

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES 1 2
2. AMENDMENT/MODIFICATION NO. 0063	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
6. ISSUED BY Idaho Operations U.S. Department of Energy Idaho Operations 1955 Fremont Avenue Idaho Falls ID 83415	CODE 00701	7. ADMINISTERED BY (If other than Item 6) Idaho Operations U.S. Department of Energy Idaho Operations 1955 Fremont Avenue MS 1221 Idaho Falls ID 83415	CODE 00701
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) FLUOR IDAHO, LLC Attn: AMANDA JORDAN 1070 RIVERWALK DRIVE, SUITE 201 IDAHO FALLS ID 83402		(X) 9A. AMENDMENT OF SOLICITATION NO.	9B. DATED (SEE ITEM 11)
CODE 968795604 FACILITY CODE		X 10A. MODIFICATION OF CONTRACT/ORDER NO. DE-EM0004083	10B. DATED (SEE ITEM 13) 02/04/2016

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 ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

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

CHECK ONE 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. <u>Section I.100 Changes--Cost Reimbursement (Aug 1987) Alt II and III (Apr 1984)</u>
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not. is required to sign this document and return 1 copies to the Issuing office.

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

DUNS Number: 968795604

This modification includes scope language at Section C.6.5 for the Calcine Retrieval Project, inadvertently omitted but previously negotiated by contract Modification 027, and revises Section H.4 per Acquisition Letter 2018-02. See the Continuation Pages incorporated with this Modification. The Contractor is directed to continue operations in accordance with contract Section B.2.

Continued ...

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

15A. NAME AND TITLE OF SIGNER (Type or print) <u>DIRECTOR PRIME CONTRACTS</u>	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Jennifer K. Cate
15B. CONTRACTOR/OFFEROR 	16B. UNITED STATES OF AMERICA
15C. DATE SIGNED 12/7/17	16C. DATE SIGNED 12.7.17

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Previous edition unusable

STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA
FAR (48 CFR) 53.243

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
DE-EM0004083/0063

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NAME OF OFFEROR OR CONTRACTOR
FLUOR IDAHO, LLC

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Payment: OR for Idaho U.S. Department of Energy Oak Ridge Financial Service Center P.O. Box 6017 Oak Ridge TN 37831 Period of Performance: 06/01/2016 to 05/31/2021				

The purpose of this contract modification is to include scope language at Section C.6.5 for the Calcine Retrieval Project, previously negotiated by contract Modification 027, and revise Section H.4 per Acquisition Letter 2018-02. This modification is being made under the authority of the contract clause Section I.100, *Changes – Cost Reimbursement (AUG 1987) - Alternate II and III (APR 1984)*.

The following changes are hereby made to the contract:

1. **SECTION C.6.5 Calcine Retrieval Project** is revised to incorporate scope language inadvertently omitted from contract Modification 027. This Section is replaced in its entirety as follows:

Section C.6.5 Calcine Retrieval Project

The scope of work includes work necessary to conduct proof-of-concept tests, initiate regulatory closure discussions and prepare a Safety Analysis Report (SAR) addendum.

- A. Conduct proof-of-concept tests to reduce design risk, safety hazards and unknowns. The proof-of-concept tests include:
 1. CSSF 1 distributor/fill line clean-out
 - Development and fabrication of an apparatus and method for removing residual calcine from the CSSF 1 distribution and fill line network.
 2. Thermowell conversion
 - Development of an approach for removing the thermocouple wires from the thermowell pipes, cutting off the bottom thermowell cap, and installing the retrieval system platform.
 3. Top-down residual calcine retrieval
 - Development of supporting equipment for clean-out of residual calcine.
 4. Bottom-up retrieval testing
 - Test vacuum retrieval apparatus to define operating parameters and evaluate retrieval rate, flow characteristics and bin cleanliness.
 5. D&D Pipe crimping and removal
 - Evaluate methods for crimping CSSF-1 piping in order to safely remove the piping while containing residual calcine.
 6. Riser installation
 - Development of an approach for installing bin group retrieval access risers.
- B. Design and fabricate a full scale prototype mock-up of one CSSF 1 bin group.
- C. Design and construct a full scale transport mock-up prototype.

- D. Initiate engineering analysis to support future retrieval and transport designs.
- E. Complete CSSF-1 D&D design that describes how the facility will be prepared for retrieval operations.
- F. Initiate discussions with the regulatory agencies (i.e., DOE, the U.S. Environmental Protection Agency, and DEQ) on the path forward for RCRA closure, CERCLA NTCRA, and NDAA 3116 closure. Work shall include the following:
 - 1. Conduct scoping meetings with DEQ, EPA, and NRC.
 - 2. Hold performance assessment/composite analysis scoping meetings with NRC/DEQ.
 - 3. Initiate preparation of a draft performance assessment/composite analysis based upon predicted level of calcine retrieval.
 - 4. Initiate preparation of background documents to support RCRA closure, CERCLA EE/CA, and NDAA 3116 closure.
 - 5. Development of a Permit Modification Request for submittal to DOE for review and certification for transmittal to DEQ to support grouting of vault, demolition of above grade structures, and construction of retrieval and transfer system.
- G. Safety basis
 - 1. Draft SAR/TSR-105 Addendum for CSSF-1 D&D.
 - 2. Complete DOE approval of SAR/TSR-105 Addendum and implement the addendum.
- H. FY17-18 Deliverables
 - 1. Draft SAR/TSR-105 Addendum for CSSF-1 D&D.
 - 2. CRP Test Report documenting the results of the proof-of-concept tests.
 - 3. Residual clean out technology selection report (for environmental support).
 - 4. Draft RCRA Permit Modification Request (as necessary to support grouting, demolition, retrieval, and transfer).

No other changes to Section C.6.5.

- 2. **SECTION H.4 EMPLOYEE COMPENSATION: PAY AND BENEFITS**, is revised per Acquisition Letter 2018-02 (dated October 17, 2017) and replaced in its entirety as follows:

H.4 EMPLOYEE COMPENSATION: PAY AND BENEFITS

For purposes of this Section H.4, the following definitions are applicable, in addition to those set forth in Section H.2 above.

(a) Definitions:

- (1) Commingled Plans. Cover employees from the contractor's private operations and its DOE contract work.

- (2) Current Liability. The sum of all plan liabilities to employees and their beneficiaries. Current liability includes only benefits accrued to the date of valuation. This liability is commonly expressed as a present value.
- (3) Defined Benefit (DB) Pension Plan. Provides a specific benefit at retirement that is determined pursuant to the formula in the pension plan document.
- (4) Defined Contribution (DC) Pension Plan. Provides benefits to each participant based on the amount held in the participant's account. Funds in the account may be comprised of employer contributions, employee contributions, investment returns on behalf of that plan participant and/or other amounts credited to the participant's account.
- (5) Designated Contract. For purposes of this clause, a contract (other than a prime cost reimbursement contract for management and operation of a DOE facility) for which the Head of the Departmental Contracting Activity determines that advance pension understandings are necessary or where there is a continuing Departmental obligation to the pension plan.
- (6) Pension Fund. The portfolio of investments and cash provided by employer and employee contributions and investment returns. A pension fund exists to defray pension plan benefit outlays and (at the option of the plan sponsor) the administrative expenses of the plan.
- (7) Separate Accounting. Account records established and maintained within a commingled plan for assets and liabilities attributable to DOE contract service. NOTE: The assets so represented are not for the exclusive benefit of any one group of plan participants.
- (8) Separate Plan. Must satisfy IRC Sec. 414(l) definition of a single plan, designate assets for the exclusive benefit of employees under DOE contract, exist under a separate plan document (having its own DOL plan number) that is distinct from corporate plan documents and identify the contractor as the plan sponsor.
- (9) Spun-off Plan. A new plan which satisfies IRC Reg. 1.414 (l)-1 requirements for a single plan and which is created by separating assets and liabilities from a larger original plan. The funding level of each individual participant's benefits shall be no less than before the event, when calculated on a "plan termination basis."

(b) Contractor Employee Compensation Plan

The Contractor shall submit, for Contracting Officer approval, within 45 days after NTP, a Contractor Employee Compensation Plan demonstrating how the Contractor will comply with the requirements of this Contract. The Contractor Employee Compensation Plan shall describe the Contractor's policies regarding compensation, pensions and other benefits, and how these policies will support at reasonable cost the effective recruitment and retention of a highly skilled, motivated, and experienced workforce.

A description of the Contractor Employee Compensation Program should include the following components:

- (1) Philosophy and strategy for all pay delivery programs.
- (2) System for establishing a job worth hierarchy.

- (3) Method for relating internal job worth hierarchy to external market.
- (4) System that links individual and/or group performance to compensation decisions.
- (5) Method for planning and monitoring the expenditure of funds.
- (6) Method for ensuring compliance with applicable laws and regulations.
- (7) System for communicating the programs to employees.
- (8) System for internal controls and self-assessment.
- (9) System to ensure that reimbursement of compensation, including stipends, for employees who are on joint appointments with a parent or other organization shall be on a pro-rated basis.

(c) Total Compensation System

The Contractor shall develop, implement and maintain formal policies, practices and procedures to be used in the administration of its compensation system consistent with FAR 31.205-6 and DEAR 970.3102-05-6; "Compensation for Personal Services" ("Total Compensation System"). DOE-approved standards (e.g., set forth in an advance understanding or appendix), if any, shall be applied to the Total Compensation System. The Contractor's Total Compensation System shall be fully documented, consistently applied, and acceptable to the Contracting Officer. Costs incurred in implementing the Total Compensation System shall be consistent with the Contractor's documented Contractor Employee Compensation Plan as approved by the Contracting Officer.

(d) Reports and Information

The Contractor shall provide the Contracting Officer with the following reports and information with respect to pay and benefits provided under this Contract:

- (1) An Annual Contractor Salary-Wage Increase Expenditure Report to include, at a minimum, breakouts for merit, promotion, variable pay, special adjustments, and structure movements for each pay structure showing actual against approved amounts.
- (2) A list of the top five most highly compensated executives as defined in FAR 31.205-6(p)(2)(ii) and their total cash compensation at the time of NTP, and at the time of any subsequent change to their total cash compensation. This should be the same information provided to the Central Contractor Registration (CCR) per FAR 52.204-10.
- (3) An Annual Report of Contractor Expenditures for Employee Supplemental Compensation no later than March 1 of each year.

(e) Pay and Benefit Programs

The Contractor shall establish pay and benefit programs for Incumbent Employees and Non-Incumbent Employees, as defined in Section H.2 and who are engaged in non-construction activities, consistent with the terms and conditions of this Contract, including any applicable collective bargaining agreement(s), and applicable law, including Section 4(c) of the Service Contract Act and the Fair Labor Standards Act, as applicable; provided, however, that employees scheduled to work fewer than 20 hours per

week receive only those benefits required by law. Employees are eligible for benefits, subject to the terms, conditions, and limitations of each benefit program.

(1) Incumbent Employees

- (i) Pay. Subject to the Workforce Transition Clause, the Contractor shall provide equivalent base pay to Incumbent Employees as compared to pay provided by ITG and CWI for at least the first year of the term of the Contract.
- (ii) Pension and Other Benefits. The Contractor shall provide a total package of benefits to Incumbent Employees comparable to that provided by ITG and CWI. Comparability of the total benefit package shall be determined by the Contracting Officer at his/her sole discretion.

Incumbent Employees shall remain in their existing DB and/or DC pension plans (or comparable successor plans if continuation of the existing plans is not practicable) pursuant to pension plan eligibility requirements and applicable law.

- (2) Non-Incumbent Employees. All Non-Incumbent Employees shall receive a total pay and benefits package that provides for market-based retirement and medical benefit plans that are competitive with the industry from which the Contractor recruits its employees and in accordance with Contract requirements.

(3) Cash Compensation

- (i) The Contractor shall submit the following to the Contracting Officer for a determination of cost allowability for reimbursement under the Contract:
 - (A) Any proposed major compensation program design changes prior to implementation.
 - (B) An Annual Compensation Increase Plan (CIP). The Compensation Increase Plan should include the following components and data:
 - (1) Comparison of average pay to market average pay.
 - (2) Information regarding surveys used for comparison.
 - (3) Aging factors used for escalating survey data and supporting information.
 - (4) Projection of escalation in the market and supporting information.
 - (5) Information to support proposed structure adjustments, if any.
 - (6) Analysis to support special adjustments.
 - (7) Funding requests for each pay structure to include breakouts of merit, promotions, variable pay, special adjustments, and structure movement. (a) The proposed plan totals shall be expressed as a percentage of the payroll for the end of the previous plan year. (b) All pay actions granted under the compensation increase plan are fully charged when they occur regardless of time of year in which the action transpires and whether the employee terminates before

year end. (c) Specific payroll groups (e.g., exempt, nonexempt) for which CIP amounts are intended shall be defined by mutual agreement between the contractor and the Contracting Officer. (d) The Contracting Officer may adjust the CIP amount after approval based on major changes in factors that significantly affect the plan amount (for example, in the event of a major reduction in force or significant ramp-up).

- (8) A discussion of the impact of budget and business constraints on the CIP amount.
 - (9) Comparison of pay to relevant factors other than market average pay.
- (C) Individual compensation actions for the top contractor official (e.g., laboratory director/plant manager or equivalent) and key personnel not included in the CIP. For those key personnel included in the CIP, DOE will approve salaries upon the initial contract award and when key personnel are replaced during the life of the contract. DOE will have access to all individual salary reimbursements. This access is provided for transparency; DOE will not approve individual salary actions (except as previously indicated).
- (ii) The Contracting Officer's approval of individual compensation actions will be required only for the top contractor official (e.g., laboratory director/plant manager or equivalent) and key personnel as indicated in (e)(3)(i)(C) above. The base salary reimbursement level for the top contractor official establishes the maximum allowable salary reimbursement under the contract. Unusual circumstances may require a deviation for an individual on a case-by-case basis. Any such deviations must be approved by the Contracting Officer. This reimbursement limitation does not prohibit paying compensation to the Contractor's senior executives at a higher rate, but rather only limits the amount of compensation that can be reimbursed by the Government as an allowable contract expense. The Contractor is encouraged to recruit, retain, and compensate the highest quality senior executives to execute the PWS in an efficient and cost-effective manner. Senior executives' compensation, and subsequent increases during the contract term, must be included in the bid proposal cost estimate.
 - (iii) Severance Pay is not payable to an employee under this Contract if the employee:
 - (A) Voluntarily separates, resigns or retires from employment,
 - (B) Is offered employment with a successor/replacement contractor,
 - (C) Is offered employment with a parent or affiliated company, or
 - (D) Is discharged for cause, or
 - (E) Is a Key Person identified in Section H.31, paragraph (f).

- (iv) Service Credit for purposes of determining severance pay does not include any period of prior service for which severance pay has been previously paid through a DOE cost-reimbursement contract.

(4) Pension and Other Benefit Programs

- (i) No presumption of allowability will exist when the Contractor implements a new benefit plan or makes changes to existing benefit plans for Employees or until the Contracting Officer makes a determination of cost allowability for reimbursement for new or changed benefit plans.
- (ii) Cost reimbursement for Employee pension and other benefit programs sponsored by the Contractor will be based on the Contracting Officer's approval of Contractor actions pursuant to an approved "Employee Benefits Value Study" and an "Employee Benefits Cost Survey Comparison" as described below.
- (iii) Unless otherwise stated, or as directed by the Contracting Officer, the Contractor shall submit the studies required in paragraphs (A) and (B) below. The studies shall be used by the Contractor in calculating the cost of benefits under its segments of existing benefit plans. An Employee Benefits Value (Ben-Val) Study Method using no less than 15 comparator organizations and an Employee Benefits Cost Survey comparison Method shall be used in this evaluation to establish an appropriate comparison method. In addition, the Contractor shall submit updated studies to the Contracting Officer for approval prior to the adoption of any change to a pension or other benefit plan.
 - (A) The Ben-Val, every two years for each benefit tier (e.g., group of employees receiving a benefit package based on date of hire), which is an actuarial study of the relative value (RV) of the benefits programs offered by the Contractor to Employees measured against the RV of benefit programs offered by comparator companies approved by the Contracting Officer. To the extent that the value studies do not address postretirement benefits other than pensions, the Contractor shall provide a separate cost and plan design data comparison for the postretirement benefits other than pensions using external benchmarks derived from nationally recognized and Contracting Officer approved survey sources and,
 - (B) An Employee Benefits Cost Study Comparison, annually for each benefit tier that analyzes the Contractor's employee benefits cost for Employees as a percent of payroll and compares it with the cost as a percent of payroll, including geographic factor adjustments, reported by the U.S. Department of Labor's Bureau of Labor Statistics or other Contracting Officer approved broad based national survey.

- (iv) When the net benefit value exceeds the comparator group by more than five percent, the Contractor shall submit a corrective action plan to the Contracting Officer for approval, unless waived by the Contracting Officer.
- (v) When the benefit costs as a percent of payroll exceeds the comparator group by more than five percent, when and if required by the Contracting Officer, the Contractor shall submit an analysis of the specific plan costs that result in or contribute to the percent of payroll exceeding the costs of the comparator group, and submit a corrective action plan to achieve conformance if directed by the Contracting Officer.
- (vi) Within two years, or longer period as agreed to between the Contractor and the Contracting Officer, of the Contracting Officer acceptance of the Contractor's corrective action plan, the Contractor shall align employee benefit programs with the benefit value and the cost as a percent of payroll in accordance with its corrective action plan.
- (vii) The Contractor may not terminate any benefit plan during the term of the Contract without the prior approval of the Contracting Officer in writing.
- (viii) Cost reimbursement for postretirement benefits other than pensions (PRBs) is contingent on DOE approved service eligibility requirements for PRB that shall be based on a minimum period of continuous employment service not less than 5 years under a DOE cost reimbursement contract(s) immediately prior to retirement. Unless required by Federal or State law, advance funding of PRBs is not allowable.
- (ix) Each contractor sponsoring a pension and/or postretirement benefit plan will participate in the annual plan management process which includes written responses to a questionnaire regarding plan management, providing forecasted estimates of future reimbursements in connection with the plan and participating in a conference call to discuss the contractor submission (see (g)(vi) below for Pension Management Plan requirements).
- (x) Each contractor will respond to quarterly data calls issued through iBenefits, or its successor system.

(f) Establishment and Maintenance of Pension Plans for which DOE Reimburses Costs

- (i) Employees working for the Contractor shall only accrue credit for service under this Contract after the Contract Effective Date.
- (ii) Except for Commingled Plans in existence as of the effective date of the contract, any pension plan maintained by the Contractor for which DOE reimburses costs, shall be maintained as a separate pension plan distinct from any other pension plan that provides credit for service not performed under a DOE cost-reimbursement contract. When deemed appropriate by the Contracting Officer, Commingled Plans shall be converted to separate plans at the time of new contract award or the extension of a contract.

(g) Basic Requirements

The Contractor shall adhere to the requirements set forth below in the establishment and administration of pension plans that are reimbursed by DOE pursuant to cost reimbursement contracts for management and operation of DOE facilities and pursuant to other cost reimbursement facilities contracts. Pension Plans include DB and DC plans.

- (i) The Contractor shall become a sponsor of the existing pension and other benefit plans (or comparable successor plans), including other postretirement benefit (PRB) plans, as applicable, with responsibility for management and administration of the plans. The Contractor shall be responsible for maintaining the qualified status of its segments of those plans consistent with the requirements of the Employee Retirement Income Security Act (ERISA) and the Internal Revenue Code (IRC). The Contractor shall carry over the length of service credit and leave balances accrued as of the date of the Contractor's assumption of Contract performance.
- (ii) DOE approval is required prior to implementing any change to a pension plan covering prime cost reimbursement contracts for management and operation of DOE facilities and other contracts when designated. Changes shall be in accordance with and pursuant to the terms and conditions of the contract.
- (iii) Each contractor pension plan shall be subjected to a limited-scope audit annually that satisfies the requirements of ERISA section 103, except that every third year the contractor must conduct a full-scope audit satisfying ERISA section 103. Alternatively, the contractor may conduct a full-scope audit satisfying ERISA section 103 annually. In all cases, the Contractor must submit the audit results to the contracting officer. In years in which a limited scope audit is conducted, the contractor must provide the contracting officer with a copy of the qualified trustee or custodian's certification regarding the investment information that provides the basis for the plan sponsor to satisfy reporting requirements under ERISA section 104.
- (iv) For existing Commingled Plans, the Contractor shall maintain and provide annual Separate Accounting of DOE liabilities and assets as for a Separate Plan.
- (v) For existing Commingled Plans, the Contractor shall be liable for any shortfall in the plan assets caused by funding or events unrelated to DOE contracts.
- (vi) The Contractor shall comply with the requirements of ERISA to the pension plan and any other applicable laws.
The Pension Management Plan shall include the following:

- (A) A Pension Management Plan (PMP) discussing the Contractor's plans for management and administration of all pension plans consistent with the terms of this contract. The PMP shall be updated and submitted to the Contracting Officer in draft annually no later than 45 days after the last day of the Plan year along with its draft actuarial valuation.
- (B) Within thirty (30) days after the date of the submission, appropriate Contractor representatives shall meet with the Contracting Officer to discuss the Contractor's proposed draft annual update of the PMP to specifically discuss any anticipated changes in the projected pension

contributions from the prior year's contributions and any discrepancies between the actual contributions made for the most recent year preceding that meeting and the projected contributions for that year which the Contractor had submitted to the Contracting Officer the prior year. The annual revision of the PMP shall include:

- (1) The Contractor's best projection of the contributions which it will be legally obligated to make to the pension plan(s), beginning with the required contributions for the coming fiscal year, based on the latest actuarial valuation, and continuing for the following four years. This estimate will be based upon compliance with all applicable legal requirements relating to the determination of contributions and upon the assumptions set out in the plan document(s).
- (2) If the actuarial valuation submitted pursuant to the annual PMP update indicates that the sponsor of the pension plan must impose pension plan benefit restrictions, the Contractor shall provide the following information:
 - (aa) The type of benefit restriction that will take place,
 - (bb) The number of Contractor employees that potentially could be impacted and the nature of the restriction (e.g., financial impact) by imposition of the required benefit restriction, and
 - (cc) The amount of money that would need to be contributed to the pension plan to avoid legally required benefit restrictions.
- (3) A detailed discussion of how the Contractor intends to manage the pension plan(s) to maximize the contribution predictability (i.e. forecasting accuracy) and contain current and future costs, to include rationale for selection of all plan assumptions that determine the required contributions and which impact the level and predictability of required contributions. The Contractor is required to annually establish a long term (e.g. five year) plan that outlines the projected retirement plan costs, and any planned action steps to be taken to better manage predictability. The contractor must also share the following information with the Department during the meeting:
 - (aa) Strategy for achieving and maintaining fully-funded status of the plan(s)
 - (bb) Investment policy statement for the plan, with any recent updates
 - (cc) Results of recent asset liability studies (required to be performed every 3 years or after a significant event) including rationale for maintaining current asset allocation strategy.
 - (dd) Comparison of budget projections submitted to the Department to actual contributions

- (ee) Any recent reports, findings, or recommendations provided by plan's investment consultant.
 - (ff) Actuarial experience studies to set the plan's actuarial assumptions (required to be performed every 3-5 years)
- (4) An assessment to evaluate the effectiveness of the Contractor's pension plan(s) investment management/results. The assessment shall include at a minimum: a review and analysis of pension plan investment objectives; the strategies employed to achieve those objectives; the methods used to monitor execution of those strategies and the achievement of the investment objectives; and a comparative analysis of the objectives and performance of other comparable pension plans. The Contractor shall also identify its plans, if any, for revising any aspect of its pension plan management based on the results of the review.
- (vii) The Post Retirement Benefit (PRB) Management Plan for the PRB Plan(s) segment(s) in which the Contractor participates and for which the Department reimburses costs under this Contract shall include:
- (A) The Contractor's best projection of the benefit payments from its segments of the PRB Plans, a summary of the key actuarial assumptions used in developing the estimates, and a detailed description of the plans included in the projections
 - (B) The impact that any recent plan amendments have had on the expected benefit payments
 - (C) Any possible future amendments to the PRB Plan(s) which the Contractor wishes to make
 - (D) An outline of opportunities that are being used or considered related to strategy, design, and cost containment
- (h) Reimbursement of Contractors for Contributions to DB Pension Plans
- (i) Contractors that sponsor single employer or multiple employer DB pension plans will be reimbursed for the annual required minimum contributions under the Employee Retirement Income Security Act (ERISA), as amended by the Pension Protection Act (PPA) of 2006. Reimbursement above the annual minimum required contribution will require prior approval of the Contracting Officer. Reimbursement amounts will take into consideration all pre-funding balances and funding standard carryover balances.
 - (ii) Contractors that sponsor multi-employer DB pension plans will be reimbursed for pension contributions in the amounts necessary to ensure that the plans are funded to meet the annual minimum requirement under ERISA, as amended by the PPA. However, reimbursement for pension contributions above the annual minimum contribution required under

ERISA, as amended by the PPA, will require prior approval of the Contracting Officer and will be considered on a case by case basis. Reimbursement amounts will take into consideration all pre-funding balances and funding standard carryover balances.

(i) Reporting Requirements for Designated Contracts

The following reports shall be submitted to DOE as soon as possible after the last day of the plan year by the contractor responsible for each designated pension plan funded by DOE but no later than the dates specified below:

- (i) Actuarial Valuation Reports. The annual actuarial valuation report for each DOE-reimbursed pension plan and when a pension plan is commingled, the contractor shall submit separate reports for DOE's portion and the plan total by the due date for filing IRS Form 5500.
- (ii) Forms 5500. Copies of IRS Forms 5500 with Schedules for each DOE-funded pension plan, no later than that submitted to the IRS.
- (iii) Forms 5300. Copies of all forms in the 5300 series submitted to the IRS that document the establishment, amendment, termination, spin-off, or merger of a plan submitted to the IRS.

(j) Changes to Pension Plans

At least sixty (60) days prior to the adoption of any changes to a pension plan, the Contractor shall submit the information required below, as applicable, to the Contracting Officer for approval or disapproval and a determination as to whether the costs are deemed allowable pursuant to FAR 31.205-6, as supplemented by DEAR 970.3102-05-6.

- (i) For proposed changes to pension plans and pension plan funding, the Contractor shall provide the following to the Contracting Officer:
 - (A) a copy of the current plan document (as conformed to show all prior plan amendments), with the proposed new amendment indicated in redline/strikeout;
 - (B) an analysis of the impact of any proposed changes on actuarial accrued liabilities and costs;
 - (C) except in circumstances where the Contracting Officer indicates that it is unnecessary, a legal explanation of the proposed changes from the counsel used by the plan for purposes of compliance with all legal requirements applicable to private sector DB pension plans;
 - (D) the Summary Plan Description; and,
 - (E) any such additional information as requested by the Contracting Officer.
- (ii) Contractors shall submit new benefit plans and changes to plan design or funding methodology with justification to the Contracting Officer for approval. The justification must:

- (A) demonstrate the effect of the plan changes on the contract net benefit value or percent of payroll benefit costs,
- (B) provide the dollar estimate of savings or costs, and
- (C) provide the basis of determining the estimated savings or cost.

(k) Terminating Operations

When operations at a designated DOE facility are terminated and no further work is to occur under the prime contract, the following apply:

- (i) No further benefits for service shall accrue.
- (ii) The Contractor shall provide a determination statement in its settlement proposal, defining and identifying all liabilities and assets attributable to the DOE contract.
- (iii) The Contractor shall base its pension liabilities attributable to DOE contract work on the market value of annuities or lump sum payments or dispose of such liabilities through a competitive purchase of annuities or lump sum payouts.
- (iv) Assets shall be determined using the “accrual-basis market value” on the date of termination of operations.
- (v) DOE and the Contractor(s) shall establish an effective date for spinoff or plan termination. On the same day as the contractor notifies the IRS of the spinoff or plan termination, all plan assets assigned to a spun-off or terminating plan shall be placed in a low-risk liability matching portfolio until the successor trustee, or an insurance company, is able to assume stewardship of those assets.

(l) Terminating Plans

- (i) DOE contractors shall not terminate any pension plan (Commingled or site specific) without requesting Departmental approval at least 60 days prior to the scheduled date of plan termination.
- (ii) To the extent possible, the contractor shall satisfy plan liabilities to plan participants by the purchase of annuities through competitive bidding on the open annuity market or lump sum payouts. The contractor shall apply the assumptions and procedures of the Pension Benefit Guaranty Corporation.
- (iii) Funds to be paid or transferred to any party as a result of settlements relating to pension plan termination or reassignment shall accrue interest from the effective date of termination or reassignment until the date of payment or transfer.
- (iv) If ERISA or IRC rules prevent a full transfer of excess DOE reimbursed assets from the terminated plan, the contractor shall pay any deficiency directly to DOE according to a schedule of payments to be negotiated by the parties.
- (v) On or before the same day as the contractor notifies the IRS of the spinoff or plan termination, all plan assets assigned to a spun-off or terminating plan

shall be placed in a low-risk liability matching portfolio until the successor trustee, or an insurance company, is able to assume stewardship of those assets.

- (vi) DOE liability to a Commingled pension plan shall not exceed that portion which corresponds to DOE contract service. The DOE shall have no other liability to the plan, to the plan sponsor, or to the plan participants.
- (vii) After all liabilities of the plan are satisfied, the contractor shall return to DOE an amount equaling the asset reversion from the plan termination and any earnings which accrue on that amount because of a delay in the payment to DOE. Such amount and such earnings shall be subject to DOE audit. To affect the purposes of this paragraph, DOE and the contractor may stipulate to a schedule of payments.

(m) Special Programs

Contractors must advise the Contracting Officer and receive prior approval for each early-out program, window benefit, disability program, plan-loan feature, employee contribution refund, asset reversion, or incidental benefit.

(n) Performance Based Incentive Plan: (incorporated by Mod 046)

The Performance Based Incentive Plan (PBIP) is formally incorporated with this contract modification, number 046. The intent of this PBIP is to tie a portion of employee compensation to the success of Fluor Idaho, LLC (Fluor Idaho) by motivating participants to safely attain or exceed the objectives outlined in Section C and the schedule milestones identified in Section B of the ICP Core contract. The Fluor Idaho Board of Directors and the Department of Energy, Idaho Operations Office (DOE-ID) jointly approve the overall plan as described in the Attachment A, Final Performance Based Incentive Plan. Concurrence from each party must be obtained should there be any changes to the attached plan.

No other changes to Section H.4.

No other changes to the terms and conditions.