

**AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT**

2. AMENDMENT/MODIFICATION NO. M066	3. EFFECTIVE DATE Same as 16C	4. REQUISITION/PURCHASE REQ. NO. WPAS-NOPR	5. PROJECT NO. (If applicable)
6. ISSUED BY U. S. Department of Energy Oak Ridge Operations Office Procurement and Contracts Division, AD-421 P. O. Box 2001 Oak Ridge, TN 37831-8757		7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) Lockheed Martin Energy Research Corporation ATTN: David C. Rice, Director, Contracts P. O. Box 2008 Oak Ridge, TN 37831	(X) 9A. AMENDMENT OF SOLICITATION NO.
	9B. DATED (SEE ITEM 11)
	10A. MODIFICATION OF CONTRACT / ORDER NO. DE-ACO5-96OR22464
	10B. DATED (SEE ITEM 13) January 1, 1996

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of offers  is extended.  is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:  
 (a) By completing Items 8 and 15, and returning \_\_\_\_\_ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

**12. ACCOUNTING AND APPROPRIATION DATA (If required)**

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

(X) A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT / ORDER NO. IN ITEM 10A.
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Mutual Agreement and Public Law 95-91
D. OTHER (Specify type of modification and authority)

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

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

SEE ATTACHED

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

15A. NAME AND TITLE OF SIGNER (Type or print) David C. Rice, Director, Contracts Lockheed Martin Energy Research Corp.	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Susan G. Hiser Contracting Officer
15B. CONTRACTOR / OFFEROR <i>David C. Rice</i> (Signature of person authorized to sign)	15C. DATE SIGNED Nov 11, 1999
16B. UNITED STATES OF AMERICA BY <i>Susan G. Hiser</i> (Signature of Contracting Officer)	16C. DATE SIGNED 11/15/99

The purpose of this amendment is to incorporate an indemnification under Public Law 85-804 into the contract to cover related services which are described herein and which are anticipated to be performed by the Contractor.

Add the following clause to Section I, Contract Clauses:

FAR 52.250-1 Indemnification Under Public Law 85-804 (APR 1984)

- (a) "Contractor's principal officials," as used in this clause, means directors, officers, managers, superintendents, or other representatives supervising or directing --
  - (1) All or substantially all of the Contractor's business;
  - (2) All or substantially all of the Contractor's operations at any one plant or separate location in which this contract is being performed; or
  - (3) A separate and complete major industrial operation in connection with the performance of this contract.
  
- (b) Under Public Law 85-804 (50 U.S.C §§1431-1435) and Executive Order 10789, as amended, and regardless of any other provisions of this contract, the Government shall, subject to the limitations contained in the other paragraphs of this clause, indemnify the Contractor against--
  - (1) Claims (including reasonable expenses of litigation or settlement) by third persons (including employees of the Contractor) for death; personal injury; or loss of, damage to, or loss of use of property;
  - (2) Loss of, damage to, or loss of use of Contractor property, excluding loss of profit; and
  - (3) Loss of, damage to, or loss of use of Government property, excluding loss of profit.
  
- (c) This indemnification applies only to the extent that the claim, loss, or damage (1) arises out of or results from a risk defined in this contract as unusually hazardous or nuclear and (2) is not compensated for by insurance or otherwise. Any such claim, loss, or damage, to the extent that it is within the deductible amounts of the Contractor's insurance, is not covered under this clause. If insurance coverage or other financial protection in effect on

the date the approving official authorizes use of this clause is reduced, the Government's liability under this clause shall not increase as a result.

- (d) When the claim, loss, or damage is caused by willful misconduct or lack of good faith on the part of any of the Contractor's principal officials, the Contractor shall not be indemnified for--
  - (1) Government claims against the Contractor (other than those arising through subrogation); or
  - (2) Loss or damage affecting the Contractor's property.
- (e) With the Contracting Officer's prior written approval, the Contractor may, in any subcontract under this contract, indemnify the subcontractor against any risk defined in this contract as unusually hazardous or nuclear. This indemnification shall provide, between the Contractor and the subcontractor, the same rights and duties, and the same provisions for notice, furnishing of evidence or proof, and Government settlement or defense of claims as this clause provides. The Contracting Officer may also approve indemnification of subcontractors at any lower tier, under the same terms and conditions. The Government shall indemnify the Contractor against liability to subcontractors incurred under subcontract provisions approved by the Contracting Officer.
- (f) The rights and obligations of the parties under this clause shall survive this contract's termination, expiration, or completion. The Government shall make no payment under this clause unless the agency head determines that the amount is just and reasonable. The Government may pay the Contractor or subcontractors, or may directly pay parties to whom the Contractor or subcontractors may be liable.
- (g) The Contractor shall --
  - (1) Promptly notify the Contracting Officer of any claim or action against, or any loss by, the Contractor or any subcontractors that may reasonably be expected to involve indemnification under this clause;
  - (2) Immediately furnish to the Government copies of all pertinent papers the Contractor receives;

- (3) Furnish evidence or proof of any claim, loss, or damage covered by this clause in the manner and form the Government requires; and
  - (4) Comply with the Government's directions and execute any authorizations required in connection with settlement or defense of claims or actions.
- (h) The Government may direct, control, or assist in settling or defending any claim or action that may involve indemnification under this clause.
- (i) The cost of insurance (including self-insurance programs) covering a risk defined in this contract as unusually hazardous or nuclear shall not be reimbursed except to the extent that the Contracting Officer has required or approved this insurance. The Government's obligations under this clause are --
- (1) Excepted from the release required under this contract's clause relating to allowable cost; and
  - (2) Not affected by this contract's Limitation of Cost or Limitation of Funds clause.
- (j) The term "a risk defined in this contract as unusually hazardous or nuclear" as used in this clause means the risk of legal liability to third parties (including legal costs as defined in paragraph (jj) of Section 11 of the Atomic Energy Act of 1954, as amended, 42 U.S.C. § 2014, notwithstanding the fact that the claim or suit may not arise under section 170 of said Act) arising from actions or inactions in the course of the following work performed by the Contractor under this contract:
- (1) Participation in the following nonproliferation endeavors--
    - (A) The high priority national security work provided by the Contractor involving highly specialized technical services on behalf of the Department of Energy in support of a joint U.S.-Russian plutonium disposition program. This work by the Contractor which may take place inside or outside the United States, involves the development of safe facilities and processes for the formulation, fabrication, packaging and transportation, management, storage, use, and disposal of plutonium oxide and mixed plutonium oxide nuclear reactor fuel (hereinafter "MOX fuel" refers to both forms of fuel) and spent MOX fuel, in a nonproliferation effort on behalf of the United States as described in (i) through (v):

(i) Subcontracting with domestic, Russian Federation, and other foreign entities for scientific and engineering research and development, design, design review, safety analysis, fabrication, installation, testing, documentation, and operational activities relating to the formulation, manufacture, handling, packaging, and transportation of MOX fuel and fuel elements for use in foreign nuclear reactors in the Russian Federation and ancillary facilities;

(ii) Subcontracting with domestic, Russian Federation, and other foreign entities for scientific and engineering research and development, design, review, safety analysis, fabrication, installation, testing, documentation, and operational activities relating to the construction and operation of nuclear reactors in the Russian Federation that use MOX fuel, and ancillary facilities to these reactors;

(iii) Subcontracting with domestic, Russian Federation, and other foreign entities for scientific and engineering research and development, design, design review, safety analysis, fabrication, installation, testing, and documentation activities relating to the removal, processing, handling, packaging, transportation, and disposal of spent MOX fuel elements and spent MOX fuel generated in nuclear reactors in the Russian Federation;

(iv) Subcontracting with domestic, Russian Federation, and other foreign entities for the management, storage, transportation, and disposal of nuclear waste materials generated through the development, manufacturing, and use of MOX fuel in the Russian Federation;

(v) Preparing subcontract specifications, providing technical advice and assistance, and performing oversight for the subcontracted activities described in (i) through (iv) above; and collaborating on and/or performing selected portions of the work activities described in (i) through (iv) above; and

(B) Other activities as requested by the President, Secretary of Energy, Deputy Secretary, or the Under Secretary of Energy, pertaining to the design, construction, and operation of facilities to manufacture, use, or dispose of MOX fuel in the Russian Federation, other than the work identified in (A)(1)(i) - (v) above, provided that the request or approval specifically makes the indemnity by this clause applicable thereto.