or officer against whom the claim, suit or legal proceeding is instituted.

ARTICLE VII - CHANGES

The Commission may at any time by written order issue additional instructions or require additional work or services to be performed hereunder by the Contractor, or direct the omission of work or services covered by this contract. No such changes causing a material increase or decrease in the amount or character of the work or services to be performed under this contract will be directed by the Commission until this contract is modified accordingly by mutual agreement of the parties hereto.

ARTICLE VIII - RECORDS AND ACCOUNTS

Mod. 14

1. The Contractor agrees to keep records and books of account, showing the actual collections and disbursements made in accordance with the provisions of the contract and actual cost to it of all items of labor, materials, equipment, supplies, services, and other expenditures of what-

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ever nature for which reimbursement is authorized under the provisions of this contract. The system of accounting and internal auditing to be employed by the Contractor shall be such as is satisfactory to the Commission and in accordance with generally accepted accounting principles and practices. If the Commission at any time shall establish a uniform system of accounting for the control of the operations of its contractors and shall request the contractor to adopt such uniform system, the Contractor agrees to take whatever action is necessary to bring its system of accounting into conformity with the Commission's uniform accounting system. The Contractor shall preserve at the Government's expense all of its records relating to the negotiation, award, performance, payment, interim financing, cancellation or other termination of this contract until five years after the final settlement of this contract.

2. There shall not be deemed included in the last sentence of 1. above documents and other data evidencing expenditures by the Contractor which are reimbursable under this contract. All original documents, records and books of account and other data evidencing all expenditures by the Contractor reimbursable under this contract and all documents or other data pertaining to revenue or receipts by the Contractor shall become the property of the Government upon receipt or preparation thereof by the Contractor. Said documents, records and books of account and other data (including, without being restricted to, payrolls for labor, bills, travel accounts, and petty cash receipts) shall be kept by the Contractor and shall remain in its custody until (i) requested by the Commission at any time or times, or in any event, (ii) the expiration or termination of this contract; in the event of (i), the Contractor shall promptly deliver to the Commission such of said documents and other data as are requested, and, upon (ii), the Contractor shall promptly deliver to the Commission all of the documents and other data not previously delivered pursuant to (i).

3. Any duly authorized representative of the Commission shall at any reasonable time be accorded the privilege of examining the books, records, and papers of the Contractor relating to the cost of the work for the purpose of checking and verifying such cost.

ARTICLE IX - GOVERNMENT-OWNED PROPERTY

1. Title to the Work. Title to all materials, tools, machinery, equipment and supplies acquired or manufactured by the Contractor under this contract and for which it is entitled to reimbursement under Article III shall pass directly from the vendor to the Government at the point of delivery thereof, or at such other point or points as the Commission may designate in writing; provided that the right of final inspection and acceptance or rejection of such materials, tools, machinery, equipment and supplies at such place or places as it may designate in writing is reserved to the Commission.

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2. Records. The Contractor shall maintain at all times, in a manner satisfactory to the Commission, records showing the receipt, disposition and/or use of all equipment, materials and supplies purchased for the work for which it has been reimbursed by the Government, or which has been furnished by the Government.

3. Reservation by Government. The Government reserves the right to furnish any buildings, materials, supplies, equipment or services, including communications, reproduction and automotive services, necessary in the performance of the work under this contract. Title to all such property furnished by the Government for use hereunder shall remain in the Government. Upon completion of this contract or upon demand, the Contractor shall return at the expense of the Commission all such unexpended property to the place designated by the Commission.

4. Markings. The Contractor shall cause all non-expendable equipment, machinery and tools to which title is vested in the Government to be suitably marked with an identifying mark or symbol indicating that such items are the property of the United States, and shall maintain at all times appropriate records showing the disposition and/or use of all such non-expendable equipment, machinery and tools.

5. Disposition of Government Property. It is recognized that property title to which is or may hereafter become vested in the Government will be used by or will be in the care, custody or possession of the Contractor in connection with the performance of this contract. With the prior approval in writing of the Commission, the Contractor may transfer or otherwise dispose of such Government-owned property to such parties and upon such terms and conditions as the Commission may approve or ratify, or, with like approval by the Commission, the Contractor may itself acquire title to such property or any of it at a price mutually agreeable. The proceeds of any such transfer or disposition or the agreed price of any property, title to which is so acquired by the Contractor, shall be applied in reduction of any payments to be made by the Government to the Contractor under this contract, or shall otherwise be paid in such manner as the Commission may direct.

6. Liability for Government-owned Property (a) Except as otherwise specifically provided, the Contractor shall not be liable for loss or destruction of or damage to property of the Government in the possession or control of the Contractor in connection with this contract (hereinafter called "Government property") unless such loss, destruction or damage results from wilful misconduct or failure to exercise good faith on the part of the Contractor's corporate officers or the Contractor's Executive Director or Director of any program administered by the Contractor in the performance of this contract.

ARTICLE X - SPECIAL REQUIREMENTS

The Contractor hereby agrees that: Mod. 14

1116443

1. (a) It will procure and thereafter maintain such bonds and insurance in such forms and in such amounts and for such periods of time as the Commission may approve or require in writing and shall be reimbursed for the cost thereof;

(b) In every instance where this contract requires the United States to pay the premium on a bond or insurance policy, the bond or insurance policy shall contain an endorsement or other recital excluding by appropriate language any claim on the part of the insurer or obligor to be subrogated, on payment of a loss or otherwise, to any claim against the United States;

(c) The Contractor shall give the Commission immediate notice in writing of any suit or action filed against the Contractor arising out of the performance of this contract and of any claim against the Contractor the cost and expense of which are reimbursable under the provisions of Article III hereof, and the risk of which is then uninsured or in which the amount claimed exceeds the amount of insurance coverage. The Contractor shall furnish immediately to the Commission copies of all pertinent papers received by the Contractor. Insofar as the following shall not conflict with any policy or contract of insurance, and upon request of the Commission, the Contractor shall do any and all things to effect an assignment and subrogation in favor of the Government of all Contractor's rights and claims except against the Government, arising from or growing out of such asserted claims, and, if required by the Commission, shall authorize representatives of the Government to settle and/or defend any such claim and to represent or take charge of any such litigation affecting the Contractor.

2. It will procure all necessary permits and licenses; obey and abide by applicable laws, ordinances, and rules and regulations thereunder which have the effect of the law of the United States of America, of the state, territory, or sub-division thereof wherein the work is done, or of any other duly constituted public authority, to the extent applicable to the Contractor's operations hereunder.

3. The Contractor shall, at all reasonable times during the progress of the work, keep at the site thereof a duly appointed and qualified representative who shall receive and execute on the part of the Contractor such notices and instructions as the Commission may give under the terms of this contract.

4. The Contractor shall make every reasonable effort in the selection of its employees and in the prosecution of the work under this contract, to safeguard drawings and reports furnished to the Contractor and drawings and specifications in its possession pertaining to this contract and to prevent the theft or unauthorized use of the same.

5. The Commission may require the Contractor to dismiss such employee or employees of the Contractor whose continued employment is deemed inimical to the public interest by the Commission. The Contractor shall make

1116444

every reasonable effort in the selection of its employees to secure persons who are competent, careful, honest, and loyal to the United States of America.

6. Drawings and Specifications. (a) All drawings, designs and specifications and all technical, scientific and medical records, reports, educational material, data and memoranda of every description and relating to the work or any part thereof are to become the property of the Government on completion thereof, and the Government shall have the full right to use said drawings, designs, specifications, records, data and memoranda in any manner when and where the Government may designate without any claim on the part of the Contractor.

(b) Subject to the provisions of paragraph 6(a) above, all drawings, designs, specifications and all technical, scientific and medical records, reports, educational material, data and memoranda of every description concerning the project shall be delivered to the Government upon completion or termination of this contract or at a prior date if requested by the Commission; and, furthermore, access to such items as may contain information classified as affecting the security of the United States shall be restricted to trusted and duly authorized representatives of the Commission and the Contractor, except as otherwise specifically authorized by the Commission.

ARTICLE XI - REPORTS

1. At such time as the Commission may request, the Contractor will submit to the Commission a proposed program and budget for the succeeding fiscal year and will supply such further information as the Commission may request. Prior to the end of each fiscal year, the parties will thereupon negotiate for the purpose of determining by mutual agreement a detailed program of the work to be performed by the Contractor hereunder during the succeeding fiscal year.

2. The Contractor will furnish to the Government such reports as the Commission may deem necessary or desirable and may request from time to time.

ARTICLE XII - ASSIGNMENT OF CLAIMS

Neither this contract, nor any interest therein, or claim thereunder, shall be assigned or transferred by the Contractor to any other party or parties.

ARTICLE XIII - COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give

1116445

the Government the right to annul the contract, or in its discretion, to deduct from payments due the Contractor the amount of such commission, percentage, brokerage or contingent fee. This warranty shall not apply to commissions payable by contractors upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

ARTICLE XIV - OFFICIALS NOT TO BENEFIT

No member of or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE XV - INVENTIONS, PATENTS AND PROCESSES

1. It is understood and agreed that whenever any discovery or invention is made or conceived by the Contractor or its employees in the course of the work called for in this contract, the Contractor shall furnish the Commission complete information thereon, and the Commission shall have the sole power to determine whether or not and where a patent application shall be filed, and to determine the disposition of the title to and the rights under any application or patent that may result. It is further understood and agreed that the judgment of the Commission on such matters shall be accepted as final, and the Contractor, for itself and for its employees agrees that the inventor or inventors will execute all documents and do all things necessary or proper to carry out the judgment of the Commission.

2. Without waiving any rights of the Government under the foregoing provisions, it is agreed that all provisions of the Atomic Energy Act of 1946 relating to patents and inventions are hereby incorporated by reference. No claim for pecuniary award under the provisions of that Act shall be asserted by the Contractor or its employees or by any subcontractor or its employees with respect to any invention or discovery heretofore or hereafter made in the course of the work called for in this contract.

3. The Contractor shall insert appropriate provisions to effectuate the purposes of Sections 1 and 2 of this Article in contracts with its employees and subcontractors.

ARTICLE XVI - TERMINATION

1. The performance of work under this contract may be terminated in whole, or from time to time in part (a) whenever the Contractor shall default in performance of this contract in accordance with its terms, and shall fail to cure such default within ten days (or such longer period as the Commission may allow) after receipt of notice from the Commission specifying the default, or (b) whenever the Commission shall determine that

1116446

any such termination is in the best interest of the Government. Termination by the Government under this section shall be effected by delivery to the Contractor of a Notice of Termination specifying the termination date upon which such termination shall become effective.

2. After receipt of a Notice of Termination and except as otherwise directed by the Commission, the Contractor shall:

(a) Discontinue work under this contract on the date fixed for termination in the Notice of Termination, except as to outstanding commitments to students, which commitments will be disposed of by mutual agreement of the parties.

(b) Place no further orders or subcontracts for materials, services or facilities except as may be necessary for completion of the work until the date fixed for termination in the Notice of Termination.

(c) Cancel (or if so directed by the Commission, transfer to the Government), as of the date fixed for termination or such earlier date as the Commission may direct, all orders, subcontracts and agreements relating to the work, and assign to the Government in the manner and to the extent directed by the Commission, all of the right, title and interest of the Contractor under the orders, subcontracts and agreements so canceled or transferred.

(d) Settle and pay, to the extent directed or authorized by the Commission, claims, commitments, liabilities and obligations arising out of or in connection with the performance or termination of the work or of any subcontract, order or agreement pursuant thereto.

(e) Transfer and deliver to the Government, in the manner, to the extent and at the times directed by the Commission the completed and uncompleted work, supplies, material and other property produced as a part of or acquired in the performance of the work.

(f) Take such other action (whether before or after the termination date) as the Contractor may deem necessary or as the Commission may direct for the protection and preservation of property which is in the possession of the Contractor and in which the Government has or may acquire an interest.

3. The Contractor and the Commission may agree upon the whole or any part of the amount or amounts payable to the Contractor under this contract upon the total or partial termination of this contract pursuant to this Article for reasons other than the default of the Contractor and the Government shall pay to the Contractor such agreed amounts.

4. In the event of the failure of the Contractor and the Commission to agree as provided in section 3 upon the whole amount to be paid to

1116447

the Contractor upon the termination of this contract, for reasons other than the default of the Contractor, the Government shall, but without duplication of any payments agreed upon in accordance with section 3.

(a) Reimburse the Contractor for all costs and expenses reimbursable under this contract, not previously paid to the Contractor, incurred prior to the date fixed for termination in the Notice of Termination and such further costs and expenses as may be incurred thereafter with the written approval of or as directed by the Commission.

(b) Reimburse the Contractor for the cost (so far as not included in payments under paragraph (a) above) of settling and paying claims, commitments, liabilities or obligations arising out of or in connection with the performance or termination of this contract or of any subcontract, order or agreement pursuant hereto.

(c) Reimburse the Contractor for any other costs incidental to the termination of this contract, or incurred at the direction or with the approval of the Commission in connection with such termination, including but not limited to accounting, clerical, legal and other costs and expenses.

(d) Assume and become liable for all unpaid obligations, commitments and claims in connection with the contract which the Contractor may have theretofore undertaken or incurred, or for which the Contractor may be or become liable, the cost of which would be reimbursable under the provisions of this contract; and the Contractor shall, as a condition of receiving payments under this Article, execute and deliver all such papers and take all such steps as the Commission may require for the purpose of vesting fully in the Government the rights and benefits of the Contractor in respect to such obligations, commitments or claims.

5. The Contractor's allowance shall be computed and paid to and including the date fixed for the total termination of this contract in the Notice of Termination. In the event of partial termination, the Contractor's allowance shall be adjusted by mutual agreement between the parties.

6. The Government may withhold from the payments required by this Article, or by Article III of this contract, the amount of any unsettled claims in connection with this contract which the Government may have against the Contractor.

7. Prior to final payment and as a condition thereof the Contractor shall furnish to the Government a release of all claims against the Government arising under and by virtue of this contract other than such claims, if any, as are expressly excepted by the Contractor from the operations of the release.

1116448

ARTICLE XVII - CONVICT LABOR

The Contractor shall not employ any person undergoing sentence of imprisonment at hard labor. This provision shall not be construed to prevent the Contractor or any subcontractor hereunder from obtaining any of the supplies, or any component parts or ingredients thereof, to be furnished under this contract or any of the materials or supplies to be used in connection with the performance of this contract, directly or indirectly, from any Federal, State or territorial prison or prison industry, provided, that such articles, materials or supplies are not produced pursuant to any contract or other arrangements under which prison labor is hired by or employed or used by any private person, firm or corporation.

ARTICLE XVIII - SAFETY AND ACCIDENT PREVENTION

The Contractor agrees to conform to all health and safety regulations and requirements of the Commission. The Contractor shall take all reasonable steps and precautions to protect health and minimize danger from all hazards to life and property, and shall make all reports and permit all inspections as provided in such regulations or requirements.

ARTICLE XIX - DISPUTES

Except as otherwise specifically provided in this contract, all disputes which may arise under this contract, and which are not disposed of by mutual agreement, shall be decided by a representative of the Commission duly authorized to supervise and administer performance of the work under this contract, who shall reduce his decision to writing and mail a copy thereof to the Contractor. Within thirty (30) days from receipt of such notice the Contractor may appeal in writing to the Commission, whose written decision thereon, or that of its designated representative or representatives (other than the representative referred to in the preceding sentence) or board, shall be final and conclusive. Pending decision of any dispute, the Contractor shall diligently proceed with the performance of the work under this contract.

ARTICLE XX - DISCLOSURE OF INFORMATION

1. It is understood that disclosure of secret, confidential or restricted information contained in this contract, or relating to the work contracted for hereunder, to any person not entitled to receive it, or failure to safeguard all secret, confidential and restricted matter that may come to the Contractor or any person under its control in connection with the work under this contract, may subject the Contractor, its agents, employees and subcontractors, to criminal liability under the laws of the United States. See Title 1 of an Act approved June 15, 1917 (40 Stat. 217; 50 U.S.C. 31-42), as amended by an Act approved March 28, 1940 (54 Stat. 79); and the provisions of an Act approved January 12, 1938 (52 Stat. 3; 50 U.S.C. 45-45d),

1116449

as supplemented by Executive Order No. 8381, dated March 22, 1940 (5 F.R. 1147), and the Atomic Energy Act of 1946.

2. The Contractor agrees to conform to all security regulations and requirements of the Atomic Energy Commission. Except as the Commission may authorize in accordance with the Atomic Energy Act of 1946, the Contractor agrees not to permit any individual to have access to restricted data until the Federal Bureau of Investigation shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual and the Commission shall have determined that permitting such person to have access to restricted data will not endanger the common defense or security. The term "restricted data" as used in this paragraph means all data concerning the manufacture or utilization of atomic weapons, the production of fissionable material, or the use of fissionable material in the production of power, but shall not include any data which the Commission from time to time determines may be published without adversely affecting the common defense and security.

3. Upon termination of this contract, the Contractor's responsibility for the security of any information or matter retained by the Contractor, which is of a classified nature, shall continue as long as such information or matter shall be retained.

4. The Contractor shall insert in all subcontracts under this contract provisions similar to the text of sections 1, 2 and 3 of this Article.

ARTICLE XXI - ANTI-DISCRIMINATION

1. The Contractor, in performing the work required by this contract, shall not discriminate against employee or applicant for employment because of race, creed, color, or national origin.

2. The Contractor agrees that the provisions of paragraph 1 above will also be inserted in all of its subcontracts. For the purpose of this Article, a subcontract is defined as any contract entered into by the Contractor with any individual, partnership, association, corporation, estate, or trust, or other business enterprise or other legal entity, for a specific part of the work to be performed in connection with the supplies or services furnished under this contract; provided, however, that a contract for the furnishing of standard or commercial articles or raw material shall not be considered as a subcontract.

ARTICLE XXII - APPROVAL OF AGREEMENTS

1. The Contractor shall not subcontract any part of the managerial, scientific, or educational parts of the work it is obligated to perform under this contract or enter into any contract or agreement for consultant services, fellowships, resident physicians, or research participants except as

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authorized or approved in writing by the Commission.

2. The Contractor will enter into no other subcontract, agreement or arrangement hereunder involving a reimbursable expenditure in excess of Two Thousand Dollars ($2,000) without the prior written approval of the Commission. Mod. 13 Mod. 16 Mod. 18

ARTICLE XXIII - INSPECTIONS

The Commission shall have the right to inspect in such manner and at such times as it deems appropriate all activities of the Contractor arising in the course of the work under this contract.

ARTICLE XXIV - LABOR RELATIONS

1. Whenever an actual or potential labor dispute is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately notify the Commission. Such notice shall include all relevant information with respect to such dispute.

2. All contracts or agreements entered into with an organization of the Contractor's employees shall be submitted in advance of the execution thereof to the Commission for approval of such portions thereof as affect security, continuity of work, and expenditures or commitments reimbursable under this contract.

ARTICLE XXV - ADVANCES OF GOVERNMENT FUNDS

1. It is the intent of the parties that, except to the extent that the Contractor and the Commission may otherwise mutually agree in writing at any time or times, the Contractor shall not utilize its own funds in making expenditures reimbursable under this contract. Accordingly, the Government shall advance to the Contractor, from time to time (generally monthly, but in any event at such times, more or less frequently than once each month, as in the opinion of the Commission the Contractor's need therefor develops), such Government funds (hereinafter referred to as "advances") as the parties mutually agree upon as adequate to enable the Contractor to continue to make reimbursable expenditures under this contract in furtherance of its performance thereof; any failure so to agree shall be deemed to be within the purview, and shall be resolved in accordance with the provisions, of Article XIX. It is understood that such advances are not loans to the Contractor and will not require interest payments by the Contractor, and that the Contractor will acquire no right, title or interest in or to such advances other than the right to make expenditures therefrom for the purposes authorized in, and within the intent of, this contract.

2. Until all such advances are liquidated, all funds received as reimbursement and all revenues received in the performance of the work shall,

1116451

together with all such advances, be deposited in a special bank account or accounts (hereinafter referred to as "special accounts") at a member bank or banks of the Federal Reserve System or any "insured" bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (Act of August 23, 1935, 49 Stat. 684) as amended (12 U.S.C. 264), separate from the Contractor's general or other funds; special accounts shall be so designated as to indicate clearly to the bank their special character and purpose; the balances in special accounts shall be used by the Contractor exclusively for the purpose of making reimbursable expenditures under this contract (including such amounts, considered reasonable by the Commission, as are expended by the Contractor in furtherance of the provisions of this Article).

3. In the event either party is of the opinion, at any time or times, and notifies the other party in writing, that the then balance of such advances is in excess of the Contractor's need, the amount of alleged excess shall be promptly returned or credited to the Government in such manner as the Commission directs; however, if such opinion is not concurred in by the other party, the matter shall be deemed to be within the purview, and shall be resolved in accordance with the provisions, of Article XIX, and such portion of the amount of alleged excess as is involved in the dispute shall not be so returned or credited pending the outcome of the dispute.

4. All funds advanced and all funds deposited in special accounts shall remain the property of the Government until expended or returned. The Government's title to such funds shall be superior to any claim or lien of the bank or any other party upon special accounts irrespective of the basis of such latter lien, provided, however, that the bank shall be under no liability to any party hereto for the withdrawal of any funds from special accounts through checks properly indorsed and signed by the Contractor, except that after the receipt by the bank of written directions from the Commission the bank shall act thereon and be under no liability to any party hereto for any action taken in accordance with such written directions. Any written directions received by the bank in due course, upon United States Atomic Energy Commission stationery, and purportedly signed by or at the direction of said Commission, shall, insofar as the rights, duties and liabilities of the bank are concerned, be conclusively deemed to have been properly issued and filed with the bank by said Commission.

5. If, upon expiration of this contract, or upon its termination for other than the fault of the Contractor, such advances have not been fully liquidated, the unliquidated balance thereof shall be deducted from any payments otherwise due the Contractor, and if the sum or sums due the Contractor are insufficient to cover such balance, the excess shall be returned by the Contractor forthwith after demand and final audit by the Government of all accounts hereunder; provided, however, that in the event of such termination of the contract for other than the fault of the Contractor, such deduction shall not be made prior to final audit unless (and only to the extent that) the Commission determines that such action is reasonably required in order

1116452

to secure the return to the Government of such unliquidated amounts of the advance monies. In the event of termination of this contract because of the fault of the Contractor, the Contractor shall return to the Government, upon demand, without set-off of any sums alleged to be due the Contractor, the unliquidated balance of such advances.

6. The Contractor shall at all reasonable times afford the Commission proper facilities for the inspection and audit of special accounts, and the Contractor's papers and data relevant thereto, and the Commission shall have the right (to the extent of the Contractor's rights), during business hours, to inspect and make copies of any entries in the books and records, of the pertinent bank or banks, pertaining to special accounts.

7. Subject to the prior written approval of the Commission, the Contractor may make advances of Government funds out of special accounts to subcontractors and materialmen, upon such terms and conditions as the Commission approves in writing.

ARTICLE XXVI - DEFINITIONS

1. The term "Commission", wherever appearing herein, shall mean the United States Atomic Energy Commission or its duly authorized representative or representatives.

2. The term "Fiscal Year", wherever appearing herein, shall mean the period commencing on July 1 of any calendar year and ending on June 30 of the succeeding calendar year.

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement effective as of the 12th day of December, 1949.

THE UNITED STATES OF AMERICA

BY: U. S. ATOMIC ENERGY COMMISSION

BY: R. W. Cook

R. W. Cook, Manager, Oak Ridge Operations

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Paul M. Gross

TITLE: President

WITNESSES:

_____

_____
(Address)

_____

_____
(Address)

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Certification

I, William G. Pollard, do hereby certify that I am the duly qualified Secretary of the corporation named herein as the Contractor; that Paul M. Gross who signed this supplemental agreement on behalf of the Contractor was then President of said corporation; that said supplemental agreement was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

IN WITNESS WHEREOF, I have hereunto affixed my hand and the seal of the corporation this 14th day of December, 1949.

William G. Pollard

TITLE: Executive Director

SEAL

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TYPED
PREPARED
APPROVED

Contract No. AT-40-1-GEN-33
Modification No. 8

RETURN TO
CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this first day of January, 1950, by and between THE UNITED STATES OF AMERICA, represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor");

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a Contract No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational programs in the nuclear and related sciences; and said Contract has been modified heretofore by Modifications 1 to 7 inclusive; and

WHEREAS, the parties hereto desire to further modify the Contract to provide for the granting by the Contractor of fellowships to graduate students for thesis research in the Commission's facilities; and

WHEREAS, this Supplemental Agreement is authorized by and executed pursuant to the Atomic Energy Act of 1946;

NOW, THEREFOR, the parties hereto do mutually agree that said Contract No. AT-40-1-GEN-33 shall be and the same is hereby further modified as follows:

1. Section (C) of Article I is deleted and the following substituted therefor:

"(C) Arrange for and administer programs, through fellowships or otherwise, subject to the approval of the Commission, under which selected graduate students from qualified educational institutions may carry out thesis research for the degree of Doctor of Philosophy or other graduate credits by participation in the research programs in the Commission's facilities at Oak Ridge."

2. Add the following sub-section (c) to Section 4 of Article III:

"(c) Ten percent (10%) of the amount of the stipend or compensation (including travel and subsistence allowances, if any) paid by the Contractor under any fellowship established with the approval of the Commission in accordance with the provisions of Sections (C) and (D)

1116455

of Article I; it being understood and agreed that the remaining ninety percent (90%) of such amounts, and one hundred percent (100%) of all other costs and expenses incurred by the Contractor in connection with such fellowship programs (except those which are considered as proper for coverage under the provisions of Section 3 of this Article or are expressly excluded by other provisions of this contract) shall be considered proper for reimbursement under the provisions of Sections 1 and 2 of this Article."

3. Add the following new Section 5 to Article III:

"5. It is understood and agreed that the Contractor will not confer any fellowship under the provisions of this contract upon any person who advocates or is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or if the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations and loyalty of such person, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States. Upon request of the Contractor, the Commission shall arrange for investigation by the Federal Bureau of Investigation of any person upon whom the Contractor has decided to confer a fellowship; and the Commission shall transmit to the Contractor, upon report by the Federal Bureau of Investigation, the Commission's findings based thereon. A "Q Clearance" granted to such person shall be deemed to express the Commission's finding that reasonable grounds do not exist for belief that such person is disloyal to the Government of the United States."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement on the day and year first above written.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: R. Tousen Burch

TITLE: Assistant to the Manager

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Paul M. Gross

TITLE: President

WITNESSES:

William G. Pollard

Oak Ridge, Tenn.
(Address)

J. W. Beams

Charlottesville Virginia
(Address)

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Contract No. AT-40-1-GEN-33
Modification No. 9

TYPED
PREPARED
APPROVED

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 10th day of April, 1950, effective as of the 1st day of January, 1950, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor");

RETURN TO CONTRACT SECTION

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a Contract No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational programs in the nuclear and related sciences; and said Contract has been modified heretofore by Modifications 1 to 8 inclusive; and

WHEREAS, the Commission has requested the Contractor to undertake the administration of certain fellowship programs designed to encourage maximum scientific progress in the fields of nuclear and related sciences and to promote the acquisition of an expanding fund of theoretical and practical knowledge in such fields; and

WHEREAS, this Supplemental Agreement is authorized by and executed pursuant to the Atomic Energy Act of 1946;

NOW, THEREFORE, the parties hereto mutually agree that said Contract No. AT-40-1-GEN-33 is hereby further modified in the following particulars only:

1. Add the following new Sections J and K to ARTICLE I, captioned "DESCRIPTION OF WORK":

"J. Participate in the Commission's nation-wide program of pre-doctoral fellowships for research in the fields of the biological and physical sciences related to nuclear energy; arrange for, award and administer such fellowships to the extent authorized by the Commission in writing from time to time and subject to the standards and limits established by the Commission governing method of selection; number of awards; amount of stipend, travel allowances and tuition; fields of research; duration of fellowship and geographical area of participation.

K. Arrange for, award and administer a program for the conferring of fellowships for graduate study in radiological physics, in participation with the Commission's laboratories and selected universities, as authorized by the Commission in

1116457

writing from time to time and subject to the standards and limits established by the Commission governing method of selection of fellows; number of awards; amount of stipend travel allowances and tuition; and duration of fellowship."

2. Delete the last sentence of Section 5 of ARTICLE III, captioned "COST OF THE WORK", and substitute the following:

"A "Q Clearance" or "Fellowship Approval" granted to such person by the Commission shall be deemed to express the Commission's finding that reasonable grounds do not exist for belief that such person is disloyal to the Government of the United States."

IN WITNESS WHEREOF, the parties hereto have signed this Supplemental Agreement on the day and year first above written.

THE UNITED STATES OF AMERICA

BY: U. S. ATOMIC ENERGY COMMISSION

BY: C. Vanden Bulck
C. Vanden Bulck

TITLE: Assistant to the Manager, ORO

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Paul M. Grott

TITLE: President

WITNESSES:

J. W. Beams
University of Virginia
(Address)

William J. Pollard
Oak Ridge
(Address)

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Contract No. AT-40-1-GEN-33
Modification No. 10

TYPED
PREPARED
APPROVED

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 27th day of April, 1950, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee,

TO CONTRACT SECTION

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a contract, No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences, and said contract has been modified heretofore by Modifications No. 1 through 9; and

WHEREAS, the Government desires to decrease the amount of funds obligated by the Government for the Contractor's operations under said contract during the period ending June 30, 1950; and

WHEREAS, this Supplemental Agreement is authorized by, and executed pursuant to, the Atomic Energy Act of 1946;

NOW, THEREFORE, the parties hereto mutually agree that said Contract No. AT-40-1-GEN-33, as heretofore modified, is hereby modified further in the following particulars only:

Delete the amount "One Million, Four Hundred Five Thousand Four Hundred Dollars ($1,405,400.00)" which appears in the second sentence of Section 2 of Article II, as modified by Modification No. 7, and substitute therefor the amount "One Million, Four Hundred One Thousand Four Hundred Dollars ($1,401,400.00)".

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

THE UNITED STATES OF AMERICA

BY: U. S. ATOMIC ENERGY COMMISSION

BY: S

S. R. Sapirie
Deputy Manager
(Title)

WITNESSES:

s/ Mrs. Susie P. Vickers

[redacted] Durham, N.C.
(Address)

(Address)

OAK RIDGE INSTITUTE OF NUCLEAR ST...

BY: s/ Paul M. Gross

President
(Title)

CERTIFIED A TRUE COPY
BY Sarah Nicholson

1116459

Contract No. AT-40-1-gen-33
Modification No. 11

TYPED
PREPARED
ATTACHED
RETURN TO
CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 16th day of June 1950, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee,

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a contract, No. AT-40-1-gen-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences, and said contract has been modified heretofore by Modifications No. 1 through 10; and

WHEREAS, the Government desires to decrease the amount of funds obligated by the Government for the Contractor's operations under said contract during the period ending June 30, 1950; and

WHEREAS, this Supplemental Agreement is authorized by, and executed pursuant to the Atomic Energy Act of 1946;

NOW, THEREFORE, the parties hereto mutually agree that said Contract No. AT-40-1-gen-33, as heretofore modified, is hereby modified further in the following particulars only:

Delete the amount "One Million, Four Hundred One Thousand Four Hundred Dollars ($1,401,400.00)" which appears in the second sentence of Section 2 of Article II, as modified by Modification No. 7, and substitute therefor the amount "One Million, Three Hundred Seventy-eight Thousand Eight Hundred Dollars ($1,378,800.00)".

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

THE UNITED STATES OF AMERICA

BY: U. S. ATOMIC ENERGY COMMISSION

BY: s/ C. Vanden Bulck
Acting Deputy Manager

WITNESSES:

s/ William G. Pollard

Oak Ridge
(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: s/ Paul M. Gross

TITLE: President

CERTIFIED A TRUE COPY
BY

1116460

TYPED
PREPARED
APPROVED

Contract No. AT-40-1-GEN-33
Modification No. 12

RETURN TO CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 26th day of June, 1950, effective as of the 1st day of July 1950, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee,

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into a contract No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences, and said contract has been modified heretofore by Modifications 1 through 11; and

WHEREAS, this Supplemental Agreement is authorized by, and executed under, the Atomic Energy Act of 1946;

NOW, THEREFORE, the parties hereto agree that said Contract No. AT-40-1-GEN-33, as heretofore modified, is hereby modified further, but only in the following particulars:

1. Delete the second sentence of Paragraph 2 of Article II, captioned "TERM AND ESTIMATE OF COST", as modified by Modification No. 7, and substitute the following sentence:

"Reimbursable expenditures, including the allowance, during the period commencing March 18, 1947, and ending June 30, 1951, shall not exceed TWO MILLION FOUR HUNDRED SEVEN THOUSAND EIGHT HUNDRED DOLLARS ($2,407,800.00)."

2. Add the following sub-section (c) to Section 3 of Article III, captioned "COST OF THE WORK: CONTRACTOR'S ALLOWANCE", as modified by Modification No. 7:

"(c) Four Hundred Dollars ($400.00) per month for the period commencing on July 1, 1950, and ending June 30, 1951."

3. In the second line of sub-section (b) (iii) of Section 3 of Article III, captioned "COST OF THE WORK: CONTRACTOR'S ALLOWANCE", as modified by Modification No. 7, delete the words "list which is on file" and substitute therefor the words "lists which are on file".

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement effective as of the 1st day of July, 1950.

THE UNITED STATES OF AMERICA

BY: U. S. ATOMIC ENERGY COMMISSION

BY: C. Vanden Bulck
C. Vanden Bulck
Acting Deputy Manager, ORO
(Title)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Paul M. Gross
President
(Title)

WITNESSES:

William G. Pollard
Oak Ridge
(Address)

Harold W. Stake
Baton Rouge, La.
(Address)

Items for Inclusion in Allowance under Article III, Section 3, of Contract No. AT-40-1-GEN-33 with the Oak Ridge Institute of Nuclear Studies

The following represents the list of items considered in the establishment of the allowance of $400.00 per month for the period July 1, 1950 to June 30, 1951.

1. Salaries, supplies and materials in the office of the President of the Corporation.

2. Retirement premiums, group insurance premiums, and payroll taxes on the salary of the Executive Director.

3. Travel, communications, and other expenses in connection with special meetings of the Board of Directors.

4. Expenses in connection with tours, meetings, symposia associated with technical and professional society meetings.

5. Printing and publication of corporate membership reports and announcements.

6. Professional services (legal and audit).

7. Additional liability insurance on employees' personal automobiles used in connection with the work.

8. Employees fidelity bonds.

9. Safety deposit box rentals.

10. Charitable contributions.

11. Institutional membership fees.

UNITED STATES ATOMIC ENERGY COMMISSION

BY: C. Vanden Bulck

C. Vanden Bulck
Acting Deputy Manager, ORO

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: William G. Pollard

TITLE: Executive Director

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TYPED
PREPARED
APPROVED

Contract No. AT-40-1-GEN-33
Modification No. 13

SUPPLEMENTAL AGREEMENT

DETERMINED
CONTRACT SECTION

THIS SUPPLEMENTAL AGREEMENT, entered into this 20th day of March 1951, effective as of the 1st day of January 1951, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee.

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of the 18th day of March 1948, for the conduct of certain educational and training programs in the field of nuclear and related sciences, which contract has been modified heretofore by Modifications 1 through 12; and

WHEREAS, the Commission desires to provide for an expansion of the fellowship programs which are administered by the Contractor under said contract; and

WHEREAS, this Supplemental Agreement is authorized by, and are outside the Atomic Energy Act of 1946, as amended;

NOW, THEREFORE, the parties hereto agree that said Contract No. AT-40-1-GEN-33, as heretofore modified, is hereby modified further, but in the following particulars only:

1. Section (J) of Article I is deleted and the following section is substituted therefor:

> "(J) Participate in the Commission's nation-wide program of fellowships for research in the fields of the physical, biological, medical and agricultural sciences related to nuclear energy; arrange for, award and administer such fellowships to the extent authorized by the Commission in writing from time to time and subject to the standards and limits established by the Commission governing method of selection, number of awards, amount of stipend, travel allowances and tuition, fields of research, duration of fellowship, and geographical area of participation."

2. Article XXII, Section 1, is amended by deleting from the fourth line thereof the words "fellowships, resident physicians, or research participants,"

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substituting therefor the words "(other than those under which no fee is to be paid to the consultant)".

3. Article XXII, Section 2 is amended by changing the period at the end of the section to a semi-colon, and adding the following proviso:

"provided, however, that such approval shall not be required for contracts or agreements for fellowships, resident physicians, research participants or consultant services under which no fee is to be paid to the consultant."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement effective as of the 14 day of January, 1951.

THE UNITED STATES OF AMERICA

BY: U. S. ATOMIC ENERGY COMMISSION

BY: C. Vanden Bulck

C. Vanden Bulck
Contracting Officer
(Title)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Paul M. Gross

President
(Title)

ATTEST: William G. Bolland

Secretary

WITNESSES:

(Address)

(Address)

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TYPED
PREPARED
APPROVED

RETURN TO
CONTRACT SECTION

Contract No. AT-40-1-Gen-33
Modification No. 14

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 31st day of May, 1951, effective as of May 24, 1948, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission") and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), a nonprofit educational corporation organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee,

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. AT-40-1-Gen-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences, and said contract has been modified heretofore by Modifications 1 - 13; and

WHEREAS, the parties hereto desire to modify said contract in order to add to the scope of the work and to substitute a new records and accounts and inspection article; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1946;

NOW, THEREFORE, the parties hereto do mutually agree that said contract is hereby modified in the following particulars, but in no others:

1. Add the following section L to ARTICLE I - DESCRIPTION OF THE WORK:

"L. The Contractor may render such services, including transfers of property, to other cost-type Contractors of the Commission at Oak Ridge, Tennessee, or elsewhere, as the Contractor is able to render without interfering substantially with the performance of its other responsibilities hereunder and as may be requested by the Commission or by such other cost-type Contractors who represent to the Contractor that such services are requested in connection with the performance of their contracts. Such services shall be rendered on mutually agreeable terms and conditions and the Contractor shall receive compensation therefor from such other cost-type Contractors to the extent that compensation is required by

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and in accordance with policies adopted from time to time by the Commission. The compensation received for performing such services shall be accounted for by the Contractor and shall be applied in reducing the cost of the work performed under this contract. In the performance of such services the Contractor is authorized to use materials and equipment in its custody under this contract. The Contractor shall be reimbursed for its costs incurred in the performance of any such services in accordance with the provisions of Article III; and such reimbursement shall constitute full compensation for the performance of such services. With the approval of the Commission, the Contractor may render the same services, including transfers of property, to lump-sum or unit price Commission Contractors under the terms and conditions herein stated."

2. Delete in its entirety ARTICLE VIII - RECORDS AND ACCOUNTS and substitute therefor the following:

"ARTICLE VIII - RECORDS AND ACCOUNTS

1. Records, Books of Account and Auditing.

(a) The Contractor agrees to keep records and books of account, showing the actual collections and disbursements made in accordance with the provisions of this contract and the actual cost to it of all items of labor, materials, equipment, supplies, services and other expenditures of whatever nature for which reimbursement is authorized under the provisions of this contract. The system of accounting and auditing to be employed by the Contractor shall be such as is satisfactory to the Commission. The Contractor may perform such additional accounting and auditing functions as it deems necessary in the proper administration of this contract, and shall be reimbursed the cost thereof.

(b) Disposition of Records.

All sketches, drawings, designs, plans, specifications, technical data, medical records, books of accounts, original supporting documents and other data evidencing costs allowable and revenues received under this contract, shall become the property of the Government upon receipt or preparation thereof by the Contractor, and shall be delivered to the Government or otherwise disposed of by the Contractor either as the Government may from time to time direct during the progress of the work or in any event as the Commission shall determine upon completion or termination of this contract and final audit of all costs hereunder. All other records in the possession of the Contractor relating to this contract shall be inventoried by the Contractor upon completion or final termination of the

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contract and shall be preserved by the Contractor for a period of five (5) years after final settlement of the contract, or otherwise disposed of from time to time during the progress of the work or upon completion or final termination of the contract in such manner as may be agreed upon in writing by the Commission and the Contractor. Upon expiration of five (5) years after final settlement of the contract, or at any time thereafter, the Contractor shall notify the Commission in writing, prior to destroying or otherwise disposing of any such records, of its intent to destroy or otherwise dispose of the records described in any such notice; whereupon the Commission may direct the Contractor to deliver all or any part of said records to the Government. The Contractor shall have access at all reasonable times to all records delivered to the Government as long as such records are in the custody of the Commission. The Government shall reimburse the Contractor for all costs (including costs of inventory, storage, servicing, packing, crating, shipping, microfilming or other reproduction as directed by the Government, and safekeeping in accordance with the Government's security requirements) incurred by the Contractor under the requirements of this Article; provided, however, that prior to final settlement of this contract, the Contractor and the Government after negotiation may agree upon a definite payment or payments to be made to the Contractor for such services in lieu of reimbursement for the actual cost thereof, and the amount or amounts so agreed upon shall be paid to the Contractor by separate voucher or vouchers.

3. In ARTICLE X - SPECIAL REQUIREMENTS delete paragraph 6 - Drawings and Specifications in its entirety.

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: C. Vanden Bulck

C. Vanden Bulck

TITLE: Contracting Officer

ATTEST:

William G. Bollard

Secretary

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Paul M. Gross

TITLE: President

WITNESSES:

Duke University, Durham, North Carolina

(Business Address)

(Address)

(Address)

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Contract No. AT-40-1-Gen-33
Modification No. 15

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this twenty-ninth day of June, 1951, effective as of the 1st day of July, 1951, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), a non-profit educational corporation organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee;

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. AT-40-1-Gen-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational and training programs in the field of nuclear and related sciences, and said Contract has been modified heretofore by Modifications 1 to 14, inclusive; and

WHEREAS, the parties hereto desire to extend the term of said Contract and to modify the Contract in other respects as hereinafter provided; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1946;

NOW, THEREFORE, the parties hereto do mutually agree that said Contract is hereby further modified in the following particulars, but in no others:

1. Delete the last sentence of Section (H) (3) of Article I - DESCRIPTION OF WORK (as amended by Modification No. 7) which reads as follows:

"The terms and conditions governing any arrangements made for traveling exhibits shall be subject to the prior written approval of the Commission."

2. Delete Article II - TERM AND ESTIMATE OF COST, and substitute the following:

"ARTICLE II - TERM: OBLIGATION OF FUNDS

"1. The term of this Contract will commence on March 18, 1947, and will end on June 30, 1952. As soon as practicable after January 1, 1952, the parties will enter

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into negotiations looking towards the extension of the term of this Contract for an additional period on mutually agreeable terms and conditions.

"2. The amount presently obligated by the Government with respect to this Contract is Five Million, Sixty Thousand, Six Hundred Eleven Dollars ($5,060,611.00).

"3. If the term of this Contract is extended beyond June 30, 1952, the parties hereto, prior to June 30, 1952, and prior to the 30th day of June of each year thereafter, and at such other times as may be mutually agreed upon shall prepare jointly a program and budget for the work to be performed by the Contractor during the fiscal year next following, and will thereupon prepare an estimate of the cost of all work previously performed by the Contractor (and to be performed by the Contractor through the balance of the then current fiscal year) and of all work to be performed by the Contractor during the fiscal year next following." Whenever mutually agreed upon in writing (whether or not by written modification of this Contract, and whether or not as a result of any estimate) the monetary obligation set forth in Paragraph 2 immediately preceding shall be deemed revised to accord with the amount so agreed upon in writing, and such revised amount shall constitute an obligation with respect to this Contract against such funds or obligational authority as the Commission may designate. The Commission may increase the contract obligation unilaterally by written notice to the Contractor.

"4. Notwithstanding any other provisions of this Contract, when and if the total reimbursable costs as provided in Article III (including overhead allowances earned by the Contractor and commitments actually incurred by the Contractor) for the work performed pursuant to this Contract shall equal the then current amount which has been obligated by the Commission with respect to this Contract, the Contractor shall be excused from further performance under this Contract and the Contractor shall not incur further costs and obligations hereunder unless and until the Commission shall increase the amount obligated with respect to this Contract. The Contractor will promptly advise the Commission when it is indicated that additional funds will be needed and shall estimate the amount of such additional funds and the time when they will be needed, together with a justification therefor."

3. Add the following subsection (d) to Section 3 of Article III - COST OF THE WORK: CONTRACTOR'S ALLOWANCE (as modified by Modification Nos. 7 and 12):

"(d) Five Hundred Dollars ($500.00) per month for the period commencing on July 1, 1951, and ending June 30, 1952."

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IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement effective as of July 1, 1951.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: C. Vanden Bulck

C. Vanden Bulck, Assistant Manager, ORO

TITLE: Contracting Officer

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Paul M. Gross

TITLE: President

ATTEST:

William G. Pollard

Secretary

TYPED
PREPARED
APPROVED

Contract No. AT-40-1-GEN-33
Modification No. 16

RETURN TO
CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 27th day of June, 1952, effective June 30, 1952, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee;

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. AT-40-1-GEN-33, dated May 24, 1948, and effective as of March 18, 1947, for the conduct of certain educational programs in the nuclear and related sciences; and

WHEREAS, this contract has previously been modified by Modifications Nos. 1 through 15; and

WHEREAS, the Government and the Contractor desire to modify said contract for the purpose of extending the term of the contract, integrating the contract and its previous modifications, and clarifying the rights and obligations of the parties as of the date hereof; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1946;

NOW, THEREFORE, the parties hereto do mutually agree that said contract, as modified, shall be and the same is hereby further modified to read as follows:

ARTICLE I - DESCRIPTION OF WORK

The Contractor shall, subject to approval of the Commission, and in accordance with general programs agreed to by the Contractor and the Commission, furnish the personnel, the supplies, equipment, facilities and services, including maintenance, not furnished by the Government, necessary to perform the following work:

(A) Establish a central administrative organization at Oak Ridge, Tennessee, to arrange, administer and accomplish such programs of education in nuclear and related sciences as shall be mutually agreed upon by the Contractor and the Commission.

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(B) Arrange with a recognized University, approved by the Commission, for the conduct, in facilities provided by the Government at Oak Ridge, Tennessee, of an academically recognized graduate training program in nuclear and related sciences, leading to the Master's or Doctor's degrees, for the benefit of regular employees of the Government's operating contractors at Oak Ridge and of such others as may be approved by the Commission. The Contractor shall not enter into any such arrangement unless the terms and conditions of said arrangements have received the approval of the Commission.

(C) Arrange for and administer programs, through fellowships or otherwise, subject to the approval of the Commission, under which selected graduate students from qualified educational institutions may carry out thesis research for the degree of Doctor of Philosophy or other graduate credits by participation in the research programs in the Commission's facilities at Oak Ridge.

(D) Encourage, by methods consistent with the general policy of and to the extent approved by the Commission, the development, by educational institutions in the southern region of the United States, of their own programs of research and graduate instruction in nuclear and related sciences; and make arrangements with the Commission's operating contractors at Oak Ridge whereby scientific staff members and research workers of qualified institutions can participate, to the extent approved by the Commission and the operating contractors, in the research programs of said operating contractors at Oak Ridge.

(E) Arrange and conduct, in and with facilities to be provided by the Commission at Oak Ridge, Tennessee, such educational and training programs in the field of nuclear and related sciences, as may be agreed upon from time to time by the Commission and the Contractor.

(F) Perform such advisory and consultative functions as may be requested by the Commission and agreed upon by the Contractor.

(G) Arrange and conduct, in and with facilities to be provided by the Commission, at Oak Ridge, Tennessee, a clinical investigative and research program in the study, and the treatment with radioactive substances or with radiation, of cancer and allied diseases and such other diseases as the Commission may, from time to time, approve for clinical investigation and research. Such program may include, but not be limited to the following:

(1) Hospitalization, care, treatment and transportation of patients without charge to patients;

(2) Preparation of bodies of deceased patients for burial and performance of autopsies;

(3) Transportation and burial of bodies of deceased persons;

(4) Training of, and research participation by, resident physicians, research fellows, staff members of participating medical schools and hospitals, and individuals.

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(H) Establish, maintain, and operate a program in atomic energy exhibits to the extent approved by the Commission subject to the following general terms and conditions:

(1) Maintain and operate a museum of atomic energy in and with facilities to be provided by the Commission at Oak Ridge. The museum shall be open to the public, subject to the payment of an admission charge in such amount as the Commission and the Contractor may agree upon from time to time. However, individuals or groups which the Commission and the Contractor may agree upon from time to time in writing may be admitted to the museum without charge.

(2) Develop and conduct programs of public education in atomic energy outside of Oak Ridge utilizing circulating exhibits and related services through arrangements with other established organizations, national, state, and local fairs, and other suitable agencies.

(3) The Contractor is authorized to enter into arrangements with concessionaires for the use of portions of the museum premises for the sale of food, beverages, literature and souvenir merchandise. Any such arrangements shall be reduced to writing and shall be in form approved by the Commission.

(4) The Contractor may procure such printed material as it deems necessary or beneficial to the proper conduct of the operation of the museum and traveling exhibits.

(I) Operate and maintain a Technical Library at Oak Ridge, Tennessee, and furnish library services to the Commission, subject to the following general terms and conditions:

(1) The Commission shall transfer to the Contractor the books, periodicals and other technical documents heretofore maintained by the Commission's Technical Library Section at its Oak Ridge Office. All such property shall remain the property of the Government and shall be held by the Contractor subject to the provisions of Article IX of this contract.

(2) The Contractor shall establish, maintain and operate, in premises furnished by the Government, a Technical Library, in which will be included the property referred to in (1) above. The Technical Library shall include normal library facilities, including reading room facilities and reference and bibliographical services.

(3) The Contractor shall furnish to the Commission such services as the Commission shall request in connection with the operation of the Technical Library, including, without limitation, telephone order and delivery service to the Commission's office at Oak Ridge Operations; circulation of periodicals to designated employees of the Commission; and reference and bibliographical services.

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(4) The Contractor shall procure such additional technical books, periodicals and documents for the Technical Library as it shall deem necessary or desirable to maintain the library material in a condition adequate to meet the requirements of the Commission and the Contractor.

(J) Participate in the Commission's nation-wide program of fellowships for research in the fields of the physical, biological, medical and agricultural sciences related to nuclear energy; arrange for, award and administer such fellowships to the extent authorized by the Commission in writing from time to time and subject to the standards and limits established by the Commission governing method of selection, number of awards, amount of stipend, travel allowances and tuition, fields of research, duration of fellowship, and geographical area of participation.

(K) Arrange for, award and administer a program for the conferring of fellowships for graduate study in radiological physics, in participation with the Commission's laboratories and selected universities, as authorized by the Commission in writing from time to time and subject to the standards and limits established by the Commission governing method of selection of fellows; number of awards; amount of stipend travel allowances and tuition; and duration of fellowship.

(L) The Contractor may render such services, including transfers of property, to other cost-type Contractors of the Commission at Oak Ridge, Tennessee, or elsewhere, as the Contractor is able to render without interfering substantially with the performance of its other responsibilities hereunder and as may be requested by the Commission or by such other cost-type Contractors who represent to the Contractor that such services are requested in connection with the performance of their contracts. Such services shall be rendered on mutually agreeable terms and conditions and the Contractor shall receive compensation therefor from such other cost-type Contractors to the extent that compensation is required by and in accordance with policies adopted from time to time by the Commission. The compensation received for performing such services shall be accounted for by the Contractor and shall be applied in reducing the cost of the work performed under this contract. In the performance of such services the Contractor is authorized to use materials and equipment in its custody under this contract. The Contractor shall be reimbursed for its costs incurred in the performance of any such services in accordance with the provisions of Article III; and such reimbursement shall constitute full compensation for the performance of such services. With the approval of the Commission, the Contractor may render the same services, including transfers of property, to lump-sum or unit-price Commission Contractors under the terms and conditions herein stated.

Replace

ARTICLE II - TERM: OBLIGATION OF FUNDS

(1) The term of this contract will commence on March 18, 1947, and will end on June 30, 1957. On or before January 1, 1957, the Contractor will give written notice to the Government as to whether it desires to continue operations after June 30, 1957. If the Contractor is willing to continue operations and the Government desires to extend the term of this contract, the parties hereto agree to enter into negotiations looking to the execution of a new agreement based on such terms and conditions as shall be mutually agreeable.

(2) The amount presently obligated by the Government with respect to this Contract is Six Million, One Hundred Sixty-Nine Thousand, Two Hundred Fifteen Dollars ($6,169,215.00).

(3) The parties hereto, prior to June 30, 1953, and prior to the 30th day of June of each year thereafter, and at such other times as may be mutually agreed upon shall prepare jointly a program and budget for the work to be performed by the Contractor during the fiscal year next following, and will thereupon prepare an estimate of the cost of all work previously performed by the Contractor (and to be performed by the Contractor through the balance of the then current fiscal year) and of all work to be performed by the Contractor during the fiscal year next following. Whenever mutually agreed upon in writing (whether or not by written modification of this Contract, and whether or not as a result of any estimate) the monetary obligation set forth in Paragraph 2 immediately preceding shall be deemed revised to accord with the amount so agreed upon in writing, and such revised amount shall constitute an obligation with respect to this Contract against such funds or obligational authority as the Commission may designate. The Commission may increase the contract obligation unilaterally by written notice to the Contractor.

(4) Notwithstanding any other provisions of this Contract, when and if the total reimbursable costs as provided in Article III (including overhead allowances earned by the Contractor and commitments actually incurred by the Contractor) for the work performed pursuant to this Contract shall equal the then current amount which has been obligated by the Commission with respect to this Contract, the Contractor shall be excused from further performance under this Contract and the Contractor shall not incur further costs and obligations hereunder unless and until the Commission shall increase the amount obligated with respect to this Contract. The Contractor will promptly advise the Commission when it is indicated that additional funds will be needed and shall estimate the amount of such additional funds and the time when they will be needed, together with a justification therefor.

ARTICLE III - COST OF THE WORK: CONTRACTOR'S ALLOWANCE

(1) The Contractor shall be reimbursed for all costs and expenses which it incurs in connection with its performance under this contract at the project site or elsewhere, and which are necessary or incidental to such performance and are not included in the allowance provided for in Section 3 of this Article and are not expressly excluded by other provisions of this contract; provided, however, that if the Commission, governed by the provisions of Article VI, considers any particular expenditure as not being necessary or incidental to the performance of the work it shall promptly notify the Contractor in writing with the reasons therefor, whereupon the question of necessity or incidence to the performance of the work unless disposed of by mutual agreement of the parties, shall be disposed of in accordance with the provisions of Article XIX.

(2) In making reimbursement to the Contractor for costs and expenses incurred pursuant to its salary and wage, employee welfare and other policies, such as, but not limited to, hours of work and rates of pay, sick leave and vacations, recreation programs, group health insurance, travel and transportation, all such reimbursements shall be in accordance with the provisions of Appendix "A"

1116416

to this contract. These policies may be revised from time to time at the request of the Contractor and with the written approval of the Commission which will be given in the form of a "Reimbursement Authorization". The Contractor shall not be reimbursed for any compensation or benefits paid to or for any employee in excess of those stated in Appendix "A" unless and until the Commission has so approved in writing.

(3) In addition to the reimbursement for its expenditures provided for in Section 1 above, the Contractor shall be paid an allowance at the rate of:

(a) Two Hundred and Fifty Dollars ($250.00) per month for the period commencing on March 18, 1947, and ending on June 30, 1949.

(b) Five Hundred and Fifty Dollars ($550.00) per month for the period commencing on July 1, 1949, and ending on June 30, 1950.

(c) Four Hundred Dollars ($400.00) per month for the period commencing July 1, 1950, and ending on June 30, 1951.

(d) Five Hundred Dollars ($500.00) per month for the period commencing on July 1, 1951, and ending on June 30, 1952.

(e) Five Hundred and Fifty Dollars ($550.00) per month for the period commencing on July 1, 1952, and ending on June 30, 1953. Mod. 9
(b) - (e)

which sum shall constitute full compensation for, and shall be paid in lieu of direct reimbursement for, such items of expense as the Commission, in its discretion, considers are

(i) items of general overhead expense, and

(ii) are connected with the office of the Contractor's President, the offices of the Contractor's Directors, the Contractor's Contributions to premiums for life insurance and retirement insurance for, but not the salary of, the Contractor's Executive Director assigned to this contract, or are connected with some other phase of the Contractor's organization, administration or activities, and

(iii) are properly for coverage under the provisions of this section as contemplated by the items shown on the lists which are on file in the office of the Commission at Oak Ridge and identified as "Items for Inclusion in Allowance Under Article III, Section 3, of Contract No. AT-40-1-GEN-33 with the Oak Ridge Institute of Nuclear Studies".

On or before April 1 of each year the parties shall commence negotiation for the purpose of agreeing upon the amount of allowance to be paid the Contractor by the Government, under this Section, in connection with the Contractor's services to be performed in the ensuing fiscal year. Upon such mutual agreement this contract shall be modified in writing accordingly.

1116477

(4) It is understood and agreed that the following items shall not be included in the cost of the work and shall not be reimbursed under the provisions of Section 1 of this Article and shall not be considered as proper for coverage under the provisions of Section 3 of this Article:

(a) Salaries of corporate officers, including the Executive Director.

(b) Expenses of regular meetings of the Contractor's membership as represented by its Council and/or its Board of Directors, except the cost of local transportation at Oak Ridge, Tennessee (including transportation to and from transportation terminals in the vicinity of Oak Ridge), which shall be proper for reimbursement under Section 1 of this Article.

(c) Fifteen percent (15%) of the amount of the stipend or compensation paid by the Contractor under any fellowship established with the approval of the Commission in accordance with the provisions of Section (C) of Article I; it being understood and agreed that the remaining eighty-five percent (85%) of such amounts, and one hundred percent (100%) of all other costs and expenses incurred by the Contractor in connection with such fellowship programs (except those which are considered as proper for coverage under the provision of Section 3 of this Article or are expressly excluded by other provisions of this contract) shall be considered proper for reimbursement under the provisions of Sections 1 and 2 of this Article.

(5) It is understood and agreed that the Contractor will not confer any fellowship under the provisions of this contract upon any person who advocates or is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or if the Commission finds, upon investigation and report by the Federal Bureau of Investigation on the character, associations and loyalty of such person, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States. Upon request of the Contractor, the Commission shall arrange for investigation by the Federal Bureau of Investigation of any person upon whom the Contractor has decided to confer a fellowship; and the Commission shall transmit to the Contractor, upon report by the Federal Bureau of Investigation, the Commission's findings based thereon. A "Q Clearance" or "Fellowship Approval" granted to such person by the Commission shall be deemed to express the Commission's finding that reasonable grounds do not exist for belief that such person is disloyal to the Government of the United States.

ARTICLE IV - REVENUE

(1) The Contractor shall, to the extent of its ability, take all cash and trade discounts, rebates, allowances, credits, salvage, commissions and bonifications.

(2) All revenue received by the Contractor in the performance of this contract, including registration, tuition, laboratory and other fees, or from rebates, discounts and refunds will be accounted for by the Contractor

and applied in reduction of the cost of the work hereunder. Revenue received by subcontractors in the performance of work hereunder may be retained by such subcontractors unless the terms of the subcontract requires that the subcontractor pay over or account to the Contractor for such revenue.

ARTICLE V - PAYMENTS

(1) Reimbursement for Cost. The Government will reimburse the Contractor for expenditures, in accordance with Article III, upon submission by the Contractor of properly certified vouchers, supported by such statements and/or data relating to said expenditures as the Commission shall require; except to the extent that the Contractor and the Commission may otherwise mutually agree in writing from time to time, reimbursement will be made monthly.

(2) Payment of the Allowance. The allowance set out in Section 3 of Article III shall be paid by the Government as it accrues in monthly installments. Any portion of the Contractor's allowance which shall have accrued and shall not have been paid prior to date of execution of this contract, shall be paid to the Contractor as soon as practicable thereafter.

ARTICLE VI - RESPONSIBILITY OF CONTRACTOR-CONTINGENCIES

In view of the fact that the Contractor is undertaking performance of the work hereunder without fee, it is agreed that all work under this contract is to be performed at the expense of the Government, and that the Contractor shall not be liable for, and the Government shall indemnify the Contractor against any delay, failure, loss, expense (including expense of litigation and attorney fees) or damage (including personal injuries and deaths of persons and damage to property of any kind whether due to negligence or to any cause whatsoever), arising out of the performance of the work, unless such delay, failure, loss, expense or damage is caused by wilful misconduct or bad faith on the part of any corporate officer of the Contractor or on the part of the Contractor's representative responsible for direction of the whole of the work hereunder. The Government shall assume and carry on, at its own expense, or may authorise th Contractor to carry on, at Government expense, the defense of all claims, suits or legal proceedings which may be asserted or instituted against the Contractor, its directors or officers, on account of any acts or omissions, whether claimed to have arisen from negligence or otherwise, in the performance of this contract; and the Government shall pay directly and discharge completely all final judgment including assessed costs, entered against the Contractor, its directors or officers, in such litigation and all claims which may be settled by agreement approved by the Commission; provided, however, that the provisions of this sentence shall not apply to: (1) claims, suits or legal proceedings arising from risks against which the Contractor, its directors or officers, shall be insured or would have been insured but for the failure of the Contractor to comply with any lawful direction of the Commission within a reasonable time after receipt;

1116479

or (2) claims, suits or legal proceedings which arise from acts or omissions which involve wilful misconduct or lack of good faith on the part of the Contractor or of the director or officer against whom the claim, suit or legal proceeding is instituted.

ARTICLE VII - CHANGES

The Commission may at any time by written order issue additional instructions or require additional work or services to be performed hereunder by the Contractor, or direct the omission of work or services covered by this contract. No such changes causing a material increase or decrease in the amount or character of the work or services to be performed under this contract will be directed by the Commission until this contract is modified accordingly by mutual agreement of the parties hereto.

ARTICLE VIII - RECORDS AND ACCOUNTS

(1) Records, Books of Account and Auditing.

(a) The Contractor agrees to keep records and books of account, showing the actual collections and disbursements made in accordance with the provisions of this contract and the actual cost to it of all items of labor, materials, equipment, supplies, services and other expenditures of whatever nature for which reimbursement is authorized under the provisions of this contract. The system of accounting and auditing to be employed by the Contractor shall be such as is satisfactory to the Commission. The Contractor may perform such additional accounting and auditing functions as it deems necessary in the proper administration of this contract, and shall be reimbursed the cost thereof.

(b) Disposition of Records.

All sketches, drawings, designs, plans, specifications, technical data, medical records, books of accounts, original supporting documents and other data evidencing costs allowable and revenues received under this contract, shall become the property of the Government upon receipt or preparation thereof by the Contractor, and shall be delivered to the Government or otherwise disposed of by the Contractor either as the Government may from time to time direct during the progress of the work or in any event as the Commission shall determine upon completion or termination of this contract and final audit of all costs hereunder. All other records in the possession of the Contractor relating to this contract shall be inventoried by the Contractor upon completion or final termination of the contract and shall be preserved by the Contractor for a period of five (5) years after final settlement of the contract, or otherwise disposed of from time to time during the progress of the work or upon completion or final termination of the contract in such manner as may be agreed upon in writing by the Commission and the Contractor. Upon expiration of five (5) years after final settlement of the contract, or at any

1116480

time thereafter, the Contractor shall notify the Commission in writing, prior to destroying or otherwise disposing of any such records, of its intent to destroy or otherwise dispose of the records described in any such notice; whereupon the Commission may direct the Contractor to deliver all or any part of said records to the Government. The Contractor shall have access at all reasonable times to all records delivered to the Government as long as such records are in the custody of the Commission. The Government shall reimburse the Contractor for all costs (including costs of inventory, storage, servicing, packing, crating, shipping, microfilming or other reproduction as directed by the Government, and safekeeping in accordance with the Government's security requirements) incurred by the Contractor under the requirements of this Article; provided, however, that prior to final settlement of this contract, the Contractor and the Government after negotiation may agree upon a definite payment or payments to be made to the Contractor for such services in lieu of reimbursement for the actual cost thereof, and the amount or amounts so agreed upon shall be paid to the Contractor by separate voucher or vouchers.

ARTICLE IX - GOVERNMENT-OWNED PROPERTY

(1) Title to the Work. Title to all materials, tools, machinery, equipment and supplies acquired or manufactured by the Contractor under this contract and for which it is entitled to reimbursement under Article III shall pass directly from the vendor to the Government at the point of delivery thereof, or at such other point or points as the Commission may designate in writing; provided that the right of final inspection and acceptance or rejection of such materials, tools, machinery, equipment and supplies at such place or places as it may designate in writing is reserved to the Commission.

(2) Records. The Contractor shall maintain at all times, in a manner satisfactory to the Commission, records showing the receipt, disposition and/or use of all equipment, materials and supplies purchased for the work for which it has been reimbursed by the Government, or which has been furnished by the Government.

(3) Reservation by Government. The Government reserves the right to furnish any buildings, materials, supplies, equipment or services, including communications, reproduction and automotive services, necessary in the performance of the work under this contract. Title to all such property furnished by the Government for use hereunder shall remain in the Government. Upon completion of this contract or upon demand, the Contractor shall return at the expense of the Commission all such unexpended property to the place designated by the Commission.

(4) Markings. The Contractor shall cause all non-expendable equipment, machinery and tools to which title is vested in the Government to be suitably marked with an identifying mark or symbol indicating that such items are the property of the United States, and shall maintain at all times appropriate records showing the disposition and/or use of all such non-expendable equipment, machinery and tools.

1116481

(5) Disposition of Government Property. It is recognized that property title to which is or may hereafter become vested in the Government will be used by or will be in the care, custody or possession of the Contractor in connection with the performance of this contract. With the prior approval in writing of the Commission, the Contractor may transfer or otherwise dispose of such Government-owned property to such parties and upon such terms and conditions as the Commission may approve or ratify, or, with like approval by the Commission, the Contractor may itself acquire title to such property or any of it at a price mutually agreeable. The proceeds of any such transfer or disposition or the agreed price of any property, title to which is so acquired by the Contractor, shall be applied in reduction of any payments to be made by the Government to the Contractor under this contract, or shall otherwise be paid in such manner as the Commission may direct.

(6) Liability for Government-Owned Property. (a) Except as otherwise specifically provided, the Contractor shall not be liable for loss or destruction of or damage to property of the Government in the possession or control of the Contractor in connection with this contract (hereinafter called "Government property") unless such loss, destruction or damage results from wilful misconduct or failure to exercise good faith on the part of the Contractor's corporate officers or the Contractor's Executive Director or Director of any program administered by the Contractor in the performance of this contract.

ARTICLE X - SPECIAL REQUIREMENTS

(1) The Contractor hereby agrees that:

(a) It will procure and thereafter maintain such bonds and insurance in such forms and in such amounts and for such periods of time as the Commission may approve or require in writing and shall be reimbursed for the cost thereof;

(b) In every instance where this contract requires the United States to pay the premium on a bond or insurance policy, the bond or insurance policy shall contain an endorsement or other recital excluding by appropriate language any claim on the part of the insurer or obligor to be subrogated, on payment of a loss or otherwise, to any claim against the United States;

(c) The Contractor shall give the Commission immediate notice in writing of any suit or action filed against the Contractor arising out of the performance of this contract and of any claim against the Contractor the cost and expense of which are reimbursable under the provisions of Article III hereof, and the risk of which is then uninsured or in which the amount claimed exceeds the amount of insurance coverage. The Contractor shall furnish immediately to the Commission copies of all pertinent papers received by the Contractor. Insofar as the following shall not conflict with any policy or contract of insurance, and upon request of the Commission, the Contractor shall do any and all things to effect an assignment and subrogation in favor of the Government of

1116482

all Contractor's rights and claims except against the Government, arising from or growing out of such asserted claims, and, if required by the Commission, shall authorize representatives of the Government to settle and/or defend any such claim and to represent or take charge of any such litigation affecting the Contractor.

(2) It will procure all necessary permits and licenses; obey and abide by applicable laws, ordinances, and rules and regulations thereunder which have the effect of the law of the United States of America, of the state, territory, or subdivision thereof wherein the work is done, or of any other duly constituted public authority, to the extent applicable to the Contractor's operations hereunder.

(3) The Contractor shall, at all reasonable times during the progress of the work, keep at the site thereof a duly appointed and qualified representative who shall receive and execute on the part of the Contractor such notices and instructions as the Commission may give under the terms of this contract.

(4) The Contractor shall make every reasonable effort in the selection of its employees and in the prosecution of the work under this contract, to safeguard drawings and reports furnished to the Contractor and drawings and specifications in its possession pertaining to this contract and to prevent the theft or unauthorized use of the same.

(5) The Commission may require the Contractor to dismiss such employee or employees of the Contractor whose continued employment is deemed inimical to the public interest by the Commission. The Contractor shall make every reasonable effort in the selection of its employees to secure persons who are competent, careful, honest, and loyal to the United States of America.

ARTICLE XI - REPORTS

(1) At such time as the Commission may request, the Contractor will submit to the Commission a proposed program and budget for the succeeding fiscal year and will supply such further information as the Commission may request. Prior to the end of each fiscal year, the parties will thereupon negotiate for the purpose of determining by mutual agreement a detailed program of the work to be performed by the Contractor hereunder during the succeeding fiscal year.

(2) The Contractor will furnish to the Government such reports as the Commission may deem necessary or desirable and may request from time to time.

ARTICLE XII - ASSIGNMENT OF CLAIMS

Neither this contract, nor any interest therein, or claim thereunder, shall be assigned or transferred by the Contractor to any other party or parties.

ARTICLE XIII - COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give the Government the right to annul the contract, or in its discretion, to deduct from payments due the Contractor

1116483

the amount of such commission, percentage, brokerage or contingent fee. This warranty shall not apply to commissions payable by Contractors upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

ARTICLE XIV - OFFICIALS NOT TO BENEFIT

No member of or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE XV - INVENTIONS, PATENTS AND PROCESSES

(1) It is understood and agreed that whenever any discovery or invention is made or conceived by the Contractor or its employees in the course of the work called for in this contract, the Contractor shall furnish the Commission complete information thereon, and the Commission shall have the sole power to determine whether or not and where a patent application shall be filed, and to determine the disposition of the title to and the rights under any application or patent that may result. It is further understood and agreed that the judgment of the Commission on such matters shall be accepted as final, and the Contractor, for itself and for its employees agrees that the inventor or inventors will execute all documents and do all things necessary or proper to carry out the judgment of the Commission.

(2) Without waiving any rights of the Government under the foregoing provisions, it is agreed that all provisions of the Atomic Energy Act of 1946 relating to patents and inventions are hereby incorporated by reference. No claim for pecuniary award under the provisions of that Act shall be asserted by the Contractor or its employees or by any subcontractor or its employees with respect to any invention or discovery heretofore or hereafter made in the course of the work called for in this contract.

(3) The Contractor shall insert appropriate provisions to effectuate the purposes of Sections 1 and 2 of this Article in contracts with its employees and subcontractors.

ARTICLE XVI - TERMINATION

(1) The performance of work under this contract may be terminated in whole, or from time to time in part (a) whenever the Contractor shall default in performance of this contract in accordance with its terms, and shall fail to cure such default within ten days (or such longer period as the Commission may allow) after receipt of notice from the Commission specifying the default, or (b) whenever the Commission shall determine that any such termination is in the best interest of the Government. Termination by the Government under this section shall be effected by delivery to the Contractor of a Notice of Termination specifying the termination date upon which such termination shall become effective.

(2) After receipt of a Notice of Termination and except as otherwise directed by the Commission, the Contractor shall:

(a) Discontinue work under this contract on the date fixed for termination in the Notice of Termination, except as to outstanding commitments to students, which commitments will be disposed of by mutual agreement of the parties.

(b) Place no further orders or subcontracts for materials, services or facilities except as may be necessary for completion of the work until the date fixed for termination in the Notice of Termination.

(c) Cancel (or if so directed by the Commission, transfer to the Government), as of the date fixed for termination or such earlier date as the Commission may direct, all orders, subcontracts and agreements relating to the work, and assign to the Government in the manner and to the extent directed by the Commission, all of the right, title and interest of the Contractor under the orders, subcontracts and agreements so canceled or transferred.

(d) Settle and pay, to the extent directed or authorized by the Commission, claims, commitments, liabilities and obligations arising out of or in connection with the performance or termination of the work or of any subcontract, order or agreement pursuant thereto.

(e) Transfer and deliver to the Government, in the manner, to the extent and at the times directed by the Commission the completed and uncompleted work, supplies, material and other property produced as a part of or acquired in the performance of the work.

(f) Take such other action (whether before or after the termination date) as the Contractor may deem necessary or as the Commission may direct for the protection and preservation of property which is in the possession of the Contractor and in which the Government has or may acquire an interest.

(3) The Contractor and the Commission may agree upon the whole or any part of the amount or amounts payable to the Contractor under this contract upon the total or partial termination of this contract pursuant to this Article for reasons other than the default of the Contractor and the Government shall pay to the Contractor such agreed amounts.

(4) In the event of the failure of the Contractor and the Commission to agree as provided in Section 3 upon the whole amount to be paid to the Contractor upon the termination of this contract, for reasons other than the default of the Contractor, the Government shall, but without duplication of any payments agreed upon in accordance with Section 3,

(a) Reimburse the Contractor for all costs and expenses reimbursable under this contract, not previously paid to the Contractor, incurred prior to the date fixed for termination in the Notice of Termination and such further costs and expenses as may be incurred thereafter with the written approval of or as directed by the Commission.

1116485

(b) Reimburse the Contractor for the cost (so far as not included in payments under paragraph (a) above) of settling and paying claims, commitments, liabilities or obligations arising out of or in connection with the performance or termination of this contract or of any subcontract, order or agreement pursuant hereto.

(c) Reimburse the Contractor for any other costs incidental to the termination of this contract, or incurred at the direction or with the approval of the Commission in connection with such termination, including but not limited to accounting, clerical, legal and other costs and expenses.

(d) Assume and become liable for all unpaid obligations, commitments and claims in connection with the contract which the Contractor may have theretofore undertaken or incurred, or for which the Contractor may be or become liable, the cost of which would be reimbursable under the provisions of this contract; and the Contractor shall, as a condition of receiving payments under this Article, execute and deliver all such papers and take all such steps as the Commission may require for the purpose of vesting fully in the Government the rights and benefits of the Contractor in respect to such obligations, commitments or claims.

(5) The Contractor's allowance shall be computed and paid to and including the date fixed for the total termination of this contract in the Notice of Termination. In the event of partial termination, the Contractor's allowance shall be adjusted by mutual agreement between the parties.

(6) The Government may withhold from the payments required by this Article, or by Article III of this contract, the amount of any unsettled claims in connection with this contract which the Government may have against the Contractor.

(7) Prior to final payment and as a condition thereof the Contractor shall furnish to the Government a release of all claims against the Government arising under and by virtue of this contract other than such claims, if any, as are expressly excepted by the Contractor from the operations of the release.

ARTICLE XVII - CONVICT LABOR

The Contractor shall not employ any person undergoing sentence of imprisonment at hard labor. This provision shall not be construed to prevent the Contractor or any subcontractor hereunder from obtaining any of the supplies, or any component parts or ingredients thereof, to be furnished under this contract or any of the materials or supplies to be used in connection with the performance of this contract, directly or indirectly, from any Federal, State or territorial prison or prison industry, provided, that such articles, materials or supplies are not produced pursuant to any contract or other arrangements under which prison labor is hired by or employed or used by any private person, firm or corporation.

1116486

ARTICLE XVIII - SAFETY AND ACCIDENT PREVENTION

The Contractor agrees to conform to all health and safety regulations and requirements of the Commission. The Contractor shall take all reasonable steps and precautions to protect health and minimize danger from all hazards to life and property, and shall make all reports and permit all inspections as provided in such regulations or requirements.

ARTICLE XIX - DISPUTES

Except as otherwise specifically provided in this contract, all disputes which may arise under this contract, and which are not disposed of by mutual agreement, shall be decided by a representative of the Commission duly authorized to supervise and administer performance of the work under this contract, who shall reduce his decision to writing and mail a copy hereof to the Contractor. Within thirty (30) days from receipt of such notice the Contractor may appeal in writing to the Commission, whose written decision thereon, or that of its designated representative or representatives (other than the representative referred to in the preceding sentence) or board, shall be final and conclusive. Pending decision of any dispute, the Contractor shall diligently proceed with the performance of the work under this contract.

ARTICLE XX - DISCLOSURE OF INFORMATION

(1) It is understood that disclosure of secret, confidential or restricted information contained in this contract, or relating to the work contracted for hereunder, to any person not entitled to receive it, or failure to safeguard all secret, confidential and restricted matter that may come to the Contractor or any person under its control in connection with the work under this contract, may subject the Contractor, its agents, employees and subcontractors, to criminal liability under the laws of the United States. See Title 1 of an Act approved June 15, 1917 (40 Stat. 217; 50 U.S.C. 31-42), as amended by an Act approved March 28, 1940 (54 Stat. 79); and the provisions of an Act approved January 12, 1938 (52 Stat. 3; 50 U.S.C. 45-45d), as supplemented by Executive Order No. 8381, dated March 22, 1940 (5 F.R. 1147), and the Atomic Energy Act of 1946.

(2) The Contractor agrees to conform to all security regulations and requirements of the Atomic Energy Commission. Except as the Commission may authorize in accordance with the Atomic Energy Act of 1946, the Contractor agrees not to permit any individual to have access to restricted data until the Federal Bureau of Investigation shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual and the Commission shall have determined that permitting such person to have access to restricted data will not endanger the common defense or security. The term "restricted data" as used in this paragraph means all data concerning the manufacture or utilization of atomic weapons, the production of fissionable material, or the use of fissionable

material in the production of power, but shall not include any data which the Commission from time to time determines may be published without adversely affecting the common defense and security.

(3) Upon termination of this contract, the Contractor's responsibility for the security of any information or matter retained by the Contractor, which is of a classified nature, shall continue as long as such information or matter shall be retained.

(4) The Contractor shall insert in all subcontracts under this contract provisions similar to the text of Sections 1, 2 and 3 of this Article.

ARTICLE XXI - ANTI-DISCRIMINATION

(1) The Contractor, in performing the work required by this contract, shall not discriminate against employee or applicant for employment because of race, creed, color, or national origin.

(2) The Contractor agrees that the provisions of paragraph 1 above will also be inserted in all of its subcontracts. For the purpose of this Article, a subcontract is defined as any contract entered into by the Contractor with any individual, partnership, association, corporation, estate, or trust, or other business enterprise or other legal entity, for a specific part of the work to be performed in connection with the supplies or services furnished under this contract; provided, however, that a contract for the furnishing of standard or commercial articles or raw material shall not be considered as a subcontract.

ARTICLE XXII - APPROVAL OF AGREEMENTS

(1) The Contractor shall not subcontract any part of the managerial, scientific, or educational parts of the work it is obligated to perform under this contract or enter into any contract for consultant services (other than those under which no fee is to be paid to the consultant) except as authorized or approved in writing by the Commission.

(2) The Contractor will enter into no other subcontract, agreement or arrangement hereunder involving a reimbursable expenditure in excess of Two Thousand Dollars ($2,000.00) without the prior written approval of the Commission; provided, however, that such approval shall not be required for contracts or agreements for fellowships, resident physicians, research participants or consultant services under which no fee is to be paid to the consultant. Mo. #18

ARTICLE XXIII - INSPECTIONS

The Commission shall have the right to inspect in such manner and at such times as it deems appropriate all activities of the Contractor arising in the course of the work under this contract.

1116488

ARTICLE XXIV - LABOR RELATIONS

(1) Whenever an actual or potential labor dispute is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately notify the Commission. Such notice shall include all relevant information with respect to such dispute.

(2) All contracts or agreements entered into with an organization of the Contractor's employees shall be submitted in advance of the execution thereof to the Commission for approval of such portions thereof as affect security, continuity of work, and expenditures or commitments reimbursable under this contract.

ARTICLE XXV - ADVANCES OF GOVERNMENT FUNDS

(1) It is the intent of the parties that, except to the extent that the Contractor and the Commission may otherwise mutually agree in writing at any time or times, the Contractor shall not utilize its own funds in making expenditures reimbursable under this contract. Accordingly, the Government shall advance to the Contractor, from time to time (generally monthly, but in any event at such times, more or less frequently than once each month, as in the opinion of the Commission the Contractor's need therefor develops), such Government funds (hereinafter referred to as "advances") as the parties mutually agree upon as adequate to enable the Contractor to continue to make reimbursable expenditures under this contract in furtherance of its performance thereof; any failure so to agree shall be deemed to be within the purview, and shall be resolved in accordance with the provisions, of Article XIX. It is understood that such advances are not loans to the Contractor and will not require interest payments by the Contractor, and that the Contractor will acquire no right, title or interest in or to such advances other than the right to make expenditures therefrom for the purposes authorized in, and within the intent of, this contract.

(2) Until all such advances are liquidated, all funds received as reimbursement and all revenues received in the performance of the work shall, together with all such advances, be deposited in a special bank account or accounts (hereinafter referred to as "special accounts") at a member bank or banks of the Federal Reserve System or any "insured" bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (Act of August 23, 1935, 49 Stat. 684) as amended (12 U.S.C. 264), separate from the Contractor's general or other funds; special accounts shall be so designated as to indicate clearly to the bank their special character and purpose; the balances in special accounts shall be used by the Contractor exclusively for the purpose of making reimbursable expenditures under this contract (including such amounts, considered reasonable by the Commission, as are expended by the Contractor in furtherance of the provisions of this Article).

(3) In the event either party is of the opinion, at any time or times, and notifies the other party in writing, that the then balance of such advances is in excess of the Contractor's need, the amount of alleged excess shall be promptly returned or credited to the Government in such manner as the Commission directs; however, if such opinion is not concurred in by the other

party, the matter shall be deemed to be within the purview, and shall be resolved in accordance with the provisions, of Article XIX, and such portion of the amount of alleged excess as is involved in the dispute shall not be so returned or credited pending the outcome of the dispute.

(4) All funds advanced and all funds deposited in special accounts shall remain the property of the Government until expended or returned. The Government's title to such funds shall be superior to any claim or lien of the bank or any other party upon special accounts irrespective of the basis of such latter lien, provided, however, that the bank shall be under no liability to any party hereto for the withdrawal of any funds from special accounts through checks properly indorsed and signed by the Contractor, except that after the receipt by the bank of written directions from the Commission the bank shall act thereon and be under no liability to any party hereto for any action taken in accordance with such written directions. Any written directions received by the bank in due course, upon United States Atomic Energy Commission stationery, and purportedly signed by or at the direction of said Commission, shall, insofar as the rights, duties and liabilities of the bank are concerned, be conclusively deemed to have been properly issued and filed with the bank by said Commission.

(5) If, upon expiration of this contract, or upon its termination for other than the fault of the Contractor, such advances have not been fully liquidated, the unliquidated balance thereof shall be deducted from any payments otherwise due the Contractor, and if the sum or sums due the Contractor are insufficient to cover such balance, the excess shall be returned by the Contractor forthwith after demand and final audit by the Government of all accounts hereunder; provided, however, that in the event of such termination of the contract for other than the fault of the Contractor, such deduction shall not be made prior to final audit unless (and only to the extent that) the Commission determines that such action is reasonably required in order to secure the return to the Government of such unliquidated amounts of the advance monies. In the event of termination of this contract because of the fault of the Contractor, the Contractor shall return to the Government, upon demand, without set-off of any sums alleged to be due the Contractor, the unliquidated balance of such advances.

(6) The Contractor shall at all reasonable times afford the Commission proper facilities for the inspection and audit of special accounts, and the Contractor's papers and data relevant thereto, and the Commission shall have the right (to the extent of the Contractor's rights), during business hours, to inspect and make copies of any entries in the books and records, of the pertinent bank or banks, pertaining to special accounts.

(7) Subject to the prior written approval of the Commission, the Contractor may make advances of Government funds out of special accounts to subcontractors and materialmen, upon such terms and conditions as the Commission approves in writing.

ARTICLE XXVI - DEFINITIONS

(1) The term "Commission", wherever appearing herein, shall mean the United States Atomic Energy Commission or its duly authorized representative or representatives.

(2) The term "Fiscal Year", wherever appearing herein, shall mean the period commencing on July 1 of any calendar year and ending on June 30 of the succeeding calendar year.

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement effective as of the 30th day of June, 1952.

UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: C. Vanden Bulck

C. Vanden Bulck

TITLE: Assistant Manager, ORO

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Paul M. Gross

TITLE: President

WITNESSES:

Lewis A. Pardue

Blacksburg, Virginia
(Address)

William G. Pollard

Oak Ridge, Tennessee
(Address)

Contract No. AT-40-1-GEN-33
Modification No. 17

LLP

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 27th day of October, 1952, by and between the UNITED STATES OF AMERICA (hereinafter called the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter called the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter called the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office in Oak Ridge, Tennessee;

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. AT-40-1-GEN-33, effective as of March 18, 1947, for the conduct of certain educational programs in the nuclear and related sciences; and

WHEREAS, this contract has previously been modified by Modifications Nos. 1 - 16; and

WHEREAS, the parties desire further to amend the contract to increase the permissive scope of the Contractor's work; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1946;

NOW, THEREFORE, the parties hereto do mutually agree that said contract, as modified, is hereby further modified as follows:

1. In Article I, Section (G) add the following new subsection (5):

"(5) Development of designs for and construction and testing of teletherapy machines utilizing radioactive substances (it being understood and agreed that the Contractor may enter into arrangements with others for the design and construction of said machines at places other than Oak Ridge), and development, in collaboration with other institutions, of clinical investigative and therapeutic procedures for use of these machines."

1116492

2. In Article III, Section (4), add the following new subsection (d):

"(d) Such amount as the Commission and the Contractor may mutually agree, at the time of Commission approval of any teletherapy project described in Article I, subsection (G) (5), to be the Contractor's contribution to any such project."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: C. Vanden Bulck
C. Vanden Bulck

TITLE: Assistant Manager, ORO

WITNESSES:

(Address)

ORINS, Oak Ridge Tenn
(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: Paul M. Groff

TITLE: President

1116493

TYPED
PREPARED
APPROVED

Contract No. AT-(40-1)-GEN-33
Modification No. 18

RETURN TO
CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 30th day of June, 1953, effective as of June 30, 1953, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office situated at Oak Ridge, Tennessee;

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational programs in the nuclear and related sciences; and

WHEREAS, said contract has been previously amended by Modifications Nos. 1 - 17; and

WHEREAS, the parties desire to further amend said contract so as to provide additional funds and effect certain other changes as are hereinafter more particularly described; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1946, as amended;

NOW, THEREFORE, the parties hereto do mutually agree that said contract, as heretofore modified, is hereby further modified as follows:

1. In ARTICLE II - TERM, OBLIGATION OF FUNDS, delete, in Section (2) thereof, the amount "Six Million, One Hundred Sixty-Nine Thousand, Two Hundred Fifteen Dollars ($6,169,215.00)", and substitute therefor the amount "Seven Million, Three Hundred Seventy-Seven Thousand, Nine Dollars ($7,377,009.00)."

2. In ARTICLE III - COST OF THE WORK: CONTRACTOR'S ALLOWANCE, add, immediately following Subsection (3) (e) thereof, the following Subsection (f):

"(f) Five Hundred and Fifty Dollars ($550.00) per month for the period commencing July 1, 1953, and ending June 30, 1954."

3. In ARTICLE III - delete Subsection (4) (a) and substitute the following, effective as of July 1, 1952:

"(a) Salaries of corporate officers, which term shall be deemed for this purpose to include only the Contractor's Directors, President, Vice President, Treasurer, Secretary and Executive Director."

4. In ARTICLE VIII - RECORDS AND ACCOUNTS, add the following Section (2):

"(2) Examination of Records.

1116494

CERTIFIED A TRUE COPY
BY Jeanette Nicholson

(a) The Contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers and records of the Contractor involving transactions related to this contract.

(b) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract with the Government, have access to and the right to examine any directly pertinent books, documents, papers and records of such subcontractor involving transactions related to the subcontract. The term 'subcontract' as used herein does not include (i) purchase orders not exceeding $1,000, (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public, or (iii) subcontracts or purchase orders for general inventory items not specifically identifiable with the work under this contract.

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

5. In ARTICLE XX - DISCLOSURE OF INFORMATION, delete, in Section (2) thereof, the second sentence, and substitute therefor the following:

"Except as the Commission may authorize, in accordance with the Atomic Energy Act of 1946, as amended, the Contractor shall not permit any individual to have access to restricted data until the designated investigating agency shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual and the Commission shall have determined that permitting such person to have access to restricted data will not endanger the common defense or security. As used in this paragraph the term 'designated investigating agency' means the United States Civil Service Commission or the Federal Bureau of Investigation, or both, as determined pursuant to the provisions of the Atomic Energy Act of 1946, as amended by the Act of April 5, 1952, Public Law 298, 82nd Congress, 66 Stat. 43."

1116495

6. In ARTICLE XXII - APPROVAL OF AGREEMENTS, delete Section (2) and substitute therefor the following new Section (2):

"(2) The approval of the Commission will be obtained prior to entering into any reimbursable subcontracts or purchase orders within the following categories:

(a) The purchase of motor vehicles, typewriters, aircraft, printing equipment, helium or alcohol.

(b) Any contractual arrangement to be entered into on a cost, cost-plus-a-fixed-fee or time and material basis.

(c) Any subcontract or purchase order involving an expenditure in excess of $2,000.00.

(d) Any subcontract for the performance of construction services or for engineering and design services."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

UNITED STATES OF AMERICA

BY: U. S. ATOMIC ENERGY COMMISSION

BY: s/ C. Vanden Bulck
Contracting Officer

(SEAL)

ATTEST:

s/ William G. Pollard
Secretary

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: s/ Paul M. Gross

TITLE: President

WITNESSES:

_____

_____
(Address)

_____

_____
(Address)

1116496

TYPED
PREPARED
APPROVED

Contract No. AT-(40-1)-GEN-33
Modification No. 19

RETURN TO
CONTRACT SECTION

See attached back slip

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 30th day of June, 1954, effective as of June 30, 1954, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office situated at Oak Ridge, Tennessee:

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational programs in the nuclear and related sciences; and

WHEREAS, said contract has been previously amended by Modifications Nos. 1 through 18; and

WHEREAS, the parties desire to further amend said contract so as to provide additional funds and to effect certain other changes as are hereinafter more particularly described; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1946, as amended;

NOW, THEREFORE, the parties hereto do mutually agree that said contract, as heretofore modified, is hereby modified further in the following particulars, but in no others:

1. In ARTICLE II, Section (2), delete the amount "Seven Million, Three Hundred Seventy-seven Thousand, Nine Dollars ($7,377,009.00)", and substitute therefor the amount "Eight Million, Two Hundred Twenty-two Thousand, Seven Hundred Eighty-nine Dollars ($8,222,789.00).

2. In ARTICLE III, add, immediately following subsection (3) (f), the following new subsection (g):

> "(g) Five Hundred and Fifty Dollars ($550.00) per month for the period commencing July 1, 1954 and ending June 30, 1955."

CERTIFIED A TRUE COPY
BY Jean Nicholson

1116497

3. In the ninth line of ARTICLE VI, insert the words "compensated for by insurance or otherwise, or is" immediately following the words "damage is" and ahead of the words "caused by".

4. In the fifth line of ARTICLE IX, Section (6), insert the words "is compensated for by insurance or otherwise, or" immediately following the word "damage" and ahead of the words "results from".

5. ARTICLE XIX is deleted in its entirety and the following article is substituted therefor:

"ARTICLE XIX - DISPUTES

Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by a representative of the Commission, duly authorized to supervise and administer performance of work under this contract, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. Within thirty (30) days from the date of receipt of such copy, the Contractor may appeal in writing to the Commission, whose written decision thereon, or that of its designated representative or representatives (other than the representative referred to in the preceding sentence) or board, shall be final and conclusive, unless determined by a court of competent jurisdiction to have been fraudulent or arbitrary or capricious or so grossly erroneous as necessarily to imply bad faith or not to be supported by substantial evidence: Provided, that, if no such appeal to the Commission is taken, the decision of the representative referred to in the first sentence of this article shall be final and conclusive. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the decision of the representative referred to in the first sentence of this article."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

THE UNITED STATES OF AMERICA

BY: U. S. ATOMIC ENERGY COMMISSION

BY: s/ E. A. Wende
Contracting Officer

WITNESSES:

_____

_____
(Address)

_____

_____
(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: s/ Paul M. Gross

TITLE: President

1116498

TYPED
PREPARED
APPROVED

Contract No. AT-(40-1)-GEN-33
Modification No. 20

RETURN TO
CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 21st day of October, 1954, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office situated at Oak Ridge, Tennessee:

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational programs in the nuclear and related sciences; and

WHEREAS, said contract has been previously amended by Modifications Nos. 1 through 19; and

WHEREAS, the parties hereto desire further to modify this contract for the purpose of revising the disclosure of information article and the patents article and to make certain other modifications necessitated by the enactment of the Atomic Energy Act of 1954; and

WHEREAS, the Commission certifies that this Supplemental Agreement is authorized by and negotiated under the Atomic Energy Act of 1954 in the interest of the common defense and security;

NOW, THEREFORE, the parties hereto mutually agree that said Contract No. AT-(40-1)-GEN-33, as heretofore modified, is hereby further modified in the following particulars only:

1. Delete ARTICLE XX - DISCLOSURE OF INFORMATION, and substitute therefor the following:

"ARTICLE XX - SECURITY

"a. Contractor's Duty to Safeguard Restricted Data, Etc. In the performance of the work under this contract the Contractor shall, in accordance with the Commission's security regulations and requirements, be responsible for safeguarding Restricted Data and other classified matter and protecting against sabotage, espionage and theft the classified documents, materials, equipment, processes, etc., as well as such other material of high intrinsic or strategic value as may be in the Contractor's possession in connection with performance of work under this contract.

CERTIFIED A TRUE COPY
BY [illegible]

1116499

"b. Regulations. The Contractor agrees to conform to all security regulations and requirements of the Commission.

"c. Definition of 'Restricted Data'. The term 'Restricted Data' means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the Restricted Data category pursuant to Section 142 of the Atomic Energy Act of 1954.

"d. Security Clearance of Personnel. Except as the Commission may authorize, in accordance with the Atomic Energy Act of 1954, the Contractor shall not permit any individual to have access to Restricted Data until the designated investigating agency shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual and the Commission shall have determined that permitting such person to have access to Restricted Data will not endanger the common defense and security. As used in this paragraph the term 'designated investigating agency' means the United States Civil Service Commission or the Federal Bureau of Investigation, or both, as determined pursuant to the provisions of the Atomic Energy Act of 1954.

"e. Criminal Liability. It is understood that disclosure of information relating to the work or services ordered hereunder to any person not entitled to receive it, or failure to safeguard any restricted data or any top secret, secret, confidential, or restricted matter that may come to the Contractor or any person under the Contractor's control in connection with work under this contract, may subject the Contractor, his agents, employees, and subcontractors to criminal liability under the laws of the United States. (See the Atomic Energy Act of 1954, Title 42, U.S.C., Sec. 1801, et seq. See also Title 18, U.S.C. Sec. 791 - 797 and Executive Order 10104 of February 1, 1950, 15 F. R. 597.)

"f. Subcontracts. Except as otherwise authorized in writing by the Contracting Officer, the Contractor shall insert provisions similar to the foregoing in all subcontracts under this contract."

2. The phrase "fissionable materials" shall be deleted wherever it appears in this contract, and the phrase "special nuclear materials" shall be substituted therefor.

1116500

3. In Paragraph 2 of ARTICLE XV - INVENTIONS, PATENTS AND PROCESSES, delete the phrase "Atomic Energy Act of 1946" and substitute therefor "Atomic Energy Acts of 1946 and 1954".

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: s/ John R. Moore

Director, Contract Division
Contracting Officer

WITNESSES:

s/ William G. Pollard

Oak Ridge, Tenn.
(Address)

s/ Clifford Beck

Oak Ridge, Tenn., Oct. 19, 1954
(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: s/ Paul M. Gross

TITLE:

TYPED 6/24
PREPARED
APPROVED
RETURN TO
CONTRACT SECTION

Contract No. AT-(40-1)-GEN-33
Modification No. 21

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 29th day of June, 1955, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office situated at Oak Ridge, Tennessee:

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational programs in the nuclear and related sciences; and

WHEREAS, said Contract has been previously amended by Modifications Nos. 1 through 20; and

WHEREAS, the parties desire to further amend said Contract so as to provide additional funds and to effect certain other changes as are hereinafter more particularly described; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1954;

NOW, THEREFORE, the parties hereto do mutually agree that said Contract, as heretofore modified, is hereby modified further in the following particulars, but in no others:

1. In Article II, Section (2) delete the amount "Eight Million, Two Hundred Twenty-two Thousand, Seven Hundred Eighty-nine Dollars ($8,222,789.00)" and substitute therefor the amount "Eight Million, Five Hundred Seven Thousand, One Hundred Fifty-six Dollars ($8,507,156.00)".

2. In Article III, add, immediately following Subsection (3)(g), the following new Subsection (h):

"(h) Five Hundred Dollars ($500.00) for the period commencing July 1, 1955 and ending June 30, 1956."

3. Article XXI - Antidiscrimination is deleted in its entirety and the following Article is substituted therefor:

CERTIFIED A TRUE COPY
BY Helen S. Hutchison

1116502

"ARTICLE XXI - NONDISCRIMINATION IN EMPLOYMENT

"In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of the nondiscrimination clause. The Contractor further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: s/ C. Vanden Bulck

Contracting Officer

WITNESSES:

s/ (Mrs.) Nancy Kirby
Physics Department
N. C. State College
(Address)

s/ William G. Pollard

ORINS, Oak Ridge
(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: s/ Clifford Beck

TITLE: Vice President

TYPED
PREPARED
APPROVED

RETURN TO
CONTRACT SECTION

Contract No. AT-(40-1)-GEN-33
Modification No. 22

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 18th day of October, 1955, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office situated at Oak Ridge, Tennessee:

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational programs in the nuclear and related sciences; and

WHEREAS, said contract has been previously amended by Modifications Nos. 1 through 21; and

WHEREAS, the parties desire to further amend said contract so as to provide additional funds and to effect certain other changes as are hereinafter more particularly described; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1954;

NOW, THEREFORE, the parties hereto do mutually agree that said contract, as heretofore modified, is hereby modified further in the following particulars, but in no others:

1. In Article II, Section (2) delete the amount "Eight Million, Five Hundred Seven Thousand, One Hundred Fifty-six Dollars ($8,507,156.00)" and substitute therefor the amount "Nine Million, Five Hundred Twenty-two Thousand, Two Hundred Thirty-one Dollars ($9,522,231.00)".

2. Effective as of June 30, 1955, Subsection (3) (h) of Article III is revised to read as follows:

"(h) Five Hundred Dollars ($500.00) per month for the period commencing July 1, 1955, and ending June 30, 1956."

3. ARTICLE XXI - NONDISCRIMINATION IN EMPLOYMENT is deleted in its entirety and the following article is substituted therefor:

CERTIFIED A TRUE COPY
BY Jenke Nicholson

1116504

"ARTICLE XXI - NONDISCRIMINATION IN EMPLOYMENT

"(1) In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color or national origin. The aforesaid provision shall include but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of the nondiscrimination clause.

"(2) The Contractor further agrees to insert the foregoing provision in all subcontracts hereunder, except (i) subcontracts for standard commercial supplies or raw materials, (ii) subcontracts to be performed outside the United States where no recruitment of workers within the limits of the United States is involved, (iii) purchase orders on pocket-size forms similar to U. S. Standard Form 44, and (iv) subcontracts to meet other special requirements or emergencies, if recommended by the Committee on Government Contracts. In the case of purchase orders hereunder which do not exceed $5,000, the last sentence of Section (1) above may be omitted."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSIO

BY: s/ S. R. Sapirie

Manager, Oak Ridge Operations
(Contracting Officer) s/CV

WITNESSES:

s/ Darren C. Johnson

Chicago, Illinois
(Address)

s/ Clifford Beck

Raleigh, N.C.
(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: s/ Paul M. Gross

TITLE: President

1116505

TYPED
PREPARED
APPROVED

Contract No. AT-(40-1)-GEN-33
Modification No. 23

RETURN TO
CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 30th day of April, 1956, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee, and having its principal office situated at Oak Ridge, Tennessee:

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational programs in the nuclear and related sciences; and

WHEREAS, said contract has been previously amended by Modifications Nos. 1 through 22; and

WHEREAS, the parties desire to further amend said contract so as to provide additional funds and to effect certain other changes as are hereinafter more particularly described; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1954;

NOW, THEREFORE, the parties hereto do mutually agree that said contract, as heretofore modified, is hereby modified further in the following particulars, but in no others:

1. In Article II, Section (2) delete the amount "Nine Million, Five Hundred Twenty-two Thousand, Two Hundred Thirty-one Dollars ($9,522,231.00)" and substitute therefor the amount "Nine Million, Eight Hundred Fifty-one Thousand, Three Hundred Seventy Dollars ($9,851,370.00)".

2. Effective June 30, 1956, in Article III, immediately following subsection (3)(h), add the following new subsection (i):

"(i) Five Hundred Forty Dollars ($540.00) per month for the period commencing July 1, 1956, and ending June 30, 1957."

CERTIFIED COPY
BY Jenko Nikolova

1116506

3. Effective September 24, 1953, subsection (2)(b) of Article VIII is deleted and the following subsection is substituted therefor:

> "(b) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor involving transactions related to the subcontract. The term subcontract as used herein means any purchase order or agreement to perform all or any part of the work or to make or furnish any materials required for the performance of this contract, but does not include (i) purchase orders not exceeding $1,000, (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public, or (iii) subcontracts or purchase orders for general inventory items not specifically identifiable with the work under this contract."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

THE UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: s/ E. A. Wende

Deputy Manager, Oak Ridge Operations
Contracting Officer

(SEAL)

WITNESSES:

s/ William G. Pollard

Oak Ridge, Tenn.
(Address)

(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: s/ Paul M. Gross

TITLE: President

1116507

Items for Inclusion in Allowance under
Article III, Section 3 of Contract No. AT-40-1-GEN-33
with the Oak Ridge Institute of Nuclear Studies

The following represents the list of items considered in the establishment of the allowance of $500.00 per month for the period of July 1, 1955 to June 30, 1956:

1. Taxes and Insurance Premiums on Executive Director's Salary.

2. Professional Services (Legal and Audit).

3. President's Office Expense.

4. Safety Deposit Box Rental.

5. Charitable Contributions.

6. Institutional Membership Fees.

UNITED STATES ATOMIC ENERGY COMMISSION

BY: s/ E. A. Wende

TITLE: Deputy Manager, Oak Ridge Operations

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: s/ William G. Pollard

TITLE: Executive Director

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Items for Inclusion in Allowance under
Article III, Section 3 of Contract No. AT-40-1-GEN-33
with the Oak Ridge Institute of Nuclear Studies

The following represents the list of items considered in the establishment of the allowance of $540.00 per month for the period of July 1, 1956 to June 30, 1957:

1. Taxes and Insurance Premiums on Executive Director's Salary.
2. Professional Services (Legal and Audit).
3. President's Office Expense.
4. Safety Deposit Box Rental.
5. Charitable Contributions.
6. Institutional Membership Fees.

UNITED STATES ATOMIC ENERGY COMMISSION

BY: s/ E. A. Wende

TITLE: Deputy Manager, Oak Ridge Operations

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: s/ William G. Pollard

TITLE: Executive Director

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TYPED
PREPARED
APPROVED

Contract No. AT-(40-1)-GEN-33
Oak Ridge Institute of Nuclear Studies
Modification No. 24

RETURN TO
CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 28th day of June, 1957, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee and having its principal office situated at Oak Ridge, Tennessee;

WITNESSETH THAT:

WHEREAS, the Government and the Contractor have entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational and research programs in nuclear and related sciences; and

WHEREAS, said contract has been previously amended by Modifications Nos. 1 - 23; and

WHEREAS, the parties desire to further amend said contract to extend the term thereof, to integrate the contract and its modifications and to make certain other changes hereinafter more particularly described, it being understood however that the execution of this Supplemental Agreement will not require the revision of Appendix A as it has existed prior to this modification or the resubmission of the Contractor's written procedures previously approved in accordance with the provisions of the contract or the renewal of any instructions, approvals or authorizations issued, granted or approved under this contract prior to July 1, 1957; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1954;

NOW, THEREFORE, in consideration of the mutual agreements and undertakings of the parties, the parties hereto do hereby agree that this Supplemental Agreemen states all of the provisions of this Contract AT-(40-1)-GEN-33 in effect on and after July 1, 1957, so that they shall read in their entirety as follows:

ARTICLE I - DESCRIPTION OF WORK

1. The Contractor shall, subject to approval of the Commission, and in accordance with general programs agreed to by the Contractor and the Commission, furnish the personnel, the supplies, equipment, facilities and

CERTIFIED TRUE COPY
BY

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services, including maintenance, not furnished by the Government, necessary to perform the following work:

a. Maintain a central administrative organization at Oak Ridge, Tennessee, to arrange, administer and accomplish such programs of education in nuclear and related sciences as shall be mutually agreed upon by the Contractor and the Commission.

b. Arrange with a recognized University, approved by the Commission, for the conduct, in facilities provided by the Government at Oak Ridge, Tennessee, of an academically recognized graduate training program in nuclear and related sciences, leading to the Master's or Doctor's degrees, for the benefit of regular employees of the Government's operating contractors at Oak Ridge and for such others as may be approved by the Commission. The Contractor shall not enter into any such arrangement unless the terms and conditions thereof have received the approval of the Commission.

c. Arrange for and administer programs, through fellowships or otherwise, subject to the approval of the Commission, under which selected graduate students from qualified educational, training, and research institutions may carry out thesis research for the degree of Doctor of Philosophy or other graduate credits by participation in the research programs in the Commission's facilities at Oak Ridge.

d. Encourage, by methods consistent with the general policy of and to the extent approved by the Commission, the development, by educational institutions in the southern region of the United States, of their own programs of research and graduate instruction in nuclear and related sciences; and make arrangements with the Commission's operating contractors at Oak Ridge whereby scientific staff members and research workers of qualified institutions can participate, to the extent approved by the Commission and the operating contractors, in the research programs of said operating contractors at Oak Ridge.

e. Arrange and conduct, in and with facilities to be provided by the Commission at Oak Ridge, Tennessee, such educational and training programs in the field of nuclear and related sciences, as may be agreed upon from time to time by the Commission and the Contractor.

f. Perform such advisory and consultative functions as may be requested by the Commission and agreed upon by the Contractor.

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g. Arrange and conduct, in and with facilities to be provided by the Commission, at Oak Ridge, Tennessee, a clinical investigative and research program in the study, and the treatment with radioactive substances or with radiation, of cancer and allied diseases and such other diseases as the Commission may, from time to time, approve for clinical investigation and research. Such program may include, but not be limited to the following:

(1) Hospitalization, care, treatment and transportation of patients without charge to patients.

(2) Preparation of bodies of deceased patients for burial and performance of autopsies.

(3) Transportation and burial of bodies of deceased persons.

(4) Training of, and research participation by, resident physicians, research fellows, staff members of participating medical schools and hospitals, and individuals.

(5) Development of designs for and construction and testing of teletherapy machines utilizing radioactive substances (it being understood and agreed that the Contractor may enter into arrangements with others for the design and construction of said machines at places other than Oak Ridge), and development, in collaboration with other institutions, of clinical investigative and therapeutic procedures for use of these machines.

h. Maintain and operate a program in nuclear energy exhibits to the extent approved by the Commission. Such program may include but not be limited to the following:

(1) Maintenance and operation of a museum of atomic energy in and with facilities to be provided by the Commission at Oak Ridge The museum shall be open to the public, subject to the payment of an admission charge in such amount as the Commission may from time to time approve. The Commission may designate from time to time, individuals or groups to be admitted to the museum without charge.

(2) Developing and conducting programs of public education in atomic energy outside of Oak Ridge utilizing circulating or traveling exhibits and related services through arrangements with other established organizations, national, state and local fairs and other suitable agencies.

(3) Entering into arrangements with concessionaires for the use of portions of the museum premises for the sale of food, beverages, literature and souvenir merchandise. All such arrangements shall be in such form as approved by the Commission and the Commissic may in its discretion designate the concessionaire with whom arrangements will be made.

i. Operate and maintain a technical library at Oak Ridge, Tennessee, and furnish library services to the Commission or its designees including but not limited to providing reading room facilities, reference and bibli ographical services and delivery and circulation services.

j. Arrange for, award and administer such fellowship programs for research and training in the physical, biological, medical, agricultural, and engineering sciences related to nuclear energy, as the Commission may from time to time authorize in writing. The Commission will establish the number of awards, amount of stipend and travel allowances, payment of tuition and fees, fields of research and training, duration of fellowship and the institutions at which the fellowships may be held. The Contractor's methods of selection of fellows and the terms, conditions, and policies established for such fellowships shall be subject to approva in writing by the Commission.

k. The Contractor may render such services, including transfers of property to Federal agencies, to other cost-type contractors of the Commission at Oak Ridge, Tennessee, or elsewhere, as the Contractor is able to render without interfering substantially with the performance of its other responsibilities hereunder and as may be requested by the Commission or by such other cost-type contractors who represent to the Contractor that such services are requested in connection with the performance of their contracts. Such services shall be rendered on mutually agreeable terms and conditions and the Contractor shall receive compensation therefor from such other cost-type contractors to the extent that compensation is required by and in accordance with policies adopted from time to time by the Commission. The compensation received for performing such services shall be handled as a part of the advances of Government funds as provided in Article VI. In the performance of such services the Contractor is authorized to use materials and equipment in its custody under this contract. The cost of such services shall constitute allowable costs under Article IV. With the approval of the Commission, the Contractor may render the same services, including transfers of property, to lump-sum or unit-price Commission contractors under the terms and conditions herein stated.

1116513

2. The Contractor may participate in fellowship and other educational, training or research programs supported in whole or in part by others than the Commission and may utilize in connection with such programs, facilities, or funds provided under this contract but only to the extent and under terms and conditions approved by the Commission in writing in each case. One of the factors which will be taken into consideration by the Commission is the amount and disposition of any donation, contribution or subsidy granted to the Contractor by such other supporting entity.

ARTICLE II - TERM; ESTIMATES OF COST - OBLIGATION OF GOVERNMENT FUNDS

1. Term. The term of this contract shall continue until June 30, 1962. On or before January 1, 1962, the Contractor will give written notice to the Government as to whether it desires to continue operations after June 30, 1962. If the Contractor is willing to continue operations and the Government desires to extend the term of this contract, the parties hereto agree to enter into negotiations looking to the execution of an agreement for such extended term on such conditions as shall be mutually agreeable.

2. Estimates of Cost and Obligation of Funds. It is estimated that the cost of the work under this contract, exclusive of the Contractor's overhead allowance, will for the current term be at the rate of $2,700,000 per annum. The Commission has obligated for the performance of the work and payment of overhead allowance hereunder $12,690,000.

3. Revised Estimates of Costs and Obligation of Funds. The Contracting Officer may by written notice to the Contractor revise the initial estimate of cost of the work (exclusive of the overhead allowance) and from time to time further revise any revised estimate of cost. The Commission may increase the contract obligation unilaterally one or more times by written notice to the Contractor.

4. Limit on Total Amount of Allowable Costs. Net payments (cash disbursements less cash receipts exclusive of advances from AEC) by the Contractor allowable hereunder, less net receivables plus liabilities and commitments, shall not at any time exceed the amount of funds currently obligated hereunder.

5. Notice of Costs Approaching Funds Obligated - Contractor Excused Pending Increase when Obligations Reached. The Contractor shall notify the Contracting Officer in writing when the total of (a) funds remaining from the amount obligated by the Government under Paragraph 2. above, and (b) funds available to the Contractor from cash receipts, are sufficient to cover only the sum of the following:

a. The unpaid amount of overhead allowance scheduled to accrue to the Contractor during the remainder of the then current fiscal year.

b. Net amount (anticipated expenditures less anticipated receipts) required to continue operations at the programmed rate for forty-five (45) days.

c. Estimated amount required to liquidate outstanding liabilities and claims against the Contractor at the end of the forty-five (45) days less the Contractor's estimate of amounts to be received from collections of accounts receivable.

When total funds available (as computed above) are, in the Contractor's best judgment, only sufficient to cover items a. and c. above, the Contractor shall make no further expenditures or commitments (except to meet the aforesaid liabilities, claims, and other allowable costs) and shall be excused from further performance (except such performance as is necessary in connection with termination by the Government) and (unless the parties otherwise agree) the performance of all work hereunder will be deemed to have been terminated for the convenience of the Government.

6. Government's Right to Terminate not Affected. The giving of any notice by either party under this article shall not be construed to waive or impair any right of the Government to terminate the contract under the provisions of Article XVIII - TERMINATION.

7. Cost Information. The Contractor shall maintain current cost information adequate to reflect the cost of performing the work under this contract at all times while the work is in progress, and shall prepare and furnish to the Government such written estimates of cost and information in support thereof as the Contracting Officer may request.

8. Correctness of Estimates not Guaranteed. It is understood that neither the Government nor the Contractor guarantees the correctness of any estimate of cost or estimate of time for performance of the work under this contract.

ARTICLE III - CONSIDERATION

To cover the costs of and in full and complete compensation for the Contractor's performance and undertakings hereunder the Contractor shall receive allowable costs as provided in Article IV of this contract.

ARTICLE IV - COST OF THE WORK

1. Basis for Determination of Allowable Costs. The cost allowable under this contract shall be costs and expenses which are actually incurred by the Contractor in performing the work under this contract and which are

necessary or incident thereto. Allowable costs shall include, without limitation on the generality of the foregoing, the items described in Paragraph 2. but shall not in any event include the items described as unallowable in Paragraph 3. except to the extent indicated therein. Failure to mention any item of cost in this article is not intended to imply that it is either allowable or unallowable.

2. Examples of Allowable Costs. The following are examples of items of cost allowable under this contract to the extent indicated:

a. Costs and expenses incurred in accordance with Appendix "A" which is hereby incorporated by reference and made a part of this contract. It is understood and agreed that Appendix "A" sets forth in detail and is intended to be a complete statement of the Contractor's present personnel policies, practices and plans including but not limited to, salaries and wages, employee welfare, hours of work and rates of pay, sick leave and vacations, recreation programs, group health insurance, retirement plan, and travel and transportation. These policies, practices, and plans may be revised from time to time at the request of the Contractor and with the written approval of the Commission without execution of an amendment to this contract. No compensation or benefits paid to or for any employee in excess of those stated in Appendix "A" shall be allowable costs under this contract unless and until the Commission has so approved in writing.

b. Amounts payable under all subcontracts made in accordance with the provisions of this contract.

c. Bonds and insurance, including self-insurance, approved by the Contracting Officer.

d. Patents, purchased designs, and royalty payments to the extent approved by the Contracting Officer.

e. Losses and expenses (including settlements made with the consent of the Contracting Officer) sustained by the Contractor in the performance of the work and certified by the Contracting Officer to be just and reasonable, except losses and expenses expressly made unallowable under other provisions of this contract, or compensated for by insurance or otherwise, or which would have been compensated for by insurance required by law or by written direction of the Contracting Officer.

1116516

f. Materials, tools, machinery, equipment, spare parts, facilities and supplies, including inspection, storage, salvage and other usual expenses incident to the procurement thereof, subject to approvals required under any other provisions of this contract.

g. Freight, transportation, material handling (including reconsignment, switching, demurrage and diversion charges), and crating, loading and unloading and storage charges for materials, supplies, tools, machinery, equipment, facilities and other property.

h. Expenses of litigation, including reasonable counsel fees, incurred in accordance with the article of this contract entitled "Litigation and Claims".

i. Taxes (subject to the provisions of Article XXX) and other fees and charges levied by public agencies which the Contractor is required by law to pay, except those which are excluded by other provisions of this contract.

j. The salary (including related payroll expenses and employee benefits) of the Contractor's Assistant Treasurer.

k. A fixed overhead allowance to be agreed upon in writing as follows:

On or before April 1 of each year the parties shall negotiate a fixed overhead allowance in connection with the Contractor's services to be performed during the ensuing fiscal year. Such overhead allowance shall constitute full compensation for and shall be paid in lieu of allowable costs for the items listed below. It is agreed that this fixed overhead allowance is not subject to retroactive adjustment; provided, however, in the event of a major change in the scope of the contract which would have a material effect on items covered by such allowance the parties will negotiate an equitable adjustment of the allowance. In the event the parties fail to agree upon the overhead allowance for the ensuing fiscal year before the beginning of that year, an allowance shall be paid during a new year provisionally at the rate previously effective but to be adjusted to the new rate effective as of the beginning of such year when agreement is reached. Failure of the parties to agree upon the fixed overhead allowance or the items to be covered thereby shall be resolved pursuant to the article of this contract entitled "Disputes".

(1) The salary, retirement, group insurance, social security and unemployment taxes of the Contractor's Executive Director.

1116517

(2) Board, council and consultant travel, except consultant travel on subcontracts entered into in accordance with the terms of this contract.

(3) Reception and orientation.

(4) Charitable contributions.

(5) Professional services for legal and audit except as provided for in the article entitled "Litigation and Claims".

(6) President's office.

(7) Such other items as may be mutually agreed upon.

The allowance provided for in this Item k. is agreed to be $2,100 per month for the period commencing on July 1, 1957, and ending on June 30, 1958.

l. Items of cost which are not expressly excluded by other provisions of this contract and which are specifically certified by the Contracting Officer as allowable hereunder.

3. Examples of Unallowable Costs. The following are examples of items, the cost of which are not allowable except as indicated:

a. Salaries of Corporate Officers, except as provided in subparagraphs 2. j. and 2. k., above.

b. Expenses of regular meetings of the Contractor's membership as represented by its Council and/or its Board of Directors, except the cost of local transportation at Oak Ridge, Tennessee (including transportation to and from transportation terminals in the vicinity of Oak Ridge), and except as included in the overhead allowance provided in 2. k., above.

c. Any other general expense of the Contractor of the type not described in Paragraph 2. above and which is not related to the performance of this contract.

d. Such amount as the Commission and the Contractor may mutually agree, at the time of Commission approval of any teletherapy project described in Article I, subparagraph 1. g. (5), to be the Contractor's contribution to any such project.

4. Fellowships. It is understood and agreed that the Contractor will not use any funds or facilities provided under this contract to confer a fellowship upon any person who advocates or is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence or if the Commission finds upon investigation by the designated investigating agency on the character, associations and loyalty of such person, that reasonable grounds exist for belief that such person is disloyal to the Government of the United States. Upon request by the Contractor, the Commission shall arrange for investigation by the designated investigating agency of any person on whom the Contractor has decided to confer a fellowship; and the Commission shall transmit to the Contractor, upon report by the designated investigating agency, the Commission's findings based thereon. A "Q Clearance" or "Fellowship Approval" granted to such person by the Commission shall be deemed to express the Commission's finding that reasonable grounds do not exist for belief that such person is disloyal to the Government of the United States. As used herein the term "designated investigating agency" means the United States Civil Service Commission or the Federal Bureau of Investigation, or both, as determined pursuant to the provisions of the Atomic Energy Act of 1954 or the provisions of any pertinent appropriation act.

ARTICLE V - PAYMENTS

1. a. Payment for Allowable Costs. Payment for allowable costs shall be made by the Contractor from the special bank account or accounts, consisting of advances of Government funds and revenues received in the performance of the contract work, which are described in Article VI, and to the extent so paid, and subject to the provisions of paragraph b. immediately below, shall constitute a credit against the Contractor's responsibility for such funds and revenues.

b. Review and Approval of Costs Incurred. The Commission will periodically review the Contractor's expenditures from the special bank account or accounts and advise the Contractor as to the results of such review. Such periods shall be as mutually agreed upon between the parties, but not less frequent than annually. The Contractor shall prepare and submit annually as of June 30 a certified voucher, for the total of net expenditures accrued (i.e., net costs incurred) for the period covered by the voucher, and the Commission, after audit and appropriate adjustment, will approve such voucher. This approval by the Commission will constitute an acknowledgment by the Commission that the net costs incurred were allowable under the contract and that they had been recorded in the accounts maintained by the Contractor in accordance with Commission approved accounting policies, but will not relieve the Contractor of responsibility for the Commission's assets in its care, for appropriate subsequent adjustments, or for errors later becoming known to the Commission; nor will such approval affect the audit responsibilities of the General Accounting Office.

1116519

2. Overhead Allowance. The overhead allowance set out in Article IV shall be paid by the Government as it accrues in monthly installments.

3. Final Payment. Upon completion of the work hereunder, the Commission and the Contractor shall settle or agree upon the manner for settling outstanding items of allowable costs to the extent not otherwise provided for by the provisions of this contract, with adjustment for (a) deductions due under the terms of this contract, and (b) any sum required to settle any unsettled claim which the Government may have against the Contractor. Prior to final payment and as a condition thereof the Contractor shall furnish the Government with a release of all claims against the Government arising under and by virtue of this contract, other than (1) such claims, if any, as may be specifically excepted by the Contractor from the operation of the release in stated amounts to be set forth therein, or in estimated amounts where the amounts are not susceptible of exact statement, and (2) any claim based upon responsibility of the Contractor to third parties arising out of the performance of this contract not known to the Contractor at the time of furnishing the release. Even though the existence or amount thereof shall not be determined until after the furnishing of such release as is described next above, allowable costs to the Contractor under this contract shall include, along with wages and salaries otherwise allowable, all additional amounts determined to be due and payable for overtime compensation and allowances under local, state, or Federal laws in connection with such wages and salaries.

4. Discounts. The Contractor shall take, to the extent of its ability all known and permissible discounts, rebates, allowances, credits, salvage, commissions and bonifications.

5. Revenues. Except as approved by the Commission under Article I, Paragraph 2, all revenues received by the Contractor from its operations hereunder including, but not limited to, tuition, laboratory and other fees, and discounts, rebates, allowances, refunds, credits, salvage, commissions, and bonifications shall be deposited to the Government's account as provided in Section 2. of Article VI or otherwise credited to the account of the Government as the Commission may direct.

6. Claims. Claims for credit against funds advanced or for payment shall be accompanied by such supporting documents and justification as the Commission shall prescribe.

ARTICLE VI - ADVANCES OF GOVERNMENT FUNDS

1. Advances. The Contractor shall not be required to utilize its own funds in making payments for allowable costs under this contract. Accordingly, the Government shall advance to the Contractor, from time to

1116520

time (generally monthly, but in any event at such times, more or less frequently than once each month, as in the opinion of the Commission the Contractor's need therefor develops), such Government funds (hereinafter referred to as "advances") as the Contractor shall request in writing and the parties mutually agree are adequate to enable the Contractor to continue to make payments for allowable costs under this contract in furtherance of its performance; any failure so to agree shall be deemed to be within the purview, and shall be resolved in accordance with the provisions of the article entitled Disputes; provided, however, that in the event that the Government shall fail to advance funds in the amount requested by the Contractor and as a result of such failure the Contractor is unable to meet its obligations to make payment for allowable costs hereunder as such obligations become due and payable, the Contractor may suspend its performance hereunder until the Government has advanced sufficient funds for such purpose. The exercise of this right shall be without prejudice to any rights or remedies of the Contractor on account of such default by the Government, and failure of the Contractor to exercise such right shall not constitute a waiver thereof with respect to any continuing or subsequent failure on the part of the Government. It is understood that such advances are not loans to the Contractor and will not require interest payments by the Contractor, and that the Contractor will acquire no right, title or interest in or to such advances other than the right to make expenditures therefrom for the purposes authorized in, and within the intent of, this contract.

2. Special Bank Accounts. All such advances, revenues and other moneys received for the account of the Government in the performance of the work shall be deposited in a special bank account or accounts (hereinafter referred to as "special accounts") at a bank or banks satisfactory to the Commission, separate from the Contractor's own funds; the special accounts shall be so designated as to indicate clearly to the bank their special character, purpose and title; the balances in special accounts shall be used by the Contractor exclusively for the purpose of making payments for allowable costs under this contract (including such amounts, considered reasonable by the Commission, as are expended by the Contractor in furtherance of the provisions of this article).

3. Excessive Balances. In the event either party is of the opinion, at any time or times, and notifies the other party in writing, that the then balance of such advances is in excess of the Contractor's need, the amount of alleged excess shall be promptly returned or credited to the Government in such manner as the Commission directs.

4. Title - Rights and Liabilities of Bank. All funds advanced and all funds deposited in special accounts shall remain the property of the Government until expended or returned. The Government's title to such funds shall be superior to any claim or lien of the bank or any other party upon special accounts irrespective of the basis of such latter lien; provided, however, that the bank shall be under no liability to any party hereto for the withdrawal of any funds from special accounts through checks properly indorsed or signed by the Contractor, except that after the receipt by the bank of written directions from the Commission, the bank shall act thereon and be under no liability to any party hereto for any action taken in accordance with such written directions. Any written directions received by the bank in due course, upon United States Atomic Energy Commission stationery, and purportedly signed by or at the direction of said Commission, shall, insofar as the rights, duties and liabilities of the bank are concerned, be conclusively deemed to have been properly issued and filed with the bank by said Commission.

5. Liquidation of Advances and Special Accounts. If, upon expiration of this contract, or upon its termination by either party, such advances and special accounts have not been fully liquidated, the whole or such portion of the unliquidated balance thereof as is not required for the payment of allowable costs under this contract shall be returned or accounted for to the Government in such manner as the Commission directs.

6. Inspection and Audit of Special Accounts. The Contractor shall at all reasonable times afford the Commission proper facilities for the inspection and audit of special accounts, and the Contractor's papers and data relevant thereto, and the Commission shall have the right (to the extent of the Contractor's rights), during business hours, to inspect and make copies of any entries in the books and records of the pertinent bank or banks, pertaining to special accounts.

7. Advances to Subcontractors and Materialmen. Subject to prior written approval of the Commission, the Contractor may make advances of Government funds out of special accounts to subcontractors and materialmen, upon such terms and conditions as the Commission approves in writing.

ARTICLE VII - RESPONSIBILITY OF CONTRACTOR - CONTINGENCIES

In view of the fact that the Contractor is undertaking performance of the work hereunder without fee, it is agreed that all work under this contract is to be performed at the expense of the Government, and that the Contractor shall not be liable for, and the Government shall indemnify the

Contractor against any delay, failure, loss, expense (including expense of litigation and attorney fees) or damage (including personal injuries and deaths of persons and damage to property of any kind whether due to negligence or to any cause whatsoever), arising out of the performance of the work, unless such delay, failure, loss, expense or damage is compensated for by insurance or otherwise, or is caused by wilful misconduct or bad faith on the part of any corporate officer of the Contractor or on the part of the Contractor's representative responsible for direction of the whole of the work hereunder or unless such loss, expense, damage, or liability is an unallowable cost by the provisions of Article IV.

ARTICLE VIII - CHANGES

The Commission may at any time by written order issue additional instructions or require additional work or services to be performed hereunder by the Contractor, or direct the omission of work or services covered by this contract. No such changes causing a material increase or decrease in the amount or character of the work or services to be performed under this contract will be directed by the Commission until this contract is modified accordingly by mutual agreement of the parties hereto.

ARTICLE IX - ACCOUNTS AND RECORDS - INSPECTION AND REPORTS

1. Accounts. The Contractor shall maintain a separate and distinct set of accounts showing all allowable costs incurred, revenues earned, and the use and disposition of all Government-owned property coming into the possession of the Contractor under this contract. The system of accounts employed by the Contractor for this contract shall be subject to Commission approval and in accordance with generally accepted accounting principles.

2. 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 the Commission at all reasonable times, and the Contractor shall afford the Commission proper facilities for such inspection and audit.

3. Responsibility for Audit of Subcontracts. It is understood that payments to subcontractors under cost-type subcontracts shall be audited by the Contractor (and such audit shall be subject to review by the Commission) except where the Commission upon the recommendation of the Contractor elects to waive such audit or to conduct the audit with Commission personnel or make other arrangements for the conduct of the audit.

1116523

4. Title to and Disposition of Records and Information. Except as otherwise directed by the Commission or agreed upon by the Commission and the Contractor, all sketches, drawings, designs, plans, specifications, technical notes and data, medical records, books of account and supporting documents, other data evidencing costs allowable and revenues received, earned or accrued under this contract, notebooks, photographs, negatives, reports, findings, recommendations, data, memoranda, and information of every description relating to or made available to the Government by the Contractor in connection with 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 Commission may from time to time direct during the progress of the work or in any event as the Commission shall determine upon completion or termination of this contract and final audit by both the Commission and the General Accounting Office of all accounts hereunder. The Government shall have the right to use all or any part of said material and information which is the property of the Government for any purpose whatsoever including but not limited to the right to reproduce said material and disseminate it to the public. All other records in the possession of the Contractor relating to this contract shall be preserved by the Contractor at the expense of the Commission for a period of six (6) years after final settlement of the contract or otherwise disposed of in such manner as may be agreed upon by the Government and the Contractor.

5. Reports. The Contractor shall furnish such progress reports and schedules, financial and cost reports, and other reports concerning the Contractor's activities under this contract in such form as the Commission may from time to time require.

6. Inspections. The Commission shall have the right to inspect the work and activities of the Contractor under this contract at such times and in such manner as it shall deem appropriate.

ARTICLE X - PROPERTY

1. Government-Owned Property. Title to all Government-owned property in the care, custody or possession of the Contractor in connection with the performance of this contract shall remain vested in the Government throughout the term hereof, except for such as may be transferred or disposed of in accordance with this contract; and upon the completion or termination of this contract, the Contractor shall return care, custody and possession of all of the same not so transferred or disposed of or consumed, to the Government. Title to Government property shall not be affected by the

1116524

incorporation of the property into or the attachment of it to any property not owned by the Government, nor shall such Government property, or any part thereof, be or become a fixture or lose its identity as personalty by reason of affixation to any non-Government-owned realty.

2. Title to Property Purchased by Contractor. Except as otherwise directed by the Commission, title to all materials, equipment, supplies, and tangible personal property of every kind and description purchased by the Contractor, the cost of which is allowable under this contract, shall pass directly from the vendor to the Government and not to the Contractor.

3. Identification. To the extent directed by the Commission, the Contractor shall identify Government-owned property coming into the Contractor's possession by marking or segregation in such a way, satisfactory to the Commission, as shall indicate its ownership by the Government.

4. Use and Disposition. It is recognized that property (including without limitation scientific, laboratory, and instructional equipment, raw, manufactured, scrap and waste materials), title to which is or may hereafter become vested in the Government, will be used by or will be in the care, custody or possession of the Contractor in connection with the performance of this contract. With the approval in writing of the Commission (whether such approval is given prior to or after the giving of a notice of the termination of this contract for the convenience of the Government), the Contractor may transfer or otherwise dispose of such Government-owned property to such parties and upon such terms and conditions as the Commission may approve, or, with like approval by the Commission, the Contractor may itself acquire title to such property, or any of it, at a price mutually agreeable. The proceeds of any such transfer or disposition shall be received for the account of the Government, and shall be received, held, and utilized as a part of the advances of Government funds pursuant to Article VI. Upon completion or termination in whole of the work, the Contractor shall render an accounting, as prescribed by the Commission, of all Government-owned property which has come into the possession or custody of the Contractor under this contract and for which the Contractor has not previously been relieved of accountability; provided, however, that unless the Commission requires an inventory, the maintenance and disposition of records of Government-owned property in accordance with Article IX shall be accepted by the Commission as full compliance with all requirements of this contract pertaining to an accounting for such property.

5. Risk of Loss of Government-Owned Property. The Contractor shall not be liable or accountable for loss or destruction of or damage to Government-owned property in the Contractor's possession unless such loss, destruction or

1116525

damage results directly from wilful misconduct, gross negligence or lack of good faith on the part of any officer of the Contractor or any representative of the Contractor having supervision and direction of the work under this contract as a whole.

6. Protection of Government-Owned Property - Classified Materials. The Contractor shall take all reasonable precautions, as directed by the Commission, or in the absence of such direction in accordance with the best judgment of the Contractor, to safeguard and protect Government-owned property in the Contractor's possession. Special measures shall be taken by the Contractor in the protection of and accounting for any classified materials involved in the performance of this contract, in accordance with the regulations and requirements of the Commission.

7. Steps to be Taken in Event of Loss. Except as otherwise directed by the Commission, upon the happening of any loss or destruction of or damage to Government-owned property in the possession of the Contractor, the Contractor shall immediately inform the Commission of the occasion and extent thereof, shall take all reasonable steps to protect the property remaining, and shall repair or replace the lost, destroyed, or damaged property if and as directed by the Commission, but shall take no action prejudicial to the right of the Government to recover therefor and shall furnish to the Government on request all reasonable assistance in obtaining recovery.

ARTICLE XI - BONDS AND INSURANCE

Required Bonds and Insurance - Exclusion of Government Property. The Contractor shall procure and maintain such bonds and insurance as are required by law or by the written directions of the Commission. The terms of any such bond or insurance policy shall be submitted to the Commission for approval. In view of the provisions of Article X, the Contractor shall not procure or maintain for its own protection any insurance (including self-insurance or reserves) covering loss or destruction of or damage to Government-owned property.

ARTICLE XII - CONTRACTOR'S ORGANIZATION AND PROCEDURES

1. Organization Chart. As promptly as possible after the execution of this contract, the Contractor shall furnish to the Commission a chart showing the names, duties, and organization of key personnel to be employed in connection with the work, and shall furnish from time to time supplementary information reflecting changes therein.

1116526

2. Supervising Representative of Contractor. A competent supervising representative of the Contractor satisfactory to the Commission shall be in charge of the work at all times.

3. Control of Employees. The Contractor shall be responsible for maintaining satisfactory standards of employee competency, conduct, and integrity and shall be responsible for taking such disciplinary action with respect to its employees as may be necessary. In the event the Contractor fails to remove any employee from the contract work, whom the Commission deems incompetent, careless or insubordinate, or whose continued employment on the work is deemed by the Commission to be contrary to the public interest, the Government reserves the right to require the Contractor to remove the employee.

4. Approval of Assignment of Key Personnel. No person shall be assigned by the Contractor to service under this contract in a position designated by the Commission as a "key position" until there has been submitted to and approved by the Commission a statement of the qualifications, experience and salary of the person proposed for such assignment.

5. Approval of Procedures. As promptly as possible after the execution of this contract, the Contractor shall submit for approval of the Commission written procedures covering methods and practices proposed to be used in subcontracting, procurement, accounting, property management, source and fissionable materials accountability, and other activities under this contract, and shall furnish from time to time for Commission approval any proposed changes in such procedures.

ARTICLE XIII - SAFETY, HEALTH AND FIRE PROTECTION - PERMITS

1. Safety, Health and Fire Protection. The Contractor shall take all reasonable precautions in the performance of the work under this contract to protect the health and safety of employees and of members of the public and to minimize danger from all hazards to life and property, and shall comply with all health, safety, and fire protection regulations and requirements (including reporting requirements) of the Commission. In the event that the Contractor fails to comply with said regulations or requirements of the Commission, the Contracting Officer may, without prejudice to any other legal or contractual rights of the Commission, issue an order stopping all or any part of the work; thereafter a start order for resumption of work may be issued at the discretion of the Contracting Officer.

2. Permits. Except as otherwise directed by the Contracting Officer, the Contractor shall procure all necessary permits or licenses and abide by all applicable laws, regulations and ordinances of the United States and of the State, territory or political subdivision in which the work under this contract is performed.

ARTICLE XIV- OFFICIALS NOT TO BENEFIT

No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE XV - SUBCONTRACTS AND PURCHASE ORDERS

When Subcontracts Authorized - Requirements Applicable to Subcontracts and Purchase Orders. The Contractor shall, when ordered by the Commission, and may, but only when authorized by the Commission, enter into subcontracts in writing for the performance of the work described in Article I hereof or any part of the work under this contract. All subcontracts for the performance of the work described in Article I shall be submitted to the Commission for approval. Purchase orders shall not be entered into by the Contractor for items whose purchase is expressly prohibited by the written directions of the Commission. The Commission reserves the right at any time to require that the Contractor submit any or all other contractual arrangements, including but not limited to purchase orders or classes of purchase orders, for approval, and provide information concerning methods, practices, and procedures used or proposed to be used in subcontracting and purchasing. The Contractor shall use methods, practices, or procedures in subcontracting which are acceptable to the Commission. Subcontracts and purchase orders shall not relieve the Contractor of any obligation under this contract (including, among other things, the obligation properly to supervise and coordinate the work of subcontractors) and shall be in such form and contain such provisions as are required by this contract or as the Commission may prescribe.

ARTICLE XVI - INVENTIONS, PATENTS AND PROCESSES

1. Whenever any invention or discovery is made or conceived by the Contractor or its employees in the course of, in connection with, or under the terms of this contract, the Contractor shall furnish the Commission with complete information thereon; and the Commission shall have the sole power to determine whether or not and where a patent application shall be filed, and to determine the disposition of the title to and rights under any

1116528

application or patent that may result. The judgment of the Commission on these matters shall be accepted as final; and the Contractor, for itself and for its employees, agrees that the inventor or inventors will execute all documents and do all things necessary or proper to carry out the judgment of the Commission.

2. No claim for pecuniary award or compensation under the provisions of the Atomic Energy Acts of 1946 and 1954 shall be asserted by the Contractor or its employees with respect to any invention or discovery made or conceived in the course of, in connection with, or under the terms of this contract.

3. Except as otherwise authorized in writing by the Commission, the Contractor will obtain patent agreements to effectuate the purposes of Paragraphs 1. and 2. of this article from all persons who perform any part of the work under this contract, except such clerical and manual labor personnel as will not have access to technical data.

4. Except as otherwise authorized in writing by the Commission, the Contractor will insert in all subcontracts provisions making this article applicable to the subcontractor and its employees.

ARTICLE XVII - COPYRIGHT

1. The Contractor agrees to and does hereby grant to the Government, and to its officers, agents, servants and employees acting within the scope of their official duties, (i) a royalty-free, non-exclusive and irrevocable license to reproduce, translate, publish, use, and dispose of, and to authorize others so to do, all copyrightable material first produced or composed under this contract by the Contractor, its employees or any individual or concern specifically employed or assigned to originate and prepare such material; and (ii) a license as aforesaid under any and all copyrighted or copyrightable work not first produced or composed by the Contractor in the performance of this contract but which is incorporated in the material furnished under the contract, provided that such license shall be only to the extent the Contractor now has, or prior to completion or final settlement of the contract may acquire, the right to grant such license without becoming liable to pay compensation to others solely because of such grant.

2. The Contractor agrees that it will exert all reasonable effort to advise the Commission, at the time of delivering any copyrightable or copyrighted work furnished under this contract, of any adversely held copyrighted or copyrightable material incorporated in any such work.

1116529

3. The Contractor agrees to report to the Commission promptly and in reasonable written detail, any notice or claim of copyright infringement received by the Contractor with respect to any material delivered under this contract.

ARTICLE XVIII - TERMINATION

1. The performance of work under this contract may be terminated in whole, or from time to time in part, (a) whenever the Contractor shall default in performance of this contract in accordance with its terms, and shall fail to cure such default within ten days (or such longer period as the Commission may allow) after receipt of notice from the Commission specifying the default, or (b) whenever the Commission shall determine that any such termination is in the best interest of the Government. Termination by the Government under this section shall be effected by delivery to the Contractor of a Notice of Termination specifying the termination date upon which such termination shall become effective.

2. After receipt of a Notice of Termination and except as otherwise directed by the Commission, the Contractor shall:

a. Discontinue work under this contract on the date fixed for termination in the Notice of Termination, except as to outstanding commitments to students, which commitments will be disposed of by mutual agreement of the parties.

b. Place no further orders or subcontracts for materials, services or facilities except as may be necessary for completion of the work until the date fixed for termination in the Notice of Termination.

c. Cancel (or if so directed by the Commission, transfer to the Government), as of the date fixed for termination or such earlier date as the Commission may direct, all orders, subcontracts and agreements relating to the work, and assign to the Government in the manner and to the extent directed by the Commission, all of the right, title and interest of the Contractor under the orders, subcontracts and agreements so canceled or transferred.

d. Settle and pay, to the extent directed or authorized by the Commission, claims, commitments, liabilities and obligations arising out of or in connection with the performance or termination of the work or of any subcontract, order or agreement pursuant thereto.

1116530

e. Transfer and deliver to the Government, in the manner, to the extent and at the times directed by the Commission the completed and uncompleted work, supplies, material and other property produced as a part of or acquired in the performance of the work.

f. Take such other action (whether before or after the termination date) as the Contractor may deem necessary or as the Commission may direct for the protection and preservation of property which is in the possession of the Contractor and in which the Government has or may acquire an interest.

3. The Contractor and the Commission may agree upon the whole or any part of the amount or amounts payable to the Contractor under this contract upon the total or partial termination of this contract pursuant to this article for reasons other than the default of the Contractor and the Government shall pay to the Contractor such agreed amounts.

4. In the event of the failure of the Contractor and the Commission to agree as provided in Paragraph 3. upon the whole amount to be paid to the Contractor upon the termination of this contract, for reasons other than the default of the Contractor, the Government shall, but without duplication of any payments agreed upon in accordance with Paragraph 3.:

a. Assume sole responsibility for any or all obligations, commitments and claims that the Contractor may have theretofore in good faith undertaken or incurred in connection with the terminated work, the cost of which would be allowable in accordance with the provisions of this contract; and the Contractor shall, as a condition of receiving the payments mentioned in this article, execute and deliver all such papers and take all such steps as the Commission may require for the purpose of fully vesting in the Government any rights and benefits the Contractor may have under such obligations or commitments.

b. Treat as allowable costs all expenditures made in accordance with Article IV not previously so allowed or otherwise credited.

c. Treat as allowable costs such further expenditures made by the Contractor after the date of termination for the protection of Government property and for accounting and legal services in connection with the settlement of this contract as are approved or required by the Commission.

1116531

d. The obligation of the Government to make any of the payments required by this article or any other provisions of this contract shall be subject to any unsettled claims in connection with this contract which the Government may have against the Contractor.

5. The Contractor's allowance shall be computed and paid to and including the date fixed for the total termination of this contract in the Notice of Termination. In the event of partial termination, the Contractor's allowance shall be adjusted by mutual agreement between the parties.

6. Prior to final settlement the Contractor shall dispose of the unliquidated balance of any advance as provided in Paragraph 5. of Article VI, furnish a release as required in Article V, and furnish an accounting for Government-owned property as required by Paragraph 4. of Article X, Property.

ARTICLE XIX - EXAMINATION OF RECORDS

1. The Contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract until the expiration of three years after final payment under this contract unless the Commission authorizes their prior disposition.

2. The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor involving transactions related to the subcontract until the expiration of three years after final payment under the subcontract unless the Commission authorizes their prior disposition. The term "subcontract" as used herein means any purchase order agreement to perform all or any part of the work or to make or furnish any materials required for the performance of this contract, but does not include (a) purchase orders not exceeding $1,000, (b) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public, or (c) subcontracts or purchase orders for general inventory items not specifically identifiable with the work under this contract.

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

1116532

ARTICLE XX - DISPUTES

Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. Within 30 days from the date of receipt of such copy, the Contractor may appeal by mailing or otherwise furnishing to the Contracting Officer a written appeal addressed to the Commission, and the decision of the Commission shall, unless determined by a court of competent jurisdiction to have been fraudulent, arbitrary, capricious, or so grossly erroneous as necessarily to imply bad faith, or is not supported by substantial evidence, be final and conclusive: Provided, That if no such appeal to the Commission is taken, the decision of the Contracting Officer shall be final and conclusive. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.

ARTICLE XXI - LITIGATION AND CLAIMS

1. Initiation of Litigation. If the Government requires the Contractor to initiate litigation, including proceedings before administrative agencies, in connection with this contract, the Contractor shall proceed with the litigation in good faith as directed from time to time by the Contracting Officer.

2. Defense and Settlement of Claims. The Contractor shall give the Contracting Officer immediate notice in writing (a) of any action, including any proceeding before an administrative agency, filed against the Contractor arising out of the performance of this contract, and (b) of any claim against the Contractor the cost and expense of which is allowable under Article IV, Cost of the Work. Except as otherwise directed by the Contracting Officer in writing, the Contractor shall furnish immediately to the Contracting Officer copies of all pertinent papers received by the Contractor with respect to such action or claim. To the extent not in conflict with any applicable policy of insurance, the Contractor may with the Contracting Officer's approval settle any such action or claim, shall effect at the Contracting Officer's request an assignment and subrogation in favor of the Government of all the Contractor's rights and claims (except those against the Government) arising out of any such action or claim against the Contractor, and, if required by the Contracting Officer, shall authorize representatives of the Government to settle or defend any such action or claim and to represent the Contractor in, or to take charge of, any action. If the settlement or defense of an action or claim against the Contractor is undertaken by the Government, the Contractor shall furnish all reasonable assistance in effecting a settlement or asserting a defense. Where an action against the Contractor is not covered by a policy of insurance the Contractor shall with the approval of the Contracting Officer proceed with the defense of the action in good faith, and in such event the defense of the action shall be at the expense of the Government; provided, however, that the Government shall not be liable for such expense to the extent that it would have been compensated

1116533

for by insurance which was required by law or by the written direction of the Contracting Officer, but which the Contractor failed to secure through its own fault or negligence.

ARTICLE XXII - NONDISCRIMINATION IN EMPLOYMENT

1. In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of the nondiscrimination clause.

2. The Contractor further agrees to insert the foregoing provision in all subcontracts hereunder, except (a) subcontracts for standard commercial supplies or raw materials, (b) subcontracts to be performed outside the United States where no recruitment of workers within the limits of the United States is involved, (c) purchase orders on pocket-size forms similar to U. S. Standard Form 44, and (d) subcontracts to meet other special requirements or emergencies, if recommended by the Committee on Government Contracts. In the case of purchase orders hereunder which do not exceed $5,000, the last sentence of paragraph 1. above may be omitted.

ARTICLE XXIII - LABOR RELATIONS

1. Notice of Labor Disputes. Whenever an actual or potential labor dispute is delaying or threatens to delay the performance of the work the Contractor shall immediately notify the Commission in writing. Such notice shall include all relevant information concerning the dispute and its background.

2. Whenever the Contractor anticipates that any labor practice or procedure or proposed labor practice or procedure may violate any applicable Federal, State or local law, order or regulation, the Contractor will give notice thereof to the Commission. Such notice shall include all relevant information with respect to the anticipated possible violation.

1116534

ARTICLE XXIV - SOURCE AND SPECIAL NUCLEAR MATERIALS

The Contractor shall comply with all regulations and instructions of the Commission relative to the control of and accounting for source and special nuclear material (as these terms are defined in the Atomic Energy Act of 1954). The Contractor shall make such reports and permit such inspections as the Commission may require with reference to source and special nuclear materials. The Contractor shall take all reasonable steps and precautions to protect such materials against theft and misappropriations and to minimize all losses of such materials.

ARTICLE XXV - ASSIGNMENT OF CLAIMS

Neither this contract, nor any interest therein, nor claim thereunder, shall be assigned or transferred by the Contractor to any other party or parties, except as expressly authorized in writing by the Commission.

ARTICLE XXVI - EIGHT-HOUR LAW - OVERTIME COMPENSATION

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this article. The wages of every laborer and mechanic employed by the Contractor or any subcontractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this article a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this article, and all penalties thus imposed shall be withheld for the use and benefit of the Government: Provided, that this stipulation shall be subject in all respects to the exceptions and provisions of the Eight-Hour Law as set forth in 40 U.S.C. 321, 324, 325, 325a, and 326, which relate to hours of labor and compensation for overtime.

ARTICLE XXVII - BUY AMERICAN ACT

The Contractor agrees that in the performance of the work under this contract the Contractor, subcontractors, materialmen and suppliers shall use

1116535

only such unmanufactured articles, materials and supplies (which term "articles, materials and supplies" is hereinafter referred to in this clause as "supplies") as have been mined, or produced in the United States, and only such manufactured supplies as have been manufactured in the United States substantially all from supplies mined, produced, or manufactured, as the case may be, in the United States. The foregoing provisions shall not apply (a) with respect to supplies exempted by the Commission from the application of the Buy American Act (41 U.S.C. 10a-d), (b) with respect to supplies for use outside the United States, or (c) with respect to the supplies to be used in the performance of work under this contract which are of a class or kind determined by the Commission not to be mined, produced, or manufactured, as the case may be, in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality, or (d) with respect to such supplies, from which the supplies to be used in the performance of work under this contract are manufactured, as are of a class or kind determined by the Commission not to be mined, produced, or manufactured, as the case may be, in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality, provided that this exception (d) shall not permit the use in the performance of work under this contract of supplies manufactured outside the United States if such supplies are manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality.

ARTICLE XXVIII - COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE XXIX - SECURITY

1. Contractor's Duty to Safeguard Restricted Data and Other Classified Information. In the performance of the work under this contract the Contractor shall, in accordance with the Commission's security regulations and requirements, be responsible for safeguarding restricted data and other classified matter and protecting against sabotage, espionage, loss and theft, the classified documents, materials, equipment, processes, etc., as well as such other material of high intrinsic or stragetic value as may be in the

Contractor's possession in connection with performance of work under this contract. Except as otherwise expressly provided in the specifications the Contractor shall upon completion or termination of this contract transmit to the Commission any classified matter in the possession of the Contractor or any person under the Contractor's control in connection with performance of this contract.

2. Regulations. The Contractor agrees to conform to all security regulations and requirements of the Commission.

3. Definition of Restricted Data. The term "Restricted Data", as used in this article, means all data concerning (a) design, manufacture, or utilization of atomic weapons; (b) the production of special nuclear material; or (c) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the Restricted Data category pursuant to Section 142 of the Atomic Energy Act of 1954.

4. Security Clearance of Personnel. Except as the Commission may authorize, in accordance with the Atomic Energy Act of 1954, the Contractor shall not permit any individual to have access to Restricted Data until the designated investigating agency shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual and the Commission shall have determined that permitting such person to have access to Restricted Data will not endanger the common defense and security. As used in this paragraph, the term "designated investigating agency" means the United States Civil Service Commission or the Federal Bureau of Investigation, or both, as determined pursuant to the provisions of the Atomic Energy Act of 1954.

5. Criminal Liability. It is understood that disclosure of information relating to the work or services ordered hereunder to any person not entitled to receive it, or failure to safeguard any Restricted Data or any top secret, secret, or confidential matter that may come to the Contractor or any person under the Contractor's control in connection with work under this contract, may subject the Contractor, its agents, employees, and subcontractors to criminal liability under the laws of the United States. (See the Atomic Energy Act of 1954, 68 Stat. 919), (See also Executive Order 10104 of February 1, 1950, 15 F. R. 597.)

6. Subcontracts and Purchase Orders. Except as otherwise authorized in writing by the Contracting Officer, the Contractor shall insert provisions similar to the foregoing in all subcontracts and purchase orders under this contract.

ARTICLE XXX - STATE AND LOCAL TAXES, FEES AND CHARGES

1. The Contractor agrees to notify the Commission of any State or local tax, fee, or charge levied or purported to be levied on or collected from the Contractor with respect to the contract work or any transaction thereunder and constituting an allowable item of cost if due and payable, but which, in the opinion of the Contractor or under the position of the Commission as communicated to the Contractor is inapplicable or invalid; and the Contractor further agrees to refrain from paying any such tax, fee, or charge unless authorized by the Commission. Any State or local tax, fee or charge paid with the approval of the Commission or on the basis of advice from the Commission that such tax, fee or charge is applicable and valid, and which would otherwise be an allowable item of cost, shall not be disallowed as an item of cost by reason of any subsequent ruling or determination that such tax, fee or charge was in fact inapplicable or invalid.

2. The Contractor agrees to take such action as may be required or approved by the Commission to cause any such tax, fee, or charge referred to above to be paid under protest, and to take such actions as may be required or approved by the Commission to seek recovery of any payment made, including assignment to the Government or its designee of all rights to an abatement or refund thereof, and granting permission for the Government to join with the Contractor in any proceedings for the recovery thereof or to sue for recovery in the name of the Contractor. If the Commission directs the Contractor to institute litigation to enjoin the collection of or to recover payment of any such tax, fee or charge referred to above, or, if a claim or suit is filed against the Contractor for a tax, fee, or charge it has refrained from paying in accordance with this article, the procedures and requirements of the article entitled "Litigation and Claims", shall apply, and the costs and expenses incurred by the Contractor shall be allowable items of cost, as provided in this contract, together with the amount of any judgment rendered against the Contractor.

3. The Government shall save the Contractor harmless from penalties and interest incurred through compliance with this article.

ARTICLE XXXI - DEFINITIONS

As used in this contract:

1. The term "Contracting Officer" means the person executing this contract on behalf of the Government and includes his successors or any duly authorized representative of such person.

2. The term "Commission" means the United States Atomic Energy Commission or any duly authorized representative thereof, including the Contracting Officer except for the purpose of deciding an appeal under the article entitled "Disputes".

3. The term "Fiscal Year" means the period commencing on July 1 of any calendar year and ending on June 30 of the succeeding calendar year.

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: /s/ E. A. Wende
E. A. Wende /s/ CV
Deputy Manager, Oak Ridge Operations
(Contracting Officer)

WITNESSES:

/s/ Marten ten Hoor

Tuscaloosa, Alabama
(Address)

/s/ William G. Pollard

Oak Ridge, Tenn.
(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: /s/ Paul M. Gross

TITLE: President

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TYPED
PREPARED
APPROVED

Contract No. AT-(40-1)-GEN-33
Oak Ridge Institute of Nuclear Studies
Modification No. 25

RETURN TO
CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 17th day of June, 1958, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee and having its principal office situated at Oak Ridge, Tennessee;

WITNESSETH THAT:

WHEREAS, the Government and the Contractor have entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational and research programs in nuclear and related sciences; and

WHEREAS, said contract has been previously amended by Modifications Nos. 1 - 24; and

WHEREAS, the parties desire to further amend said contract to provide additional funds, to establish the fixed overhead allowance for the period commencing on July 1, 1958, and ending on June 30, 1959, and to effect certain other changes as are hereinafter more particularly described; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1954;

NOW, THEREFORE, the parties hereto do mutually agree that said contract, as heretofore modified, is hereby modified further in the following particulars, but in no others:

1. In Section 2. of Article II, delete the obligated amount "$15,004,000.00", and substitute therefor the obligated amount "$15,257,414.00".

2. Add the following new sentence to subsection 2. k. of Article IV:

"The allowance provided for in this Item k. is agreed to be $2,100 per month for the period commencing on July 1, 1958, and ending on June 30, 1959."

3. Add the following new Article XXXII immediately following Article XXXI:

1116540

"ARTICLE XXXII - PLACING ORDERS AND SUBCONTRACTS WITH FIRMS LOCATED IN AREAS OF SUBSTANTIAL LABOR SURPLUS

"It is the policy of the Government to place supply contracts with suppliers who will perform such contracts substantially in areas of current labor surplus where this can be done at prices no higher than are obtainable elsewhere. The Contractor agrees to use its best efforts to place its subcontracts and purchase orders in accordance with this policy to the extent consistent with the efficient performance of this contract."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: /s/ R. G. Humphries
R. G. Humphries
Acting Director, Contract Division, ORO
(Contracting Officer)

WITNESSES:

/s/ William G. Pollard

Oak Ridge
(Address)

/s/ J. W. Mumford

Oak Ridge, Tennessee
(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: /s/ Paul M. Gross

TITLE: President

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TYPED
PREPARED
APPROVED
RETURN TO
CONTRACT SECTION

Contract No. AT-(40-1)-GEN-33
Oak Ridge Institute of Nuclear Studies
Modification No. 26

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 22nd day of June, 1959, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee and having its principal office situated at Oak Ridge, Tennessee;

WITNESSETH THAT:

WHEREAS, the Government and the Contractor have entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational and research programs in nuclear and related sciences; and

WHEREAS, said contract has been previously amended by Modifications Nos. 1 - 25; and

WHEREAS, the parties desire to further amend said contract to establish the fixed overhead allowance for the period commencing on July 1, 1959, and ending on June 30, 1960, and to effect certain other changes as are hereinafter more particularly described; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1954;

NOW, THEREFORE, the parties hereto do mutually agree that said contract, as heretofore modified, is hereby modified further in the following particulars, but in no others:

1. The following new sentence is added to subsection 2. k. of Article IV:

> "The allowance provided for in this item k. is agreed to be $2,100 per month for the period commencing on July 1, 1959, and ending on June 30, 1960."

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2. Article XXII is amended by deleting Paragraph 2 therefrom and substituting the following new Paragraphs 2 and 3 therefor:

"2. The Contractor further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

"3. Anything in this article to the contrary notwithstanding, this contract is subject to the provisions of (i) applicable Executive Orders governing nondiscrimination in contracts and subcontracts with the United States, and (ii) applicable Notices published in the Federal Register by the President's Committee on Government Contracts."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: /s/ R. G. Humphries
R. G. Humphries
Acting Director, Contract Division, ORO
(Contracting Officer)

WITNESSES:

/s/ R. T. Lagemann

Nashville, Tenn.
(Address)

/s/ William G. Pollard

Oak Ridge, Tenn.
(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: /s/ Paul M. Gross

TITLE: President

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TYPED
ENTERED

Contract No. AT-(40-1)-GEN-33
Oak Ridge Institute of Nuclear Studies
Modification No. 27

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 9th day of November, 1959, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee and having its principal office situated at Oak Ridge, Tennessee;

WITNESSETH THAT:

WHEREAS, the Government and the Contractor have entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational and research programs in nuclear and related sciences; and

WHEREAS, said contract has been previously amended by Modifications Nos. 1 - 26; and

WHEREAS, the parties desire to provide for the performance of certain contract activities in facilities owned by the Contractor and the payment of a compensating cost allowance; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1954;

NOW, THEREFORE, the parties hereto do mutually agree that said contract, as heretofore modified, is hereby modified in the following particulars, but in no others, effective September 30, 1959:

1. There is added to Article I, Description of Work, the following new Section 3:

"3. a. Upon completion of the Contractor's privately owned central administrative building located in the City of Oak Ridge and at a time approved by the Commission, the Contractor will transfer to said new building the functions presently performed for the Commission under this contract in the Commission-owned facilities located on Illinois Avenue, sometimes referred to as

Alice Brown

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ORINS Administration Building, including the moving therefrom of the Government-owned furniture and fixtures, equipment and supplies to the extent approved by the Commission. The transfer will be accomplished in the shortest practicable time and will be handled in a manner designed to interfere as little as possible with the normal performance of the functions.

b. The Contractor shall perform in its own facilities, and provide therefor necessary maintenance, janitorial, and utility services (but not telephone services), such contract activities as may be agreed upon between the Commission and the Contractor in writing. The extent of the work which shall be so carried on in the Contractor's facilities and the cost allowance to be paid the Contractor for such use of its facilities is initially stated in Article IV, Item 2. 1. of this contract. Periodic and special reviews of work to be performed in the Contractor's facilities and the cost allowance therefor will be accomplished and the revised agreement stated as provided in such Item 2. 1. of Article IV. Contract work of the type specified elsewhere in the contract to be done "in", or "in and with" facilities to be provided by the Commission may be included in the statement of work to be performed in the Contractor's facilities under this paragraph without thereby indicating any right or title of the Commission in or to the Contractor's facilities or any specific part thereof."

2. There are inserted in Article II, Term, Estimate of Cost - Obligation of Government Funds, the words "and cost allowance" following each use of the words "overhead allowance" in Sections 2, 3 and 5.

3. In Article IV, Cost of the Work, Section 2, Examples of Allowable Costs, Item 1. is redesignated Item m., and the following new Item 1. is inserted:

"1. A fixed cost allowance as provided in (1) below for the period October 1, 1959 - June 30, 1960, and thereafter to be agreed upon in writing as follows:

On or before April 1 of each year the parties shall review the extent of the contract work being performed in the Contractor's facilities during the then current

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fiscal year and the extent of such work projected or anticipated for the ensuing fiscal year and shall agree upon both a fixed cost allowance for the ensuing year and the statement of contract activities to be performed in the Contractor's facilities which are the basis for the stated cost allowance. Such cost allowance shall constitute full compensation for the use of Contractor-owned facilities (including maintenance, janitorial and utility service other than telephone) devoted to the contract work. It is agreed that this fixed cost allowance is not subject to retroactive adjustment; provided, however, in the event of a major change in the scope of work to be performed in the Contractor's facilities, the parties will negotiate an equitable adjustment of cost allowance. In the event the parties fail to agree upon the cost allowance for the ensuing fiscal year before the beginning of that year, a cost allowance shall be paid during a new fiscal year provisionally at the rate previously effective but to be adjusted to the new rate effective as of the beginning of such year when agreement is reached. Failure of the parties to agree upon a fixed cost allowance related to contract work to be performed in the Contractor's facilities shall be resolved pursuant to the article of this contract entitled "Disputes", with the Commission's cost of providing Government-owned facilities for like activities constituting the question of fact which when ascertained shall be the amount of the cost allowance for the appropriate year.

(1) The fixed cost allowance under this Item 1. for the period October 1, 1959 - June 30, 1960, is agreed to be $1,875.00 per month. This sum is related to performance in the Contractor's facilities of the following contract activities, all of which have heretofore been performed at the Commission's facilities on Illinois Avenue: general management and administration, University Relations Program, and fellowship program."

4. In Article V, Payments, Section 2. is revised to read:

"2. Overhead and Cost Allowances. The overhead allowance and the cost allowance, both set out in Article IV, shall be paid by the Government as it accrues in monthly installments."

5. In Article XVIII, Termination, Section 5, is revised to read:

"5. Any allowance provided in this contract to be paid the Contractor shall be computed and paid to and including the date fixed for the total termination of this contract in the Notice of Termination. In the event of partial termination, any such allowance shall be adjusted by mutual agreement between the parties."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: /s/ John R. Moore
John R. Moore
Director, Contract Division, OPOO
(Contracting Officer)

(SEAL)

WITNESSES:

/s/ William G. Pollard
Oak Ridge, Tenn.
(Address)

/s/ J. W. Mumford
Oak Ridge, Tenn.
(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: /s/ Paul M. Gross

TITLE: President

TYPED
PREPARED
APPROVED

Contract No. AT-(40-1)-GEN-33
Oak Ridge Institute of Nuclear Studies
Modification No. 28

RETURN TO
CONTRACT SECTION

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this 29th day of June, 1960, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee and having its principal office situated at Oak Ridge, Tennessee;

WITNESSETH THAT:

WHEREAS, the Government and the Contractor have entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational and research programs in nuclear and related sciences; and

WHEREAS, said contract has been previously amended by Modifications Nos. 1 - 27; and

WHEREAS, the parties desire to make certain changes in the contract, as hereinafter set out; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1954;

NOW, THEREFORE, the parties hereto do mutually agree that said contract as heretofore modified is further modified in the following particulars, but in no others:

1. In Article II, Section 2, the amount of funds obligated for the performance of work and the payment of overhead allowance and cost allowance under the contract is reduced from $21,121,000.00 to $20,955,627.00.

2. The following new sentence is added to subsection 2. k. of Article IV:

> "The allowance provided for in this item k. is agreed to be $2,375. per month for the period commencing on July 1, 1960, and ending on June 30, 1961."

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3. A new Paragraph (2) is added at the end of subsection 2. 1. of Article IV:

"(2) The fixed cost allowance under this item 1. for the period July 1, 1960, through June 30, 1961, is agreed to be $1,875. per month. This sum is related to performance in the Contractor's facilities of the same activities described for the immediately preceding period."

4. In Article XIX, the figure $1000. is deleted and the figure $2,500. is substituted therefor.

5. In Article XX, the present ~~test~~ text is designated section "a." and a new section "b." is added as follows: /s/ P.G. AEJ

"(b) This 'Disputes' clause does not preclude consideration of law questions in connection with decisions provided for in Paragraph (a) above; Provided, that nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law."

6. In Article XXVIII, the phrase "or otherwise recover" is inserted after the word "consideration" in the second sentence, from bottom. /s/ P.G. AEJ

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

UNITED STATES OF AMERICA

BY: UNITED STATES ATOMIC ENERGY COMMISSION

BY: /s/ A. E. Johnston
A. E. Johnston
Acting Director, Contract Division, OROO
(Contracting Officer)

WITNESSES:

/s/ William G. Pollard

Oak Ridge, Tennessee
(Address)

(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: /s/ Paul M. Gross

TITLE: President

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Contract No. AT-(40-1)-GEN-33
Oak Ridge Institute of Nuclear Studies
Modification No. 29

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into this [illegible] day of [illegible], 1961, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), represented herein by the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and OAK RIDGE INSTITUTE OF NUCLEAR STUDIES (hereinafter referred to as the "Contractor"), an educational corporation, not for profit, organized and existing under the laws of the State of Tennessee and having its principal office situated at Oak Ridge, Tennessee;

WITNESSETH THAT:

WHEREAS, the Government and the Contractor have entered into Contract No. AT-(40-1)-GEN-33, effective as of March 18, 1947, providing for the conducting by the Contractor of certain educational and research programs in nuclear and related sciences; and

WHEREAS, said contract has been previously amended by Modifications Nos. 1 - 28; and

WHEREAS, the parties desire to make certain changes in the contract, as hereinafter set out; and

WHEREAS, this Supplemental Agreement is authorized by and executed under the Atomic Energy Act of 1954;

NOW, THEREFORE, the parties hereto do mutually agree that said contract as heretofore modified is further modified in the following particulars, but in no others:

1. The following new Section 4 is added to Article I, Description of Work:

"4. Upon request by the Commission and acceptance thereof by the Contractor, the Contractor shall procure by subcontract the construction of new facilities or repair of Government-owned facilities needed for the performance of ~~other~~ work under this contract. Any subcontract entered into under this paragraph shall be subject to the written approval of the Commission and shall contain the provisions relative to labor and wages required by law to be included in contracts for the construction, alteration and/or repair, including painting and decorating, of a public building or public work."

CERTIFIED A TRUE COPY
BY [illegible]

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2. The following sentence is added to subsection 2. k. of Article IV:

"The allowance provided for in this item k. is agreed to be $2,320.00 per month for the period July 1, 1961, through June 30, 1962."

3. The following sentence is added to subsection 2. l. of Article IV:

"The fixed cost allowance under this item l. for the period July 1, 1961, through June 30, 1962, is agreed to be $2,133.00 per month. This sum is related to performance in the Contractor's facilities of the same activities described for the immediately preceding period, and such other activities as may be agreed to be performed in such facilities which do not constitute a 'major change' within the meaning of those words above in this item l."

4. Article XIX, Examination of Records, is revised to read:

"ARTICLE XIX - EXAMINATION OF RECORDS

"1. The Contractor agrees that the Commission and the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract unless the Commission authorizes their prior disposition.

"2. The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Commission and the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract unless the Commission authorizes their prior disposition. The term 'subcontract' as used in this clause excludes (i) purchase orders not exceeding $2,500 and (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

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

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5. Article XX, Disputes, is revised to read:

"ARTICLE XX - DISPUTES

"1. Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the Contracting Officer shall be final and conclusive unless within 30 days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Commission. The decision of the Commission or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.

"2. This 'Disputes' clause does not preclude consideration of law questions in connection with decisions provided for in paragraph 1 above: Provided, That nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law."

6. Article XXII, Nondiscrimination, is revised to read:

"ARTICLE XXII - NONDISCRIMINATION IN EMPLOYMENT

"In connection with the performance of work under this contract, the Contractor agrees as follows:

"1. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Commission setting forth the provisions of this nondiscrimination clause.

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"2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"3. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Commission, advising the said labor union or workers' representative of the Contractor's commitments under this section, and shall post copies of the notices in conspicuous places available to employees and applicants for employment.

"4. The Contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

"5. The Contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the Commission and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"6. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

"7. The Contractor will include the provisions of the foregoing paragraphs 1 through 6 in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Commission may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the United States to enter into such litigation to protect the interests of the United States."

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7. Article XXV, Assignment, is revised to read:

"ARTICLE XXV - ASSIGNMENT

"Neither this contract nor any interest therein nor claim thereunder shall be assigned or transferred by the Contractor except as expressly authorized in writing by the Contracting Officer."

8. Article XXVI, Eight-Hour Law of 1912 - Overtime Compensation, is revised to read:

"ARTICLE XXVI - EIGHT-HOUR LAW OF 1912 - OVERTIME COMPENSATION

"This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324-326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35-45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

"No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Contractor or any subcontractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

9. Article XXVII, Buy American Act, is revised to read:

"ARTICLE XXVII - BUY AMERICAN ACT

"1. In acquiring end products, the Buy American Act (41 U. S. Code 10a-d) provides that the Government give preference to domestic source end products For the purpose of this clause:

(i) 'Components' means those articles, materials, and supplies, which are directly incorporated in the end products;

(ii) 'End products' means those articles, materials, and supplies, which are to be acquired under this contract for public use; and

(iii) A 'domestic source end product' means (A) an unmanufactured end product which has been mined or produced in the United States, and (B) an end product manufactured in the United States if the cost of the components thereof which are mined, produced, or manufactured in the United States exceeds 50 percent of the costs of all its components. For the purposes of this 1 (iii) (B), components of foreign origin of the same type or kind as the products referred to in 2 (ii) or (iii) of this clause shall be treated as components mined, produced, or manufactured in the United States.

"2. The Contractor agrees that there will be used under this contract (by the Contractor, subcontractor, materialmen and suppliers) only domestic source end products, except end products:

(i) Which are for use outside the United States;

(ii) Which the Government determines are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality;

(iii) As to which the Commission determines the domestic preference to be inconsistent with the public interest; or

(iv) As to which the Commission determines the cost to the Government to be unreasonable.

(The foregoing requirements are administered in accordance with Executive Order No. 10582, dated December 17, 1954.)"

10. Article XXVIII, Covenant Against Contingent Fees, is revised to read:

"1. Warranty - Termination or Deduction for Breach.

"The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.

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"2. Subcontracts and Purchase Orders.

"Unless otherwise authorized by the Contracting Officer in writing the Contractor shall cause provisions similar to the foregoing to be inserted in all subcontracts and purchase orders entered into under this contract."

11. In section 4 of Article XXIX, Security, the following is added at the end thereof:

"Access to classified information other than Restricted Data shall not be granted unless the recipient possesses appropriate security clearance."

IN WITNESS WHEREOF, the parties hereto have executed this Supplemental Agreement the day and year first above written.

UNITED STATES OF AMERICA

UNITED STATES ATOMIC ENERGY COMMISSION

BY: [illegible]

[illegible]

(Contracting Officer)

WITNESSES:

/s/ [illegible]

[illegible]
(Address)

/s/ [illegible]

[illegible]
(Address)

OAK RIDGE INSTITUTE OF NUCLEAR STUDIES

BY: /s/ Paul M. Gross

TITLE: Paul M. Gross
President