THIS MODIFICATION, effective the 28th day of February, 1998, by and between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), as represented by the UNITED STATES DEPARTMENT OF ENERGY (hereinafter referred to as "DOE"), and BROOKHAVEN SCIENCE ASSOCIATES, LLC (hereinafter referred to as the "Contractor"),

WITNESSETH THAT:

WHEREAS, the Government and the Contractor entered into Contract No. DE-AC02-98-CH-10886, for the operation of the Brookhaven National Laboratory; and

WHEREAS, said contract has been modified previously, and the parties desire to modify said contract further, as hereinafter provided; and

WHEREAS , this modification is authorized by law, including 41 U.S.C. 252(c)15, P.L. 95-91 and other applicable law;

NOW, THEREFORE, said contract, as modified previously, is hereby further modified as follows:

The following new article is added:

ARTICLE 143. - <u>TRANSFER OF RESPONSIBILITY</u>

(a). <u>Assumption of Responsibility for BNL</u>

The Contracting Officer has determined that the Contractor has completed the twelve (12) Transition Activities listed in Article 139, "Transition Activities", exclusive of items the parties have mutually agreed to accomplish post-transition, therefore effective as of 12:01am on March 1, 1998, Contractor will assume full responsibility for Brookhaven National Laboratory (BNL).

Contractor shall commence the scope of work in accordance with all of the provisions of the contract and the Transfer Agreement.

(b). Assignment of Rights

Pursuant to the Transfer Agreement executed between DOE, Contractor and Associated Universities, Inc., effective February 28, 1998, certain of AUI's rights, title and interest to and in certain agreements, licenses, permits and other commitments were assigned to Contractor. Contractor shall complete all reasonable administrative and other actions necessary and required to effect the transfers set forth in the Transfer Agreement for the following items:

(1) purchase orders, subcontracts, Cooperative Research and Development Agreements and other agreements referred to in Paragraph 4 of the Transfer Agreement;

(2) collective bargaining agreements referred to in paragraph 5 of the Transfer Agreement;

(3) intellectual property and software licenses referred to in Paragraph 6 of the Transfer Agreement;

(4) environmental permits and licenses referred to in Paragraph 10 of the Transfer Agreement;

(5) retirement and comprehensive welfare benefits plans referred to in Paragraph 13 of the Transfer Agreement; and

(6) financial and administrative commitments referred to in Paragraph 11 of the Transfer Agreement.

DOE agrees that Contractor can administer and act with respect to the above documents, agreements and activities under the terms of the assigned documents or agreements and may, but is not required to, make modifications thereto in order to achieve conformance with the terms and conditions of this contract. DOE acknowledges that the terms, conditions, requirements and commitments of the assigned instruments may not be consistent with the terms and conditions of this contract, and Contractor may, as it deems appropriate, make such conforming modifications without further DOE approval.

(c). Costs

DOE and Contractor agree that costs and expenses incurred with respect to the items set forth in paragraph (b), above, that arise as a result of acts or failures to act prior to March 1, 1998 (including legally required filings or submittals to government agencies), or compliance with the terms and conditions of assigned agreements, shall be allowable and reimbursed by DOE notwithstanding any restriction or limitation in this contract, provided, however, that such costs shall not be reimbursed if they are caused as a result of the lack of good faith or willful misconduct or the failure to exercise prudent business judgment on the part of Contractor's managerial personnel subsequent to assignment. DOE's obligation is subject to the availability of appropriated funds.

(d). Government Property

Contractor assumes the care, custody and control of all of the items of Government-owned personal property listed in AUI's inventory as of the Transfer Date, and shall be responsible to

account to DOE for all such property, notwithstanding any discrepancy which may result from any inventory that may be conducted by Contractor in the future. Contractor assumes the care, custody and control of all Government-owned real property identified in the Transfer Agreement. Contractor shall not be liable for any damage or condition respecting personal or real property which may be a pre-existing condition in accordance with the terms of Article 33 of this contract, "Preexisting Conditions".

(e). Close-out Assistance

The Contractor shall provide assistance in closing out the AUI contract, including but not limited to the following items and services upon request and approval of the Contracting Officer:

(1) Office space on the site suitable to accommodate three people, and necessary Government-owned property including, but not limited to office furniture, computers, photocopiers, telecommunications including facsimile service, office supplies and similar items.

(2) Clerical and secretarial support to support close-out activities.

(3) Emergency services, utilities, and housekeeping services.

(4) Subject to any DOE restrictions, for purposes of all close-out activities including litigation, claims and administrative hearings arising under the AUI contract on the Transfer Date or thereafter, Contractor shall provide reasonable access to data, documents and records transferred in the Transfer Agreement that are necessary to close-out activities, and reasonable access to Laboratory employees. Access shall be on a non-interference basis and Contractor agrees to use its best efforts to accommodate any request of AUI made with the advance notice described in the Transfer Agreement.

(5) Subject to all security and safety laws, rules and regulations and internal DOE Orders or Directives applicable to the site, Contractor shall provide access to the site as is reasonable and necessary for close-out activities, including prosecution and defense of any litigation, claim, or hearings. Contractor shall immediately notify the Contracting Officer in the event requested access is to be denied, and shall comply with the final decision of the Contracting Officer respecting access, which final decision shall not be subject to the Disputes clause of this contract.

IN WITNESS WHEREOF, the parties have executed this document.

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

BY: _____

Contracting Officer
(Title)

DATE: 2-28-98

BROOKHAVEN SCIENCE ASSOCIATES, LLC

BY: Gregory Foss

General Counsel
(Title)

DATE: 2/28/98

I, HENRY GRAHN, certify that I am the Chief Financial Officer
(Attester) (Title)
of the Contractor named under this document; that GREGORY FESS
(Signatory)
who signed this document on behalf of said Contractor was then Secretary
(Title)
of said Contractor; that this document was duly signed for and on behalf of said Contractor by authority of its governing body and is within the scope of its legal powers.

IN WITNESS WHEREOF, I have hereunto affixed my hand and seal of said Contractor.

Henry Grahn

Chief Financial Officer