

2. AMENDMENT/MODIFICATION NO. P00001	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. 18NR000339	5. PROJECT NO. (If applicable)
6. ISSUED BY	CODE 892330	7. ADMINISTERED BY (If other than Item 6)	CODE 01112

NNSA Naval Reactors Lab Field Ofc PNR - West Mifflin U.S. Department of Energy Pittsburgh Naval Reactors Office P.O. Box 109 West Mifflin PA 15122	NRLFO - Sch U.S. Department of Energy Naval Reactors Laboratory Field Office - Sch P. O. Box 1069 Schenectady NY 12301-1069
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8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) Fluor Marine Propulsion, LLC Attn: David Palmer 2300 Clarendon Boulevard Suite 1110 Arlington VA 22201	(x) 9A. AMENDMENT OF SOLICITATION NO. 9B. DATED (SEE ITEM 11) x 10A. MODIFICATION OF CONTRACT/ORDER NO. 89233018CNR000004 10B. DATED (SEE ITEM 13) 07/12/2018
CODE 081071051	FACILITY CODE

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) Net Increase: \$261,754,178.00

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

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	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).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: DEAR 970.5232-4 Obligation of Funds Clause and other contract clauses
	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: 081071051
 Modification No. P00001 to 89233018CNR000004 is issued to increase obligations and make administrative changes as follows:

1. Funds are obligated for the Base Period of Performance, CLIN 00002, in the amount of \$261,771,082.00. This obligation of funds is made in anticipation of Fluor Marine Propulsion, LLC notification of its readiness to assume operations and begin performance on October 1, 2018. Cost shall not be incurred pursuant to this obligation until such notification is made and approved by the Contracting Officer, or the date of October 1, 2018, whichever occurs later. Section I Clause 970.5232-4, Obligation of Funds is revised to increase the obligated amount by \$261,771,082.00 from \$250,000.00 to \$262,021,082.00.
 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)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Juliana L. Heynes
15B. CONTRACTOR/OFFEROR <i>(Signature of person authorized to sign)</i>	15C. DATE SIGNED
16B. UNITED STATES OF AMERICA Signature on File <i>(Signature of Contracting Officer)</i>	16C. DATE SIGNED 09/28/2018

CONTINUATION SHEET

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NAME OF OFFEROR OR CONTRACTOR
Fluor Marine Propulsion, LLC

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	<p>2. Section B Clause 2, Information Concerning Fee, replace "All TBDs will be inserted by the DOE at time of award." with "The TBD will be identified by the DOE after completion of annual fee negotiations."</p> <p>3. Section G Clause 4, Recognition of Performing Entity is revised to add a comma between "Fluor Marine Propulsion" and "LLC"</p> <p>4. Section H Index, Pages H-1 through H-2 are revised as follows: Clause No. 1, change "Defense" to "Defence" Clause No. 6, delete "Existing" and insert "and" between "Contracts" and "Subcontracts" Clause No. 22, delete "the" Clause No. 55, add a comma after "Environment" Clause No. 57, add a hyphen between "By" and "product"</p> <p>5. Section H, Clause 27 (d) (1) (b) is revised to add ", except for bargaining unit positions. Bargaining unit positions will be filled via the process agreed to in the applicable collective bargaining agreement." after "employees"</p> <p>6. Section I Clause 52.216-7, Allowable Cost and Payment is revised to change "MOFIFIED" to "MODIFIED"</p> <p>7. Section I Clause 52.227-23, Rights to Proposal Data (Technical) is revised to include the proposal date of March 5, 2018.</p> <p>8. Section I Clause 970.5223-7, Sustainable Acquisition Program is revised to identify the following internet sites:</p> <p>The website at (b) (2) Bio-based products is changed to https://www.biopreferred.gov/BioPreferred/</p> <p>The website at (b) (3) Energy efficient products is changed to https://energystar.gov/</p> <p>The website at (b) (8) Water efficient plumbing products is changed to https://epa.gov/watersense</p> <p>The last website at (d) Chapter 23 of the DOE Continued ...</p>				

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NAME OF OFFEROR OR CONTRACTOR
Fluor Marine Propulsion, LLC

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	<p>Acquisition Guide is changed to https://www.energy.gov/management/downloads/department-energy-acquisition-guide</p> <p>9. Section J, Index is revised to identify Attachment 2, Special Institution Account Agreement for use with the Payments Cleared Financing Arrangement, Rev 0, dated 09/12/2018 (14 pages).</p> <p>10. Section J, Attachment 1, NAVAL NUCLEAR LABORATORY KEY MANAGEMENT POSITIONS, page 4 is revised to include the Internal Audit Group, Division Technical Manager position.</p> <p>11. Section J Attachment 2, Special Institution Account Agreement for use with the Payments Cleared Financing Arrangement (Sample) is replaced with the executed agreement, Rev 0, dated 09/12/2018.</p> <p>12. Attachment 3 (List B) is revised to reflect updates/revisions that occurred during the competitive acquisition process. Accordingly,</p> <p>DOE Directive 151.1D, COMPREHENSIVE EMERGENCY MANAGEMENT SYSTEM, and Implementation Bulletin (IB) 151.1D-103 Rev 3 dated 04/10/18 are included as revisions;</p> <p>IB 203.1-106 Rev 1 dated 12/04/17, LIMITED PERSONAL USE OF GOVERNMENT OFFICE EQUIPMENT INCLUDING INFORMATION TECHNOLOGY is included as a revision;</p> <p>DOE Manual 205.1-3, TELECOMMUNICATIONS SECURITY MANUAL, and IB 205.1-3-104 Rev 1 dated 09/29/11 are deleted;</p> <p>DOE Directive 451.1B Admin Chg 3, NATIONAL ENVIRONMENTAL POLICY ACT COMPLIANCE PROGRAM is deleted and replaced with DOE Policy 451.1 (same name); IB 451.1B-101 Rev 4 dated 03/26/18 (same name) is included as a revision; and</p> <p>DOE Directive 470.6, TECHNICAL SECURITY PROGRAM and IB 470.6-154 Rev 0 dated 03/30/17, IMPLEMENTATION OF DOE ORDER 470.6 TECHNICAL SECURITY PROGRAM are included.</p> <p>Continued ...</p>				

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ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	<p>13. Attachment 7 (Appendix A) is updated as follows:</p> <p>In Section III.G.5 (page 24) insert "A paid meal break of 25 minutes is also allowable for NRF non-exempt employees who are regularly assigned to work the night shift on Standard Work Schedules." after the last sentence.</p> <p>In Section III.I.1.e(2) (page 27) remove "Incumbent employee's MTO banks will be credited with 8 hours of time for every full year of service, with a minimum of 40 hours up to a maximum of 120 hours."</p> <p>In Section III.I.7 (a) (page 32) replace "Personal Leaves of Absence" with "administrative time off" in the first sentence.</p> <p>In Section IV.A. (page 33) delete the subheading "A. Travel and Relocation" and renumber IV.A. 1. to IV.A. Replace "should" with "shall" in the first sentence of the first paragraph. Move "after" from between "Regulations" and "90" to after "days"</p> <p>In Section IV (page 33), under Travel and Relocation, replace "At the close of the contract transition" with "After approval or disapproval of the transition plan by the CO" in the third row of column two of the first table.</p> <p>In Section V.K. (page 48) replace "WORK AND PROTECTIVE CLOTHING" with "GOVERNMENT REIMBURSED WORK AND PROTECTIVE CLOTHING" The paragraph is revised to state "The Contractor may provide government reimbursed work and protective clothing when prescribed by or consistent with law, regulation, or Program policy. The Contractor shall provide written policies governing the management of government reimbursed work and protective clothing to the Contracting Officer for approval. This provision does not override any clause in any current collective bargaining agreement."</p> <p>Section VII.C page 54) is revised as follows: The last sentence of the second paragraph is revised to "The award commemorating service shall Continued ...</p>				

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NAME OF OFFEROR OR CONTRACTOR
Fluor Marine Propulsion, LLC

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
00002	<p>be based on the following:" Subparagraph 1) is revised to read "The total budget for the Contractor Service Award Program shall be capped at \$250,000 per year. Subparagraph 2) is revised to read "Total cost per employee service award shall be as approved via NRLFO:MGR:18-113 dated 4 September 2018 in response to FMP proposed Addendum dated 10 August 2018, Exhibit A." Subparagraph 4) is deleted in its entirety.</p> <p>14. Attachments 9, 11, and 12 are revised to delete disclosure restriction markings.</p> <p>Payment: NRLFO - Pgh U.S. Department of Energy Naval Reactors Laboratory Field Office - Pgh P. O. Box 109 West Mifflin PA 15122-0109</p> <p>FOB: Destination Period of Performance: 10/01/2018 to 09/30/2023</p> <p>Change Item 00002 to read as follows (amount shown is the total amount):</p> <p>Management and Operation of the Naval Nuclear Laboratory (NNL), Base Term Line item value is: \$8,500,000,000.00 Incrementally Funded Amount: \$261,754,178.00</p> <p>Replacement pages addressing the changes described herein are included with this contract modification P00001.</p> <p>By acknowledgement of this Modification No. P00001 to Contract No. 89233018CNR000004, Contractor agrees that the scope of work required is understood by the Contractor; that there are no informal commitments by the Government or the Contractor; that there are no open or unresolved issues related to this modification except as explicitly stated herein; and that the Contractor therefore understands and agrees that the modification states the complete agreement of the parties.</p>				8,500,000,000.00

Part I – The Schedule

SECTION B: SUPPLIES OR SERVICES AND PRICES/COSTS

1. SERVICES BEING ACQUIRED

In accordance with the Terms and Conditions of this Contract, the Contractor shall be responsible for planning, managing and executing the work described in Section C. In this regard, the Contractor shall provide the personnel, equipment, materials, supplies and services (except as may be furnished by the Government) and otherwise do all things necessary for, or incidental to, the efficient, effective and safe management and operation of the Naval Nuclear Laboratory (NNL).

The Contract will consist of three (3) CLINs as follows:

CLIN 00001 TRANSITION PERIOD FOR MANAGEMENT AND OPERATION OF THE NAVAL NUCLEAR LABORATORY (NNL)

The Transition Period will be approximately three (3) months, from 07/01/2018 (or time of award, whichever is later) through 09/30/2018, with an estimated cost of \$250,000.00.

CLIN 00002 BASE PERIOD

The Base Period, or Initial Operating Phase, will be a five (5) year period of performance, from 10/01/2018 through 09/30/2023, with an estimated cost of \$8,500,000,000.00.

CLIN 00003 OPTION PERIOD

The Option Period, in accordance with the clause located in Part II, Section I, FAR 52.217-9 *Option to Extend the Term of the Contract* will be a five (5) year period of performance, from 10/01/2023 through 09/30/2028, with an estimated cost of \$8,500,000,000.00.

2. INFORMATION CONCERNING FEE

a. Fee

A “fee discount factor” of 50 % will apply to the fee for each Contract year including options. The fixed fee will be incorporated annually. It will consist of the fee calculated in accordance with Section H-21 titled “Determination of Annual Fixed-Fee” and the proposed fee discount factor.

b. Fixed-Fee

The fixed-fee payable to the Contractor for the performance of the work under this Contract is as follows:

\$TBD for the first (1st) year of the Base Term of the Contract

There will be no adjustment in the amount of the Contractor’s fixed-fee by reason of differences between any estimate of cost for performance of the work under this Contract and the actual costs for performance of that work.

NOTE: The annual fixed-fee as provided above will be incorporated by a modification to the Contract each year the Contract is active.

The TBD will be identified by the DOE after completion of annual fee negotiations.

4. RECOGNITION OF PERFORMING ENTITY

- a. The Contractor and the DOE recognize that the parties named below form the performing entity on which the award of this Contract was based.

The performing entity is Fluor Marine Propulsion, LLC

- b. Accordingly, the Contractor and the DOE agree that the Contractor shall take no action to replace any of the components of the entity named above without the prior written approval of the Contracting Officer.

5. INVOICING FOR TRANSITION COSTS

- a. The Contractor shall submit vouchers electronically through the Oak Ridge Financial Service Center's Vendor Inquiry Payment Electronic Reporting System (VIPERS) for reimbursement for work performed under CLIN 00001, Transition Period. VIPERS allows vendors to check the payment status of any voucher submitted to the DOE. To obtain access to and use VIPERS, please visit the web page at <https://vipers.doe.gov/>. The Contractor shall contact the Contracting Officer if the Contractor is unable to submit invoices electronically to resolve any issue(s).

- b. The Contractor shall invoice for work performed in accordance with Section H- 58, *Transition Period*, of this contract and as directed by the Contracting Officer following the procedures identified above. All work completed during the Transition Period shall be billed within 60 days after the end of Transition Period.

Part I – The Schedule

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(c) Policies

Contractor policies regarding paid and unpaid leave, incentive compensation (variable pay), compensation, benefits, workers compensation and self-insurance, special employee activities, outreach, employee programs (e.g., awards and recreation) travel, educational assistance and employee training shall be submitted to the Contracting Officer no later than 60 days after the effective date of the contract.

All the Contractor's personnel policies must be in compliance with the terms and conditions of this contract including but not limited to FAR Part 31, *Contract Cost Principles and Procedures*. If there is a conflict between the Contractor's existing policies and terms of this contract, the contract will govern.

The Contractor shall obtain Contracting Officer prior approval of changes to its existing policies in those areas identified within the scope of this clause and other related provisions of the contract when such changes are expected to change costs to the Government.

(d) Workforce Planning

In carrying out the work under this Contract, the Contractor shall be responsible for the employment of all professional, technical, skilled and unskilled personnel engaged by the Contractor in the work hereunder and for the training of personnel. Persons employed by the Contractor shall be and remain employees of the Contractor and shall not be deemed employees of the Department of Energy, Department of Navy or Government. Nothing herein shall require the establishment of any employer-employee relationship between the Contractor and consultants or others whose services are utilized by the Contractor for the work hereunder.

(1) Workforce Planning General

- (a) The Contractor shall annually analyze workforce requirements consistent with current and future Program mission requirements. The Contractor shall describe in a written document how it will ensure it employs a sufficient but not excessive number of employees who possess the appropriate skills to perform the current mission work and the anticipated identified mission work. The assessment shall provide present employment levels in each occupational category. The description of how the Contractor will ensure it employs a sufficient but not excessive number of employees to perform the work in future years shall include a discussion of the following topics: future hiring needs in critical skill areas, recruitment and retention of individuals possessing critical skills, succession planning, and the impact of anticipated retirements/attrition. This analysis shall be provided to the Contracting Officer no later than September 1st of each year.
- (b) The Contractor shall post all internal and external open positions for open competition among all employees, except for bargaining unit positions. Bargaining unit positions will be filled via the process agreed to in the applicable collective bargaining agreement.
- (c) The Contractor shall interview at least one qualified woman and one qualified minority candidate for all open executive and management positions. In the event that no minority or female candidate expresses interest in the open position, the General Manager shall provide a letter for information to the Contracting Officer on what specific actions the Contractor engaged in to attract and promote the open position among women and minorities and what forthcoming specific actions will be used in the future to promote these opportunities to women and minority employees.

(2) Reductions in Contractor Employment – Workforce Restructuring

(a) Voluntary Separations

In order to minimize the number of involuntary separations and mitigate the impact on affected employees, in consultation with the Contracting Officer, the Contractor shall consider the use of a Voluntary Separation Program (VSP) before consideration is given to conducting an Involuntary

- (c) If the Contractor has implemented a business ethics and conduct awareness program, including a reporting mechanism, such as a hotline poster, then the Contractor need not display any agency fraud hotline posters as required in paragraph (b) of this clause, other than any required DHS posters.
- (d) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (d), in all subcontracts that exceed \$5.5 million, except when the subcontract-
 - (1) Is for the acquisition of a commercial item; or
 - (2) Is performed entirely outside the United States.

(End of clause)

52.216-7 Allowable Cost and Payment (JUN 2013) (AS MODIFIED BY DEAR 952.216-7)

- (a) *Invoicing.*
 - (1) The Government will make payments to the Contractor when requested as work progresses, but (except for small business concerns) not more often than once every 2 weeks, in amounts determined to be allowable by the Contracting Officer in accordance with Federal Acquisition Regulation (FAR) Subpart 31.2 as supplemented by subpart 931.2 of the Department of Energy Acquisition Regulations (DEAR) in effect on the date of this contract and the terms of this contract. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost for performing this contract.
 - (2) Contract financing payments are not subject to the interest penalty provisions of the Prompt Payment Act. Interim payments made prior to the final payment under the contract are contract financing payments, except interim payments if this contract contains Alternate I to the clause at 52.232-25.
 - (3) The designated payment office will make interim payments for contract financing on the 30th day after the designated billing office receives a proper payment request. In the event that the Government requires an audit or other review of a specific payment request to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the specified due date.
- (b) *Reimbursing costs.*
 - (1) For the purpose of reimbursing allowable costs (except as provided in subparagraph (b)(2) of this clause, with respect to pension, deferred profit sharing, and employee stock ownership plan contributions), the term "costs" includes only --
 - (i) Those recorded costs that, at the time of the request for reimbursement, the Contractor has paid by cash, check, or other form of actual payment for items or services purchased directly for the contract;
 - (ii) When the Contractor is not delinquent in paying costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for --
 - (A) Supplies and services purchased directly for the contract and associated financing payments to subcontractors, provided payments determined due will be made—
 - (1) In accordance with the terms and conditions of a subcontract or invoice; and
 - (2) Ordinarily within 30 days of the submission of the Contractor's payment request to the Government;

52.227-23 Rights to Proposal Data (Technical) (JUN 1987)

Except for data contained on pages [N/A], it is agreed that as a condition of award of this contract, and notwithstanding the conditions of any notice appearing thereon, the Government shall have unlimited rights (as defined in the "Rights in Data - General" clause contained in this contract) in and to the technical data contained in the proposal dated March 5, 2018, upon which this contract is based.

(End of clause)

52.247-1 Commercial Bill of Lading Notations (FEB 2006)

When the Contracting Officer authorizes supplies to be shipped on a commercial bill of lading and the Contractor will be reimbursed these transportation costs as direct allowable costs, the Contractor shall ensure before shipment is made that the commercial shipping documents are annotated with either of the following notations, as appropriate:

- (a) If the Government is shown as the consignor or the consignee, the annotation shall be:

Transportation is for the *U. S. Department of Energy* and the actual total transportation charges paid to the carrier(s) by the consignor or consignee are assignable to, and shall be reimbursed by, the Government.

- (b) If the Government is not shown as the consignor or the consignee, the annotation shall be:

Transportation is for the *U. S. Department of Energy* and the actual total transportation charges paid to the carrier(s) by the consignor or consignee shall be reimbursed by the Government, pursuant to cost-reimbursement contract No. 89233018CNR000004. This may be confirmed by contacting *the Naval Reactors Laboratory Field office at the address listed in the contract.*

(End of clause)

52.247-67 Submission of Transportation Documents for Audit (FEB 2006)

- (a) The Contractor shall submit to the address identified below, for prepayment audit, transportation documents on which the United States will assume freight charges that were paid-

- (1) By the Contractor under a cost-reimbursement contract; and
- (2) By a first-tier subcontractor under a cost-reimbursement subcontract thereunder.

- (b) Cost-reimbursement Contractors shall only submit for audit those bills of lading with freight shipment charges exceeding \$100. Bills under \$100 shall be retained on-site by the Contractor and made available for on-site audits. This exception only applies to freight shipment bills and is not intended to apply to bills and invoices for any other transportation services.

- (c) Contractors shall submit the above referenced transportation documents to-

*General Services Administration, Transportation Audit Division (QMCA)
Crystal Plaza 4, Room 300
2200 Crystal Drive,
Arlington, VA 22202*

(End of clause)

52.252-2 Clauses Incorporated by Reference (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

- (b) Remedies. In addition to any other remedies available to the Government, the Contractor's failure to comply with the requirements of 10 CFR part 707 or to perform in a manner consistent with its approved program may render the Contractor subject to: the suspension of contract payments, or, where applicable, a reduction in award fee; termination for default; and suspension or debarment.
- (c) Subcontracts.
 - (1) The Contractor agrees to notify the Contracting Officer reasonably in advance of, but not later than 30 days prior to, the award of any subcontract the Contractor believes may be subject to the requirements of 10 CFR part 707, unless the Contracting Officer agrees to a different date.
 - (2) The DOE Prime Contractor shall require all subcontracts subject to the provisions of 10 CFR part 707 to agree to develop and implement a workplace substance abuse program that complies with the requirements of 10 CFR part 707, Workplace Substance Abuse Programs at DOE Sites, as a condition for award of the subcontract. The DOE Prime Contractor shall review and approve each subcontractor's program, and shall periodically monitor each subcontractor's implementation of the program for effectiveness and compliance with 10 CFR part 707.
 - (3) The Contractor agrees to include, and require the inclusion of, the requirements of this clause in all subcontracts, at any tier, that are subject to the provisions of 10 CFR part 707.

(End of clause)

970.5223-6 Executive Order 13423, Strengthening Federal Environmental, Energy, and Transportation Management (OCT 2010)

Since this contract involves Contractor operation of Government-owned facilities and/or motor vehicles, the provisions of Executive Order 13423 are applicable to the Contractor to the same extent they would be applicable if the Government were operating the facilities or motor vehicles. Information on the requirements of the Executive Order may be found at <http://www.archives.gov/federal-register/executive-orders/>.

(End of Clause)

970.5223-7 Sustainable Acquisition Program (OCT 2010)

- (a) Pursuant to Executive Order 13423, Strengthening Federal Environmental, Energy and Transportation Management, and Executive Order 13514, Federal Leadership in Environmental, Energy, and Economic Performance, the Department of Energy (DOE) is committed to managing its facilities in an environmentally preferable and sustainable manner that will promote the natural environment and protect the health and well-being of its Federal employees and contractor service providers. In the performance of work under this contract, the Contractor shall provide its services in a manner that promotes the natural environment, reduces greenhouse gas emissions and protects the health and well-being of Federal employees, contract service providers and visitors using the facility.
- (b) Green purchasing or sustainable acquisition has several interacting initiatives. The Contractor must comply with initiatives that are current as of the contract award date. DOE may require compliance with revised initiatives from time to time. The Contractor may request an equitable adjustment to the terms of its contract using the procedures at 48 CFR 970.5243-1 Changes. The initiatives important to these Orders are explained on the following Government or Industry Internet Sites:
 - (1) Recycled Content Products are described at <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program#products>
 - (2) Biobased Products are described at <https://www.biopreferred.gov/BioPreferred/>.
 - (3) Energy efficient products are at <https://energystar.gov/> products for Energy Star products.

- (4) Energy efficient products are at <https://www.epa.gov/fec/federal-green-purchasing-electronics-epeat-energy-star-and-femp> for FEMP designated products.
 - (5) Environmentally preferable and energy efficient electronics including desktop computers, laptops and monitors are at <http://www.epeat.net> the Electronic Products Environmental Assessment Tool (EPEAT) the Green Electronics Council site.
 - (6) Greenhouse gas emission inventories are required, including Scope 3 emissions which include contractor emissions. These are discussed at Section 13 of Executive Order 13514 which can be found at <http://www.archives.gov/federal-register/executive-orders/disposition.html>.
 - (7) Non-Ozone Depleting Alternative Products are at <http://www.epa.gov/ozone/strathome.html>.
 - (8) Water efficient plumbing products are at <https://epa.gov/watersense>.
- (c) The clauses at FAR 52.223-2, Affirmative Procurement of Biobased Products under Service and Construction Contracts, 52.223-15, Energy Efficiency in Energy Consuming Products, and 52.223-17 Affirmative Procurement of EPA-Designated Items in Service and Construction Contracts, require the use of products that have biobased content, are energy efficient, or have recycled content. To the extent that the services provided by the Contractor require provision of any of the above types of products, the Contractor must provide the energy efficient and environmentally sustainable type of product unless that type of product-
- (1) Is not available;
 - (2) Is not life cycle cost effective (or does not exceed 110% of the price of alternative items if life cycle cost data is unavailable), EPEAT is an example of lifecycle costs that have been analyzed by DOE and found to be acceptable at the silver and gold level;
 - (3) Does not meet performance needs; or,
 - (4) Cannot be delivered in time to meet a critical need.
- (d) In the performance of this contract, the Contractor shall comply with the requirements of Executive Order 13423, Strengthening Federal Environmental, Energy and Transportation Management, (<https://www.federalregister.gov/documents/2007/01/26/07-374/strengthening-federal-environmental-energy-and-transportation-management>) and Executive Order 13514, Federal Leadership in Environmental, Energy, and Economic Performance (<http://www.archives.gov/federal-register/executive-orders/disposition.html>). The Contractor shall also consider the best practices within the DOE Acquisition Guide, Chapter 23, *Acquisition Considerations Regarding Federal Leadership in Environmental, Energy, and Economic performance*. This guide includes information concerning recycled content products, biobased products, energy efficient products, water efficient products, alternative fuels and vehicles, non-ozone depleting substances and other environmentally preferable products and services. This guide is available on the Internet at: <https://www.energy.gov/management/downloads/department-energy-acquisition-guide>
- (e) Contractors must establish and maintain a documented energy management program which includes requirements for energy and water efficient equipment, EnergyStar or WaterSense, as applicable and procedures for verification of purchases, following the criteria in DOE Order 430.2B, Departmental Energy, Renewable Energy, and Transportation Management, Attachment 1, or its successor. This requirement should not be flowed down to subcontractors.
- (f) In complying with the requirements of paragraph (c) of this clause, the Contractor shall coordinate its activities with and submit required reports through the Environmental Sustainability Coordinator or equivalent position.
- (g) The Contractor shall prepare and submit performance reports using prescribed DOE formats, at the end of the Federal fiscal year, on matters related to the acquisition of environmentally preferable and sustainable

Part III – List of Documents, Exhibits, and Other Attachments

SECTION J: LIST OF ATTACHMENTS

INDEX OF SECTION J

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2.	Special Financial Institution Account Agreement for Use with the Payments Cleared Financing Arrangement, Revision 0, dated 9/12/2018	14
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- 11.7. Manager, Quality Assurance
- 11.8. Manager, Operations
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- 12.1 Division Technical Manager

**SPECIAL FINANCIAL INSTITUTION ACCOUNT
AGREEMENT FOR USE WITH THE PAYMENTS CLEARED
FINANCING ARRANGEMENT
Revision 0**

Agreement entered into this, 12 day of September, 2018, between the UNITED STATES OF AMERICA, represented by the Department of Energy (hereinafter referred to as "the DOE"), and the Prime Contractor (Fluor Marine Propulsion, LLC) a corporation/legal entity existing under the laws of the State of Delaware, (hereinafter referred to as the Contractor) and Dollar Bank, a financial institution corporation existing under the laws of the State of Pennsylvania, located at 3 Gateway Center, Floor 10-N, Pittsburgh, PA 15222 (hereinafter referred to as the Financial Institution).

RECITALS

- (a) On the effective date of July 12, 2018, the DOE and the Contractor entered into Contract No. 89233018CNR000004, providing for the transfer of funds on a payments-cleared basis.
- (b) The DOE requires that amounts transferred to the Contractor thereunder be deposited in a special demand deposit account at a financial institution covered by one of the following Department of the Treasury-approved Government deposit insurance organizations identified in Volume 1, Part 6, Chapter 9000 of the Treasury Financial Manual.

These special demand deposits must be kept separate from the Contractor's general or other funds, and the parties are agreeable to so depositing said amounts with the Financial Institution.

- (c) The special demand deposit account shall be designated:
 - 1. "Fluor Marine Propulsion, LLC, Department of Energy Account"

COVENANTS

In consideration of the foregoing, and for other good and valuable considerations, it is agreed that:

- (1) The Government shall have a title to the credit balance in said account to secure the repayment of all funds transferred to the Contractor, and said title shall be superior to any lien, title, or claim of the Financial Institution or others with respect to such accounts.
- (2) The Financial Institution shall be bound by the provisions of said Agreement(s) between the DOE and the Contractor relating to the transfer of funds into and withdrawal of funds from the above special demand deposit account, which are hereby incorporated into this Agreement by reference, but the Financial Institution shall not be responsible for the application of funds withdrawn from said account by the Contractor. After receipt by the Financial Institution of written directions from the DOE, the Financial Institution shall act thereon and shall be under no liability to any party hereto for any action taken in accordance with the said written directions. Any written directions received by the Financial Institution from the Government upon DOE stationery and purporting to be signed by, or signed at the written direction of, the DOE Naval Reactors Laboratory Field Office Contracting Officer may, insofar as the rights, duties, and liabilities of the Financial Institution are concerned, be considered as having been properly issued and filed with the Financial Institution by the DOE.
- (3) The DOE, or its authorized representatives, shall have access to financial records maintained by the Financial Institution with respect to such special demand deposit account at all reasonable times and for all reasonable purposes, including, but without limitation to, the inspection or copying of such financial records and any or all memoranda, checks, payment requests, correspondence, or documents pertaining thereto. Such financial records shall be preserved by the Financial Institution for a period of six (6) years after the final payment under the Agreement.

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- (4) In the event of the service of any writ of attachment, levy of execution, or commencement of garnishment proceedings with respect to the special demand deposit account, the Financial Institution shall promptly notify the DOE and the Prime Contractor at:

Naval Reactors Laboratory Field Office
U.S. Department of Energy
Attention: Juliana L. Heynes
814 Pittsburgh-McKeesport Boulevard
West Mifflin, PA 15122

Fluor Marine Propulsion, LLC
Attention: Sally B. Haughey
814 Pittsburgh-McKeesport Boulevard
West Mifflin, PA 15122

Dollar Bank
Shelly L. Mroczkowski
3 Gateway Center, Floor 10-N,
Pittsburgh, PA 15222

- (5) The DOE shall authorize funds that shall remain available to the extent that obligations have been incurred in good faith thereunder by the Contractor to the Financial Institution for the benefit of the special demand deposit account. The Financial Institution agrees to honor upon presentation for payment all payments issued by the Contractor and to restrict all withdrawals against the funds authorized to an amount sufficient to maintain the account balance as close to zero as administratively possible each day.

The Financial Institution agrees to service the account in this manner, based on the requirements and specifications contained in the Contractor solicitation dated August 1, 2018, inclusive of the latest revisions of documents referenced herein. The Financial Institution agrees that per-item prices, detailed in Applicable Document 4, below, will remain constant during years one through five of the term of this Agreement (10/1/18 - 9/30/19, 10/1/19 - 9/30/20, 10/1/20 - 9/30/21, 10/1/21-9/30/22, and 10/1/22-9/30/23)

The Financial Institution shall calculate the monthly fees based only on services rendered in accordance with this Agreement. The Contractor shall issue a check or authorize the Financial Institution to initiate an automated clearing house transfer to the Financial Institution in payment thereof. The Contractor is not liable for any payment for performance under this Agreement beyond the prices included in Applicable Document 4 (below). Any services provided by the Financial Institution under this Agreement resulting in payment demands for services not required under this Agreement shall be at the Financial Institution's own risk.

Furthermore, the Financial Institution grants the DOE, and/or the Contractor, the option to further extend this Agreement through September 30, 2028 provided that an amendment to this Agreement is executed on or before September 30, 2023. The Financial Institution agrees that per-item prices for the first year of this extension (10/1/23-9/30/24) will remain at the rates applicable for the preceding twelve month period (10/1/22 - 9/30/23). For the periods detailed below, the per-item prices may increase, and the increase will be the lesser of 3% or U.S. Consumer Price Index (CPI) from the previous twelve month period. The Financial Institution shall submit a written request, in accordance with the schedule identified below, for any pricing adjustments. If the Financial Institution fails to submit this request by the dates identified, the current pricing shall be extended for the subsequent period of the term.

- Per-item price increases for 10/1/24 - 9/30/25 shall be submitted no later than July 31, 2024
- Per-item price increases for 10/1/25 - 9/30/26 shall be submitted no later than July 31, 2025
- Per-item price increases for 10/1/26 - 9/30/27 shall be submitted no later than July 31, 2026
- Per-item price increases for 10/1/27 - 9/30/28 shall be submitted no later than July 31, 2027

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- (6) The Financial Institution shall post collateral, acceptable under Code of Federal Regulations 31 CFR 202, with the Federal Reserve Bank in an amount equal to the net balances in all of the accounts included in this Agreement less the Department of the Treasury-approved deposit insurance.
- For purposes of this Agreement, acceptable collateral shall be deemed to have been posted, provided the Financial Institution performs account balance reviews and initiate a repetitive wire transfer to the Federal Reserve Bank to bring the overnight account balances as close to zero as administratively possible (and not in excess of the approved deposit insurance coverage), for each DOE account. Any deposit or credits received after the final review shall be considered as "next day" funds.
- (7) This Agreement, with all its provisions and covenants, shall be in effect for a term of five (5) years, beginning October 1, 2018 through September 30, 2023.
- (8) The DOE, the Contractor, or the Financial Institution may terminate this Agreement at any time within the Agreement period upon submitting written notification to the other parties 90 days prior to the desired termination date. The specific provisions for operating the account during this 90-day period are contained in Covenant (11).
- (9) The DOE or the Contractor may terminate this Agreement at any time upon 30 days' written notice to the Financial Institution if the DOE or the Contractor, or both parties, find that the Financial Institution has failed to substantially perform its obligations under this Agreement or that the Financial Institution is performing its obligations in a manner that precludes administering the program in an effective and efficient manner or that precludes the effective utilization of the Government's cash resources.
- (10) Notwithstanding the provisions of Covenants (8) and (9), in the event that the Agreement, referenced in Recital (a), between the DOE and the Contractor is not renewed or is terminated, this Agreement between the DOE, the Contractor, and the Financial Institution shall be terminated automatically upon the delivery of written notice to the Financial Institution.
- (11) In the event of termination, the Financial Institution agrees to retain the Contractor's special demand deposit account for an additional 90-day period to clear outstanding payment items. During this 90-day period, the DOE shall provide funds to cover outstanding checks when they are presented for payment in accordance with the existing procedures outlined in this agreement.

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During the entire 90 day period, it is further understood that:

- a. All service charges shall be consistent with the amounts reflected in this Agreement.
- b. All terms and conditions of the aforesaid proposal submitted by the Financial Institution that are not inconsistent with this 90-day additional term shall remain in effect for this period.
- c. This Agreement shall continue in effect, with exception of the following:
 1. The term of this Agreement [Covenant (7)]
 2. Termination of Agreement [Covenants (8) and (9)]

APPLICABLE DOCUMENTS:

The following documents, with all documents referenced herein, are incorporated herein by reference and form an integral part of this Agreement:

1. Description of Services, Rev. 2, dated 06/26/18.
2. Financial Institution's Information on Payments Cleared Financing Agreement, Rev. 0.
3. Technical Representations and Certifications, Rev. 0, dated August 15, 2018, as submitted by the Financial Institution.
4. Schedule of Financial Institution Processing Charges DOE, Rev. 0, dated August 22, 2018.

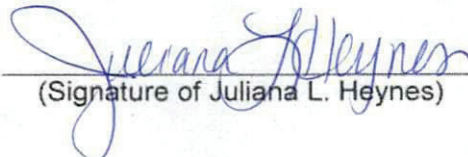
In the event of any inconsistency between any parts of this Agreement, the order of precedence shall be as follows: (1) the provisions contained in the Agreement; and (2) the documents 1. through 4. referenced above, in the order listed.

**SPECIAL FINANCIAL INSTITUTION ACCOUNT
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IN WITNESS WHEREOF the parties hereto have caused this Agreement, which consists of 6 pages, including the signature pages, to be executed as of the day and year first above written.

THE UNITED STATES OF AMERICA

By Juliana L. Heynes
Director – Contracts Division



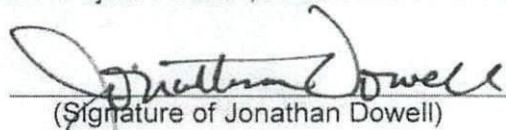
(Signature of Juliana L. Heynes)

09.12.2018

Date Signed

THE CONTRACTOR (Fluor Marine Propulsion, LLC)

By Jonathan Dowell
Senior Project Director, Environmental & Nuclear



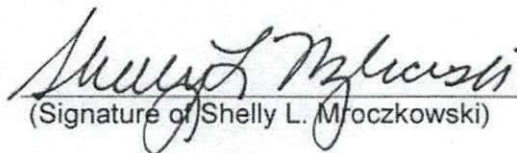
(Signature of Jonathan Dowell)

August 24, 2018

Date Signed

FINANCIAL INSTITUTION (Dollar Bank)

By Shelly L. Mroczkowski
Vice President, Treasury Management Operations



(Signature of Shelly L. Mroczkowski)

8/29/18

Date Signed

**SPECIAL FINANCIAL INSTITUTION ACCOUNT
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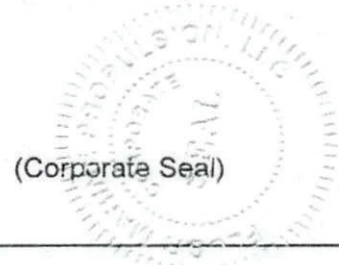
NOTE

The Contractor, if a corporation, shall cause the following Certificate to be executed under its corporate seal, provided that the same officer shall not execute both the Agreement and the Certificate.

CERTIFICATE

I, Brad Smith, certify that I am the Asst. Sec. of the corporation named as Contractor herein; that Jonathan Dowell, who signed this Agreement on behalf of the Contractor, was then Senior Project Director, Environmental & Nuclear of said corporation; and 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.

(Signature of Brad Smith)



(Corporate Seal)

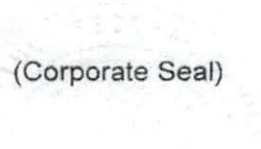
NOTE

Financial Institution, if a corporation, shall cause the following Certificate to be executed under its corporate seal, provided that the same officer shall not execute both the Agreement and the Certificate.

CERTIFICATE

I, Nancy Butler, certify that I am the Corporate Secretary, of the corporation named as Financial Institution herein; that Shelly L. Mroczkowski, who signed this Agreement on behalf of the Financial Institution, was then Vice President, Treasury Management Operations of said corporation; and 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.

(Signature of Nancy Butler)



(Corporate Seal)

DESCRIPTION OF SERVICES

Account Maintenance	The Financial Institution shall provide services of dedicated personnel knowledgeable and experienced in Government banking services to answer questions via telephone in a timely manner (same day response) during east coast business hours. The Financial Institution shall ensure that all information is maintained in a secure environment, and that only authorized Prime Contractor, the Department of Energy (DOE), the Department of Defense (Navy), or Financial Institution personnel have access to information or the ability to perform certain functionality.
Encryption Service	The Financial Institution shall ensure that all appropriate electronic transactions, such as Automated Clearing House (ACH) transactions, are encrypted for security purposes. HTTPS for file transmissions meets this requirement. Special software such as Pretty Good Privacy (PGP) cannot be used.
Checks Paid/Cleared	Processing of paper checks presented to the Financial Institution.
Returned Checks – Non-Sufficient Funds	Per check processing charge for checks returned to the Prime Contractor's account due to non-sufficient funds of the payer.
Deposits - Checks	Processing of individual checks included on deposit tickets delivered to the bank in person or mailed.
ACH Transactions	Processing of ACH deposits (ACH Credits) and withdrawals (ACH Debits).
Deposit Tickets	Processing of deposit tickets for checks.
Controlled Disbursement Account Maintenance	A demand deposit account maintained at the Financial Institution and from which funds are disbursed. Information about items cleared through these accounts shall be provided or made available on a daily basis. In addition to checks cleared, the Prime Contractor shall have all transaction information (checks, electronic funds transfers, drawdowns, etc.) daily by 2 PM on the same business day. The daily business cut off times and presentments need to accommodate this reporting need.
Check Imaging (both sides)	Provide electronic imaging (front & back) of the paper checks presented to the Financial Institution. Cleared check images must be placed on a CD or be able to be downloaded from the online banking website into a single monthly batch.

DESCRIPTION OF SERVICES

<p>Positive Pay/ Pay Without Issuance</p>	<p>Also referred to as Match Pay. An on-line fraud prevention tool. This feature will allow the Prime Contractor to provide information for checks issued in an electronic form, or on-line, to the bank and require the Financial Institution to provide a list of payment requests presented. This feature shall indicate any variance between the check presented for payment and the information provided by the Prime Contractor, and it allows the Prime Contractor the ability to approve or deny the check presented for payment. It also provides the ability to void any outstanding check and the ability for the Prime Contractor to research the history of payments (i.e. date paid, date voided, still outstanding). Pay without issuance is a per transaction service that allows authorization of payment on an exception basis. The Prime Contractor needs the ability to transfer the simple text file directly to the online banking site (For example: Click "Browse", then select file from storage location, then "Submit"). File transfer protocol (FTP) transmissions are NOT allowed.</p>
<p>Full Reconciliation Reporting</p>	<p>The Financial Institution shall provide all transaction information daily by 2 PM on the same business day. For the DOE account, the Financial Institution shall provide the checks cleared via electronic file. The Financial Institution shall provide reports that detail items paid and outstanding items. Additionally, the reports shall include any deposits or electronic transactions completed. The Financial Institution shall provide electronic bank statements monthly. Account reconciliation files such as the cleared check file must be either sent to the Prime Contractor on a CD/DVD-ROM or be made available for download via the online banking website. FTP access is NOT supported.</p>
<p>Full Reconciliation Per Item</p>	<p>A per item charge to provide reconciliation reporting per the above service.</p>
<p>On-line Monitoring/ Banking</p>	<p>Provides access to the basic web based tool. This tool is usually the portal to access user accounts to perform on-line transactions and access account specific information and reports. This service shall include the appropriate controls to prevent unauthorized access to the Prime Contractor's proprietary or account specific information.</p>
<p>On-line Banking Transactions</p>	<p>A per item charge to perform banking transactions utilizing a web based tool.</p>
<p>Balance & Transaction Reporting</p>	<p>This service provides detailed account specific information and reports from a web based service, such as checks paid, ACH Debits/Credits. The Prime Contractor requires all transaction information daily by 2 PM on the same business day. This service shall include the appropriate controls to prevent unauthorized access to BMPC proprietary or account specific information.</p>
<p>Stop Payments and Stop Payment Files</p>	<p>Processing of individual stop payments and batch file processing directly to an online website.</p>

DESCRIPTION OF SERVICES

Outgoing Wire Transfers (Both foreign and domestic), including Sweep Backs	Same day transfer of funds from the demand accounts. The majority of the wire transfers will be repetitive, done either on a weekly or monthly basis. It also includes sweep backs to US Treasury at the end of the day of positive balances. Wires must be able to be postdated (i.e. wires that are entered into the online banking system that are "warehoused" or stored until the due date when the payment automatically releases.) The wires should be able to be stored for at least a month before payment, if needed.
Incoming Wire Transfers, excluding Drawdowns	Wire transfers of funds into the account excluding drawdowns from the Federal Reserve.
Incoming Wire Transfers from Drawdowns	Charge for each account's receipt of funds from the Federal Reserve drawdown transaction.
Drawdown Transfers From Federal Reserve	Charge for Federal Reserve wire sending the funds to the appropriate demand account to maintain the account balance as close to zero as administratively possible for the DOE demand accounts. For Navy demand accounts the ending daily balance must be maintained at zero. The Prime Contractor expects two drawdown reviews by the Financial Institution to occur between 1:00 and 2:00 and again between 2:30-3:00. The Prime Contractor also requires a final review for sweepbacks to the Federal Reserve around 4PM. An additional drawdown may be needed outside the stated time parameters at the discretion of the Prime Contractor.
Beneficiary Information Template Storage	The Financial Institution shall store templates for repetitive wire transfers upon request from authorized the Prime Contractor personnel for access and reference when creating future wires.
Treasury Assistance Service	The financial institution shall provide daily review of account balances to ensure they meet US Treasury requirements.
Manual Non-Repetitive Wire	Non-Repetitive wire transfer of funds using the online banking website or via telephone operator.
ACH Individual Transactions	ACH transactions processed one at a time. These transactions are expected to be initiated electronically from a web based service.
ACH Batch Transactions	Charge for the number of individual Electronic Funds Transfer items excluding the addendum records related to CTX items. The batch transactions shall be encrypted or sent via a secure website electronically, and processed the next day.
ACH Corporate Trade Exchange (CTX) Addendum Records	Records in the ACH transmission file that provide an expanded description of the transaction (7 record).

DESCRIPTION OF SERVICES

ACH Profile Maintenance	Charge for storage template of ACH profile information.
ACH Data Transmissions	Electronic file transmission of payment information to the Financial Institution in National Automated Clearinghouse Association (NACHA) format. BMPC needs the ability to transfer simple text file directly to the online banking site. FTP transmissions are not allowed.
ACH Input File Confirmation	Electronic mail confirmation that that the number of records and total amount of dollars included in the ACH Data transmission to the bank were processed.
ACH Returns/ACH Notification of Changes	Notification of an unprocessed ACH transaction due to incorrect transmitted information.
ACH Full Debit Block	This fraud prevention tool blocks electronic funds transfers initiated by another party. All BMPC accounts are required to have this service.
ACH Debit Filter	This fraud prevention tool is similar to an ACH block; however, the ACH filter allows only specific parties (authorized by DOE or the Prime Contractor) the ability to electronically withdraw funds from the account.
Set Up Charge	Includes all necessary goods and services required to establish the accounts and banking structures for on-going operations.
Network Requirements/Restrictions for Above Services	<ul style="list-style-type: none"> ○ FTP access (both inbound and outbound) shall not be utilized, only direct uploading via a website is acceptable. ○ Microsoft Silverlight shall not be used. ○ The Financial Institution shall not require special software specific to online banking and encryption to be installed at BMPC. ○ All online banking services shall be able to run on Internet Explorer, Firefox, and Chrome.

**FINANCIAL INSTITUTION'S INFORMATION ON
PAYMENTS CLEARED FINANCING ARRANGEMENT
Rev. 0**

1. GENERAL INFORMATION

Payments cleared funding is a method used by the Federal Government to provide funds to a Prime Contractor who is performing services or providing goods to the Department of Energy (DOE) or the Department of Defense (Navy). Under this method, the Prime Contractor issues payments for program purposes. When these payments clear the Financial Institution, the payments are totaled, and the Financial Institution draws funds from an Automated Standard Application for Payment (ASAP) 1031 system account at the Federal Reserve Bank of Richmond (FRB Richmond) for credit to the Prime Contractor's account. The Financial Institution is compensated for services performed in the form of direct payment for services rendered. Information necessary to provide a offer for and operate such an account and to establish the reporting requirements the Financial Institution must meet are provided below.

2. OFFER INFORMATION

- a. Upon receipt of the solicitation from the Prime Contractor, the Financial Institution representative should review the package to ensure that all material listed in the covering letter has been included. If anything is missing, the Financial Institution representative should contact the Prime Contractor representative named in the letter to obtain the missing material. If all material is present, the Financial Institution representative should review the solicitation procedures, the operating procedures, the reporting requirements, and the sample agreement. Questions should be directed to the designated Prime Contractor representative.
- b. Once the procedures and requirements are understood and the Financial Institution's management decides to submit an offer, the procedures below should be followed:
 - (1) Check or complete all responses contained in the "Technical Representations and Certifications" form.
 - (2) Complete the "Schedule of Financial Institution Processing Charges" forms.
 - (3) Ensure that all required information has been provided before forwarding the completed forms to the designated Prime Contractor representative. These forms constitute the Financial Institution's formal offer. Incomplete offers will not be considered.
 - (4) Forward the completed offer, meeting all requirements of the solicitation, with a cover letter to the Prime Contractor representative at the address provided. Offers not received by the date established for submission will not be considered.
- c. Offerors will be notified, by letter, of the Financial Institution selected within 30 calendar days after the close of the solicitation period.
- d. The selected Financial Institution will, if requested by the Contractor, meet with the designated Prime Contractor representative to clarify any operational questions and to sign the contractual agreement and required corporate certificates for both the Prime Contractor and the Financial Institution. Specific termination provisions are contained in the agreement for termination before the date specified in the agreement.

3. OPERATING REQUIREMENTS

- a. The Financial Institution will total the payments cleared against the special account and subtract any deposits. This sum will be drawn from the ASAP 1031 account at FRB Richmond. The amount of the drawdown should be sufficient to maintain the account balance as close to zero as administratively possible. The institution must determine the cutoff time for processing payments and deposits to ensure same day credit. The drawdown is effected by sending an online request for funds (type code 1031) to FRB Richmond via Fedwire by 5:45 p.m. Eastern time. The DOE or Navy finance office, through the Prime Contractor, will provide the Financial Institution with enrollment forms that will permit withdrawal of funds from the ASAP 1031 account at FRB Richmond. The institution will complete the forms and return them to the DOE or Navy for further processing.
- b. If the Financial Institution providing these services is a branch of a parent institution, the drawdown on ASAP 1031 and subsequent transfer of funds from FRB Richmond must be accomplished in time for the branch to receive same-day credit for the funds requested.

4. COMPENSATION

The Financial Institution will be compensated for its services in accordance with the prices included in the Schedule of Financial Institution Processing Charges. The Financial Institution will be paid directly by the Prime Contractor by submitting itemized invoices for services rendered to the Prime Contractor for their DOE and Navy accounts.

5. COLLATERALIZATION

The Financial Institution shall post collateral, acceptable under Code of Federal Regulations 31 CFR 202, with the Federal Reserve Bank in an amount equal to the net balances in all of the accounts included in these Agreements less the Department of the Treasury-approved deposit insurance.

For purposes of these Agreements, acceptable collateral shall be deemed to have been posted, provided the Financial Institution performs account balance reviews and initiate a repetitive wire transfer to the Federal Reserve Bank to bring the overnight account balances as close to zero as administratively possible (and not in excess of the approved deposit insurance coverage), for each DOE and Navy account. Any deposit or credits received after the final review shall be considered as "next day" funds.

6. PENALTIES ON EXCESS FUNDS

If the Financial Institution has a pattern of excess drawdowns and fails to correct the problem after written notice from the Department, the Financial Institution will be assessed interest on all excess balances at the Federal Funds Rate for the month(s), and the special Financial Institution account agreement will be terminated. Penalties will be remitted to the cognizant DOE or Navy finance office.

7. REPORTING REQUIREMENTS

The Financial Institution will provide the Prime Contractor with bank statements and account analyses monthly. The account analyses will include the data necessary for the DOE or Navy finance office to determine that the prices of the services are commensurate with the level of compensation being provided to the Financial Institution, and that the average daily demand account balance is being maintained as close to zero as administratively possible.

TECHNICAL REPRESENTATIONS AND CERTIFICATIONS
Rev. 0 dated August 15, 2018

The Financial Institution makes the following technical representations and certifications as part of its proposal to the Department of Energy to service a payments cleared financing arrangement. (Check selection boxes and complete blanks, as appropriate. All information is necessary.)

1. FINANCIAL INSTITUTION FISCAL INFORMATION

- a. The Financial Institution is a national chartered Financial Institution State chartered Financial Institution organized and existing in the State of Pennsylvania.
- b. The Financial Institution maintains does not maintain an account with a Federal Reserve Bank.
- c. The current Federal State time deposit reserve requirement for the Financial Institution is 10%.
- d. The Financial Institution insures each time account for the current federally approved deposit insurance amount Yes No. Deposits are insured by a Government deposit insurance organization approved by the Department of the Treasury If no, explain: _____
- e. The Financial Institution has direct online access to the Federal Reserve Communications System (FRCS). If no, explain _____
- f. To receive same-day credit from the Federal Reserve, the Financial Institution can ascertain the amount of payments cleared net of the amount of any deposits and submit a payment request through the FRCS by 6:00 p.m. Eastern Time.

2. MINORITY BUSINESS ENTERPRISES

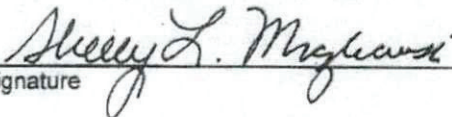
Does the Financial Institution operate as a minority- or woman-owned business enterprise with at least 50-percent ownership by minority group or women members? Yes No.
(For present purposes, minority group members are African Americans, Hispanic Americans, Asian Americans, American Indians, Caucasian Women, Eskimos, and Aleuts.)

3. TECHNICAL

- a. Does the Financial Institution currently service and reconcile an account with a payment volume equal to or exceeding the anticipated volume required by the Contractor as stated in the "Schedule of Financial Institution Processing Charges"?
Service: Yes No
Reconciliation: Yes No
- b. What is the highest number of payments serviced and reconciled for a single account?
Service: Number of payments 150,000
Reconciliation: Number of payments 150,000

Shelly L. Mroczkowski
Name of authorized Financial Institution representative

August 15, 2018
Date


Signature

Schedule of Financial Institution Processing Charges DOE, Rev. 0, dated August 22, 2018

Services (Descriptions)	Unit of Measure	Years 1-5	
		10/1/18	9/30/23
ACCOUNT MAINTENANCE FEE	Month	\$	19,000
DEPOSIT TICKETS	Each	\$	8,800
DEPOSITED ITEMS	Each	\$	0.130
CHECKS PAID	Each	\$	0.190
DEPOSIT ASSESSMENT PER \$1000	Each	\$	-
ACH DEBITS RECEIVED	Each	\$	0.140
ACH CREDITS RECEIVED	Each	\$	0.140
DEPOSITED CASHES RETURNED ITEMS	Each	\$	11,000
STOP PAYMENT FEE	Each	\$	35,000
MAIL DEPOSITS	Each	\$	1,000
INTERNATIONAL WIRE OUTGOING	Each	\$	40,000
CASHANALYZER MAINTENANCE FEE	Month	\$	100,000
CASHANALYZER TOKENS	Each Token	\$	5,000
ACH NOTICE OF CHANGE FT	Each	\$	0.140
ACH CREDIT ITEMS FEE FT	Each	\$	0.080
ACH BATCHES ORIGINATED FT	Each	\$	15,000
ACH CREDIT RETURN FT	Each	\$	3,000
ACH CREDIT OFFSETS CREATED FT	Each	\$	0.080
ACH DEBIT OFFSETS CREATED FT	Each	\$	0.080
WIRE IN DOMESTIC	Each	\$	9,000
WIRE IN DRAWDOWN	Each	\$	9,000
WIRE OUT DOMESTIC REP-FAX	Each	\$	9,000
WIRE OUT DOMESTIC C/A	Each	\$	9,000
CONTROLLED DISBURS MONTHLY	Month	\$	40,000
CONTROLLED DISBURS PER ITEM	Each	\$	0.060
FULL ACCOUNT RECON -CA	Month	\$	60,000
POSITIVE PAY PAID ITEMS	Each	\$	0.060
POSITIVE PAY TOTAL ITEMS	Each	\$	0.060
IMAGING PER ACCOUNT ON CD ROM	Each CD	\$	15,000
IMAGING PER ITEM ON CD ROM	Each Check Image	\$	0.030

Furthermore, the Financial Institution grants the DOE, and/or the Contractor, the option to further extend this Agreement through September 30, 2028 provided that an amendment to this Agreement is executed on or before September 30, 2023. The Financial Institution agrees that per-item prices for the first year of this extension (10/1/23-9/30/24) will remain at the rates applicable for the preceding twelve month period (10/1/22 - 9/30/23). For the periods detailed below, the per-item prices may increase, and the increase will be the lesser of 3% or U.S. Consumer Price Index (CPI) from the previous twelve month period. The Financial Institution shall submit a written request, in accordance with the schedule identified below, for any pricing adjustments. If the Financial Institution fails to submit this request by the dates identified, the current pricing shall be extended for the subsequent period of the term.

- Per-item price increases for 10/1/24 - 9/30/25 shall be submitted no later than July 31, 2024
- Per-item price increases for 10/1/25 - 9/30/26 shall be submitted no later than July 31, 2025
- Per-item price increases for 10/1/26 - 9/30/27 shall be submitted no later than July 31, 2026
- Per-item price increases for 10/1/27 - 9/30/28 shall be submitted no later than July 31, 2027

Part III -- List of Documents, Exhibits and Other Attachments
SECTION J: ATTACHMENT 3 -- BASELINE LIST OF APPLICABLE DIRECTIVES

LIST B

(Reference Section I Clause 970.5204-2)

The DOE Directives can be found at the following Internet address:

<https://www.directives.doe.gov/directives-browse>

<u>DIRECTIVE NO.</u>	<u>SUBJECT</u>
130.1	BUDGET FORMULATION
135.1-1A	BUDGET EXECUTION-FUNDS DISTRIBUTION AND CONTROL
142.3A Admin Chg 1	UNCLASSIFIED FOREIGN VISITS AND ASSIGNMENTS PROGRAM
144.1, Admin Chg 1	DEPARTMENT OF ENERGY AMERICAN INDIAN TRIBAL GOVERNMENT INTERACTIONS AND POLICY
151.1D	COMPREHENSIVE EMERGENCY MANAGEMENT SYSTEM
200.1A Admin Chg 1	INFORMATION TECHNOLOGY MANAGEMENT
203.1	LIMITED PERSONAL USE OF GOVERNMENT OFFICE EQUIPMENT INCLUDING INFORMATION TECHNOLOGY
203.2	MOBILE TECHNOLOGY MANAGEMENT
205.1B Admin Chg 3	DEPARTMENT OF ENERGY CYBER SECURITY PROGRAM
206.1	DEPARTMENT OF ENERGY PRIVACY PROGRAM
221.2A	COOPERATION WITH THE OFFICE OF INSPECTOR GENERAL
225.1B	ACCIDENT INVESTIGATIONS
231.1B, Admin Chg 1	ENVIRONMENT, SAFETY, AND HEALTH REPORTING
241.1B, 243.1B, Admin Chg 1	SCIENTIFIC AND TECHNICAL INFORMATION MANAGEMENT RECORDS MANAGEMENT PROGRAM
252.1A, Admin Chg 1	TECHNICAL STANDARDS PROGRAM
350.1, Chg 5	CONTRACTOR HUMAN RESOURCE MANAGEMENT PROGRAMS
410.1	CENTRAL TECHNICAL AUTHORITY RESPONSIBILITIES REGARDING NUCLEAR SAFETY REQUIREMENTS
410.2, Admin Chg 1	MANAGEMENT OF NUCLEAR MATERIALS

413.1B	INTERNAL CONTROL PROGRAM
413.3B, Admin Chg 1	PROGRAM AND PROJECT MANAGEMENT FOR THE ACQUISITION OF CAPITAL ASSETS
414.1D Admin Chg 1	QUALITY ASSURANCE
415.1, Admin Chg 1	INFORMATION TECHNOLOGY PROJECT MANAGEMENT
420.1C, Admin Chg 1	FACILITY SAFETY
422.1 Admin Chg 2	CONDUCT OF OPERATIONS
425.1D, Admin Chg 1	VERIFICATION OF READINESS TO START UP OR RESTART NUCLEAR FACILITIES
426.2, Admin Chg 1	PERSONNEL SELECTION, TRAINING, QUALIFICATION, AND CERTIFICATION REQUIREMENTS FOR DOE NUCLEAR FACILITIES
430.1B	REAL PROPERTY ASSET MANAGEMENT
433.1B,	MAINTENANCE MANAGEMENT PROGRAM FOR DOE NUCLEAR FACILITIES
435.1 Admin Chg 1	RADIOACTIVE WASTE MANAGEMENT
436.1	DEPARTMENTAL SUSTAINABILITY
440.1B, Admin Chg 2	WORKER PROTECTION PROGRAM FOR DOE (INCLUDING THE NATIONAL NUCLEAR SECURITY ADMINISTRATION) FEDERAL EMPLOYEES
440.2C, Admin Chg 1	AVIATION MANAGEMENT AND SAFETY
442.1A	DEPARTMENT OF ENERGY CONCERNS PROGRAM
443.1B	PROTECTION OF HUMAN SUBJECTS
450.2 Admin Chg 1	INTEGRATED SAFETY MANAGEMENT
456.1A	THE SAFE HANDLING OF UNBOUND ENGINEERED NONOPARTICLES
458.1, Admin Chg 3	RADIATION PROTECTION OF THE PUBLIC AND THE ENVIRONMENT

460.1C PACKAGING AND TRANSPORTATION SAFETY

460.2A DEPARTMENTAL MATERIALS TRANSPORTATION AND PACKAGING
MANAGEMENT

461.1C PACKAGING AND TRANSPORTATION FOR OFFSITE SHIPMENT OF
MATERIALS OF NATIONAL SECURITY INTEREST

461.2 ONSITE PACKAGING AND TRANSFER OF MATERIALS OF NATIONAL
SECURITY INTEREST

462.1, IMPORT AND EXPORT OF CATEGORY 1 AND 2 RADIOACTIVE
SOURCES AND AGGREGATE QUANTITIES

470.3B GRADED SECURITY PROTECTION (GSP) POLICY

470.4B,
Admin Chg 1 SAFEGUARDS AND SECURITY PROGRAM

470.6 TECHNICAL SECURITY PROGRAM

471.1A IDENTIFICATION AND PROTECTION OF UNCLASSIFIED CONTROLLED
NUCLEAR INFORMATION

471.3,
Admin Chg 1 IDENTIFYING AND PROTECTING OFFICIAL USE ONLY INFORMATION

471.6,
Admin Chg 1 INFORMATION SECURITY

472.2,
Admin Chg 1 PERSONNEL SECURITY

474.2
Admin Chg 2 NUCLEAR MATERIAL CONTROL AND ACCOUNTABILITY

475.2 IDENTIFYING CLASSIFIED INFORMATION

522.1 PRICING OF DEPARTMENTAL MATERIALS AND SERVICES

534.1B ACCOUNTING

551.1D,
Admin Chg 1 OFFICIAL FOREIGN TRAVEL

3731.1
Admin Chg 1 SUITABILITY, POSITION SENSITIVITY DESIGNATIONS,
AND RELATED PERSONNEL MATTERS

5639.8A SECURITY OF FOREIGN INTELLIGENCE INFORMATION AND
SENSITIVE COMPARTMENTED INFORMATION FACILITIES

5670.1A MANAGEMENT AND CONTROL OF FOREIGN INTELLIGENCE

**NAVAL REACTOR DOE ORDER
IMPLEMENTATION BULLETINS**

<u>IB NUMBER</u>	<u>SUBJECT</u>	<u>DATE</u>
IB 142.3-28 Rev3	UNCLASSIFIED FOREIGN VISITS AND ASSIGNMENTS	11-29-10
IB 144.1-118 Rev 1	DEPARTMENT OF ENERGY AMERICAN INDIAN TRIBAL GOVERNMENT INTERACTIONS AND POLICY	12-10-10
IB 151.1D-103 Rev 3	COMPREHENSIVE EMERGENCY MANAGEMENT SYSTEM	04-10-18
IB 200.1A-127 Rev 0	INFORMATION TECHNOLOGY MANAGEMENT	02-28-11
IB 203.1-106 Rev 1	LIMITED PERSONAL USE OF GOVERNMENT OFFICE EQUIPMENT INCLUDING INFORMATION TECHNOLOGY	12-04-17
IB 203.2-149 Rev 0	MOBILE TECHNOLOGY MANAGEMENT	05-05-15
IB 205.1-105 Rev 2	DEPARTMENT OF ENERGY CYBER SECURITY PROGRAM	07-10-14
IB 206.1-152 Rev 0	DEPARTMENT OF ENERGY PRIVACY PROGRAM	02-18-15
IB 225.1-95 Rev 3	ACCIDENT INVESTIGATIONS	09-24-12
IB 231.1-B-94 Rev 4	ENVIRONMENT, SAFETY, AND HEALTH REPORTING	03-09-16
IB 241.1-73 Rev 0	SCIENTIFIC AND TECHNICAL INFORMATION MANAGEMENT	02-01-00
IB 243.1-115 Rev 1	RECORDS MANAGEMENT PROGRAM	11-22-13
IB 252.1A-135 Rev 0	TECHNICAL STANDARDS PROGRAM	10-28-11
IB 350.1-153 Rev 0	CONTRACTOR HUMAN RESOURCE PROGRAMS	07-01-16
IB 410.1-114 Rev 0	CENTRAL TECHNICAL AUTHORITY RESPONSIBILITIES REGARDING NUCLEAR SAFETY REQUIREMENTS	04-12-10
IB 410.2-91 Rev 2	MANAGEMENT OF NUCLEAR MATERIALS	06-12-14
IB 413.3-109 Rev 3	PROGRAM AND PROJECT MANAGEMENT FOR THE ACQUISITION OF CAPITAL ASSETS	02-26-13
IB 414.1D-86 Rev 3	QUALITY ASSURANCE	08-25-11

IB 415.1-143 Rev 0	INFORMATION TECHNOLOGY PROJECT MANAGEMENT	01-10-14
IB 420.1B-81 Rev 4	FACILITY SAFETY	08-06-13
IB 422.1-129 Rev 1	CONDUCT OF OPERATIONS	04-04-17
IB 425.1-16 Rev 1	VERIFICATION OF READINESS TO START UP OR RESTART NUCLEAR FACILITIES	02-08-11
IB 426.2-71 Rev 2	PERSONNEL SELECTION, TRAINING, QUALIFICATION, AND CERTIFICATION REQUIREMENTS FOR DOE NUCLEAR FACILITIES	09-27-13
IB 430.1B-100 Rev 1	REAL PROPERTY ASSET MANAGEMENT	08-03-12
IB 433.1-126 Rev 0	MAINTENANCE MANAGEMENT PROGRAM FOR DOE NUCLEAR FACILITIES	04-26-11
IB 435.1-6 Rev 1	RADIOACTIVE WASTE MANAGEMENT	09-16-10
IB 436.1-134	DEPARTMENTAL SUSTAINABILITY	09-23-11
IB 440.1B-93 Rev 5	WORKER PROTECTION MANAGEMENT FOR DOE FEDERAL AND CONTRACTOR EMPLOYEES	04-19-17
IB 440.2C-80 Rev 4	AVIATION MANAGEMENT AND SAFETY	09-26-12
IB 442.1A-83 Rev 2	DEPARTMENT OF ENERGY EMPLOYEE CONCERNS PROGRAM	7/30/2008
IB 443.1-128	PROTECTION OF HUMAN RESEARCH SUBJECTS	09-22-11
IB 450.2-133 Rev 1	INTEGRATED SAFETY MANAGEMENT	03-08-17
IB 450.4A-123 Rev 1	INTEGRATED SAFETY MANAGEMENT POLICY	08-29-11
IB 451.1B-101 Rev 4	NATIONAL ENVIRONMENTAL POLICY ACT COMPLIANCE PROGRAM	03-26-18
IB 456.1-117 REV 2	THE SAFE HANDLING OF UNBOUND ENGINEERED NANOPARTICLES	12-05-16
IB 458.1-19 REV 2	RADIATION PROTECTION OF THE PUBLIC AND THE ENVIRONMENT	07-22-11
IB 460.1-97 Rev 1	PACKAGING AND TRANSPORTATION SAFETY	09-21-10
IB 460.2A-98 Rev 1	DEPARTMENTAL MATERIALS TRANSPORTATION AND PACKAGING MANAGEMENT	07-30-08
IB 461.1C-102 Rev 2	PACKAGING AND TRANSPORTATION FOR OFFSITE SHIPMENT OF MATERIALS OF NATIONAL SECURITY INTEREST	04-03-17

IB 461.2-130 Rev 0	ONSITE PACKAGING AND TRANSFER OF MATERIALS OF NATIONAL SECURITY INTEREST	04-28-11
IB 462.1-116 Rev 0	IMPORT AND EXPORT OF CATEGORY 1 AND 2 RADIOACTIVE SOURCES AND AGGREGATED QUANTITIES	08-14-13
IB 470.3-110 Rev 1	GRADED SECURITY PROTECTION (GSP) POLICY	07-30-10
IB 470.4B-112 Rev 1	SAFEGUARDS AND SECURITY PROGRAM	08-06-15
IB 470.6-154 Rev 0	IMPLEMENTATION OF DOE ORDER 470.6, TECHNICAL SECURITY PROGRAM	03-30-17
IB 471.1A-8 Rev 3	IDENTIFICATION AND PROTECTION OF UNCLASSIFIED CONTROLLED NUCLEAR INFORMATION (UCNI)	06-29-01
IB 471.2-2 Rev 0	CLASSIFIED INFORMATION SYSTEMS SECURITY MANUAL	02-04-00
IB 471.3-113	IDENTIFYING AND PROTECTING OFFICIAL USE ONLY INFORMATION	07-10-08
IB 474.2-25 Rev 7	NUCLEAR MATERIAL CONTROL AND ACCOUNTABILITY	04-17-13
IB 5670.3-76 Rev 0	COUNTERINTELLIGENCE PROGRAM	12-16-92
IB 475.1-1-66 Rev 3	IDENTIFYING CLASSIFIED INFORMATION	03-25-09
IB 551.1D-45 Rev 4	OFFICIAL FOREIGN TRAVEL	09-25-15
Chg 1-45		
IB 3731.1-47 Rev 0	SUITABILITY, POSITION SENSITIVITY DESIGNATIONS, AND RELATED PERSONNEL MATTERS	01-02-92
IB 5639.8A-44 Rev 2	SECURITY OF FOREIGN INTELLIGENCE INFORMATION AND SENSITIVE COMPARTMENTED INFORMATION FACILITIES	01-19-95
IB 5670.1A-43 Rev 1	MANAGEMENT AND CONTROL OF FOREIGN INTELLIGENCE	10-13-92

LIST OF POLICIES

<u>POLICY NUMBER</u>	<u>DESCRIPTION</u>
450.4A	INTEGRATED SAFETY MANAGEMENT POLICY
451.1	NATIONAL ENVIRONMENTAL POLICY ACT COMPLIANCE PROGRAM
470.1B	SAFEGUARDS AND SECURITY PROGRAM

LIST OF MANUALS

<u>MANUAL NUMBER</u>	<u>DESCRIPTION</u>
435.1-1 Admin Chg 2	RADIOACTIVE WASTE MANAGEMENT MANUAL
460.2-1A	RADIOACTIVE MATERIAL TRANSPORTATION PRACTICES MANUAL
471.3-1 Admin Chg 1	MANUAL FOR IDENTIFYING AND PROTECTING OFFICIAL USE ONLY INFORMATION
473.1-1	PHYSICAL PROTECTION PROGRAM MANUAL
473.2-1A	FIREARMS QUALIFICATION COURSES MANUAL PROTECTIVE
473.2-2	FORCES PROGRAM MANUAL
475.1-1	MANUAL FOR IDENTIFYING CLASSIFIED INFORMATION

Note: This list of applicable directives may not be all inclusive since the Contracting Officer may from time to time update the list by unilateral modification to the contract to add, modify, or delete specific requirements in accordance with paragraph (b) of DEAR 970.5204-2. Naval Reactor Implementation Bulletins provide guidance to the contractor on how to implement orders for specific application to the Naval Nuclear Program. Guidance on implementation by the contractor of certain aspects of directives and executive orders may also be contained in written statements or memoranda that evidence understandings reached by the Government and the contractor in those areas. For any applicable Directive for which no Implementation Bulletin (IB) has been issued, the Contractor shall seek guidance from the Contracting Officer.

continuity of service with the company. Understanding and acceptance of this condition by the employee will be evidenced by their signature on a Waiver of Claim document. Contractor's Chief Human Resources Officer may approve requests for Separation Allowance up to 3 weeks base pay. Payments to Contractor's employees in excess of 3 weeks base pay must be separately approved by the Contracting Officer to be allowable. If an employee subsequently returns to service, previously paid Separations Allowance shall be recovered.

5. Meal Break

A paid meal break, not to exceed 30 minutes, is allowable for employees assigned to work schedules or operations that require the employee to remain on station or at the ready for emergency response throughout the meal period. A paid meal break of 25 minutes is also allowable for NRF non-exempt employees who are regularly assigned to work the night shift on Standard Work Schedules.

H. MEDICAL DISQUALIFICATION OF MEMBERS OF THE CONTRACTOR'S PROTECTIVE FORCE

The Contractor will provide medical removal protection benefits as described in and in accordance with 10 CFR Parts 1046.14(b) and (c). Members of the Contractor Protective Force, who are determined by a Contractor designated physician to be no longer physically qualified to perform their duties within the Protective Force and have exhausted the medical removal protection benefits prescribed by 10 CFR Part 1046. 14, if applicable, will have the option to take another job at the site or voluntarily separate from service with the Contractor and receive a separation payment. These options are discussed as option 1 or 2 below. This provision applies to all Contractor Protective Force Security Police Officers who must maintain a physical qualification to perform their assigned duties.

Option 1

Medically disqualified members of the Contractor Protective Force will have an opportunity to move into another position at the site provided there is a vacancy, and either they are qualified by education or experience for the vacant position at the time of their medical disqualification or they are actively pursuing additional training to qualify for another position at the site. Under this option, the displaced employee would move to the new position at their day rate of pay at the time of the medical disqualification or the maximum pay rate of the new position, whichever is less. Should the position be within another bargaining unit that does not represent members of the Contractor Protective Force, the labor agreement will dictate the person's rate of pay.

Under this option, the employee would no longer be a member of the Contractor Protective Force, and therefore, any benefits afforded only to the Contractor Protective Force would be forfeited.

Option 2

Medically disqualified members of the Contractor Protective Force will be eligible to participate in the BMPC Medical Disqualification Disability Pay Plan. Provisions of this Plan are defined in the Plan Document and Summary Plan Description, which is incorporated by reference into this Appendix A.

- (6) Employees will be paid for the unused PeTO bank balance upon separation from employment at the hourly equivalent pay rate the employee earned on the last day of employment.
- (7) With management approval, employees may be granted unpaid absence if the balance in their PeTO bank is 40 hours or less.
- (8) Employees may donate available PeTO to a single employee, or a central bank. Human Resources must approve applications to receive donated PeTO. Administration of the Personal Time Off Donation Program will be in accordance with established Contractor policy.
- (9) Employees covered by collective bargaining agreements will be eligible for personal time off in accordance with the appropriate collective bargaining agreement.

e. Medical Time Off (MTO) Bank

- (1) This bank includes time for; illness or medical appointments for self or immediate family members; for the birth, placement or adoption of a child.
- (2) The MTO bank of each new hire employee will be credited with 40 hours of MTO on their first day of employment.
- (3) All employees will accrue on a pro rata basis each payroll period a total of 40 hours of MTO annually.
- (4) Accrued MTO may be carried forward into the next calendar year, but the maximum MTO bank balance is limited to 120 hours at any time.
- (5) Employees will not be paid for any unused MTO bank balance upon separation from employment.
- (6) Employees covered by collective bargaining agreements will be eligible for medical time off in accordance with the appropriate agreement as listed in this Appendix.

2. Holidays

- a. Ten paid holidays (80 hours) will be observed at the Contractor's locations. The Contracting Officer will be notified of the days selected for each site.
- b. At locations with scheduled plant closures or work groups with continuous process operations, or to accommodate a Nuclear Power School class schedule, all holidays may be designated as floating holidays available for the employee to observe anytime during the calendar year with management approval. Employees terminating employment will not be reimbursed for unused holidays.

- (3) The pay differential of employees on MLOA will be continued for the entire period of that absence. The length of MLOA is subject to the limitation of the Uniformed Services Reemployment Rights Act.
7. Personal Leaves of Absence
- a. Employees may request or be placed on unpaid administrative time off for less than 30 days at the discretion of management. All requests over 30 days require Chief Human Resources Officer approval. Any unpaid Leaves of Absence over 6 months requires Contracting Officer approval. The General Manager is not eligible for an unpaid Personal Leave of Absence. Requests for unpaid Personal Leaves of Absence by employees in key positions must be approved by the contracting officer. Leaves of absence for greater than one calendar year will be considered on a case basis and are subject to approval by the Contracting Officer. Continuation of benefits during the period of the leave will end after one year and be subject to the terms of the plans, but employees will not earn Total Employment Service. An unpaid Leave of Absence is not considered a termination of employment.
 - b. Employees who request unpaid Leaves of Absence must state the reason in writing for requesting the leave but approval of the request will be subject to the discretion of management or the Contracting Officer.
 - c. Personal leave of absence administration will be handled by a third party with those costs reimbursable.
8. Family and Medical Leave Act (FMLA), Uniformed Services Employment and Reemployment Rights Act (USERRA), and Related State Law Absences
- a. The Contractor will administer FMLA, USERRA, or related State Laws regarding leaves of absence in compliance with appropriate laws.
 - b. These absences are administered through a third party with those costs reimbursable.
9. Paid Time Off for Part-Time Regular Employees
- a. Medical Time Off accrual will be prorated based on the percent of a 40 hour schedule that the employee is regularly scheduled to work.
 - b. An employee will be eligible for prorated paid holiday time, which may be taken as floating holiday time, based on the percent of a 40 hour schedule that the employee is regularly scheduled to work.
 - c. Managers may approve paid administrative time off for the number of hours that fall on a regularly scheduled day.
 - d. Part-time Regular Employees are not eligible to earn or accrue Personal Time Off (PeTO) and will be eligible for PeTO upon return as a Full-time Regular Employee subject to the following:

- (1) Employees on PeTO Schedule A or B will be granted PeTO for which they are eligible, prorated as determined by the date of the calendar year that they return to full time status.
 - (2) Employees on PeTO Schedule C will resume PeTO accrual at a rate commensurate with their annual eligibility.
- e. Part-Time Regular Employees are not eligible for Extended Salary Payments and are eligible to receive Short Term Disability payments only as required by law. These payments are subject to review and approval by the Contractor's Disability Case Manager.

IV. TRAVEL, AND RELOCATION

Within six months of the end of the contract transition period the Contractor shall obtain Contracting Officer approval of a plan to transition travel and relocation to be consistent with the Department of Defense Joint Travel Regulations for travel to Alaska, Hawaii, and overseas US territories, and Department of State Joint Travel Regulations. If the Contractor's plan is not acceptable to the Contracting Officer the current policies will be replaced by the applicable Department of Defense Joint Travel Regulations, and Department of State Joint Travel Regulations 90 days after receiving the disapproval from the Contracting Officer. Employees on an assignment will continue to receive the benefits to which they were entitled at the start of their assignment.

Travel Types	48 Contiguous States	Alaska, Hawaii, and overseas US Territories and Possessions	International	KS NOP Temporary Assignments
Applicable Regulations	Federal Travel Regulations	Department of Defense Joint Travel Regulations	Department of State Joint Travel Regulations	Appendix A
Time Frame for Implementation	After approval or disapproval of the transition plan by the CO	After approval or disapproval of the transition plan by the CO	After approval or disapproval of the transition plan by the CO	Current rules with continue in force

A. Travel and Relocation within the continental United States

The reasonable cost of travel and relocation incurred while contractor employees and families are on travel under this contract will be considered allowable to the extent that these costs are consistent with the provisions of DEAR Part 970 and the Federal Travel Regulation (FTR), 41 Code of Federal Regulation (CFR), Chapters 300 through 304, unless a variance is approved by the Contracting Officer in writing or is address in this Appendix.

B. HAWAII ASSIGNMENTS

preceding fiscal year. Communications costs are recognized as morale activities, but they are not chargeable to this morale fund.

K. GOVERNMENT REIMBURSED WORK AND PROTECTIVE CLOTHING

The contractor may provide government reimbursed work and protective clothing when prescribed by or consistent with law, regulation, or Program policy. The contractor shall provide written policies governing the management of government reimbursed work and protective clothing to the Contracting Officer for approval. This provision does not override any clause in any current collective bargaining agreement.

L. DAMAGE TO PERSONAL PROPERTY

Personal items rendered unserviceable in the course of employment under the contract as a result of an accident or other uncontrollable occurrence are reimbursed to employees only upon approval by Risk Management at fair market value. The Claim shall be substantiated and no part of the loss shall be caused by negligent or wrongful acts of the claimant. Claims that exceed \$1,000 require approval of the Contracting Officer.

M. MEDICAL SERVICES

Medical clinics are provided at Contractor sites appropriate for the needs of employees at these sites. These clinics include medical equipment required to sustain the program, medical supplies, a full-time or part-time attending physician or other qualified medical professionals, and supporting staff. Medical services provided by the Contractor are not intended to replace the medical care that is the responsibility of the employees' private physicians. Contractor costs for providing medical services are allowable. Primary medical services include:

1. Pre-employment , periodic, fitness-for-duty, post-incident, and termination physical examinations (including laboratory analysis and other diagnostic work in cases where such is warranted) consistent with all applicable federal regulations and directives and the Contractor's operational need.
Where Contractor medical clinics are remote from the employee or when special or independent examinations are necessary, an employee may be provided a periodic physical examination by a qualified physician not in the employment of the Contractor.
2. Diagnosis, treatment and follow up on care for an occupationally related disease or injury.
3. Treatment of minor illnesses and physical complaints that arise during work hours, and other services (e.g., administering immunizations and allergy injection therapy) subject to resource availability.
4. Perform the Medical **Review** Officer function of the 10CFR Part 707 Workplace Substance Abuse Program.

3. Team Achievement Award - To recognize outstanding achievement by a team of exempt and non-exempt employees with four or more individuals per nomination. Award is \$1000 divided among the winners.
4. SPOT Award - To immediately provide recognition to employees who go above and beyond their expected role. Awards range between \$150 and \$500.

B. INVENTION AND PATENT AWARDS

1. Invention Award

Payment for an Invention Award of \$300 to a sole inventor, or \$500 divided among joint inventors will be awarded when authorized by the Contractor's Intellectual Property Committee for meritorious inventions. Payment shall be made to non-executive Contractor employees and persons separated from the Contractor's payroll for any reason including retirement, when the disclosures were submitted prior to the date of separation. However, separated persons shall not be eligible if they were terminated for cause, or if they resign. Costs of photos and certificates are allowable.

2. Patent Award

Payment for a Patent Award of \$300 is made to each individual, either as a sole or joint inventor, as each patent is issued. Payment shall be made to non-executive Contractor employees and annuitants. Patents and statutory invention registrations issued to the U.S. Government on these inventions will be considered eligible for Patent Awards. "Allowed" or "accepted" patent applications which do not issue because of security classifications will also be eligible for Patent Awards. Costs of photos and certificates are allowable.

C. CONTRACTOR SERVICE AWARD PROGRAM

The status of an employee with regard to Contractor service determines eligibility for participation in the Contractor's Service Award Program.

Allowable costs associated with the Contractor's Service Award Program shall be limited to cards, certificates, photographs, informational materials, plaques, shipping, and awards commemorating service dates beginning with the 5th anniversary of each employee and continuing at 5-year intervals. The awards commemorating service shall be based on the following:

- 1) The total budget for the Contractor Service Award Program shall be capped at \$250,000 per year.
- 2) Total cost per employee service award shall be as approved via NRLFO:MGR:18-113 dated 4 September 2018 in response to FMP proposed Addendum dated 28 August 2018, Exhibit A.
- 3) An employee shall only be permitted one service award every five years.

D. RETIREMENT AWARD PROGRAM

Costs associated with the Contractor's Retirement Award Program shall be allowable under this contract up to \$200 per award including shipping, taxes, duty fees and any other fees.

Under this program, all retiring Contractor employees are eligible to select a commemorative award, as defined in Section VII.C.(4), which shall be presented at the time of retirement.

E. EMPLOYEE SUGGESTION AWARD

The Employee Suggestion Award Program is at the mutual benefit of the Contractor and its employees. Costs associated with recognizing non-exempt employees who make process, quality and/or cost saving suggestions that are accepted will be allowable. A Review Committee will thoroughly investigate each suggestion. Suggestions must be consistent with Contractor practice and directly benefit Contractor operations. Awards can be up to 25% of the cost savings and any award \$5000 and above will require the approval of the GM or his/her designated representative. If a suggestion is adopted, but has no tangible savings, an award up to \$200 may be granted. In no event shall an award be made for an amount of more than \$15,000 for, or in connection with, any suggestion, including all applications of ideas embodied in the suggestion. An annual limit of \$30,000 shall not be exceeded without prior Contractor Officer approval.

F. NAVAL REACTOR'S PROTECTIVE FORCE COMPETITION AND AWARDS PROGRAM

The Naval Reactor's Protective Force (NRPF) Competition and Awards Program provides motivation and recognition to NRPF personnel for security performance (such as physical fitness, knowledge, and marksmanship) achievements. The cost of the NRPF Competition and Awards Program will not exceed \$4,800 per fiscal year. The NRPF Competition and Awards Program will be conducted according a written plan with objective criteria in place to be eligible for an award.

VIII. MISCELLANEOUS

A SUSPENSION OF ACCESS AUTHORIZATION (SECURITY CLEARANCE)

Contractor policy establishes the following requirements for administering absences due to a suspension of an access authorization by the DOE, under 10 CFR, Part 710.

1. Upon notification that an employee's access authorization has been suspended, the employee will be placed on an unpaid Leave of Absence (LOA). The employee will be eligible to continue health and welfare benefits with the company continuing to pay the portion it paid prior to the suspension.

SECTION IV - MANAGEMENT (L-2.3 E.4)

FMP’s has four key management areas:

- ▶ Pension management and optimization (post-award Pension Management Plan)
- ▶ Top-quality resource recruitment consistent with NNL’s needs
- ▶ Unfettered access to Fluor corporate resources upon NNL request
- ▶ SB subcontracting strategies to ensure meaningful scopes of work for SBs.

E.4.(a) Corporate Resources. Fluor commits to provide NNL unrestricted access to our corporate resources, comprising 56,000 personnel worldwide, with more than 11,000 at DOE sites and 18,000 in the nuclear industry. Additionally, Fluor brings proven corporate program and project- management capabilities, systems, and tools to support NNL upon GM/NRFLO request. Fluor commits to maintaining NNL’s independence *via* a “hands off” approach, providing corporate resources, systems, and tools only on NNL’s request, with NR approval. Fluor acknowledges that NNL’s established internal business systems continue to be used after award. Fluor aligns with these systems during transition to facilitate receiving documents for FMP’s fiduciary reporting (see Volume II, Section I – Independent Technical Judgment, Figure 1-4).

E.4.(a)(1) Pension Management. FMP adopts and maintains NNL’s existing pension and Pension Management Plan. If requested by NRLFO, we review the plan for potential optimization with a focus on avenues to free up mission-available funds. As a US Government prime contractor with more than 50 years of experience managing defined benefit retirement accounts, we have transitioned into and out of 11 pension plans and currently manage or have fiduciary responsibility for \$4.68B in pension assets covering 21,136 participants. Figure 4-1 highlights our capabilities in transitioning pension fund participants. Fluor has fiduciary responsibility for this portfolio of pension programs, managed in full compliance with CAS and ERISA standards. We use an independent (third party) oversight board, validation of our standards with the Pension Benefit Guarantee Corporation, and constant effectiveness measurement against national pension-performance standards to ensure compliance. Figure 4-2 demonstrates Fluor’s ability to oversee multi-billion dollar pension assets.

SITE	OBJECTIVE	KEY ACHIEVEMENTS
▶ Savannah River Nuclear Solutions, DOE SROO, Aiken, SC	Migration and improved governance of underfunded pension	Migrated and improved investment strategy for 16,824 participants with \$2.8B in assets while saving \$1.1M/year in costs
▶ Portsmouth/Paducah, DOE PPPO, Lexington, KY	New pension plan	At the request of Union CBA, established a new pension for 300 participants
▶ Hanford, DOE ROO, Richland, WA	Migration of an existing pension	Migrated 15,000 participants and assets of \$1.1B with 12% annualized returns

Figure 4-1. DOE Pension Transition Experience. *Fluor has extensive experience in transitioning and managing pension funds consistent with CAS and ERISA standards for groups*

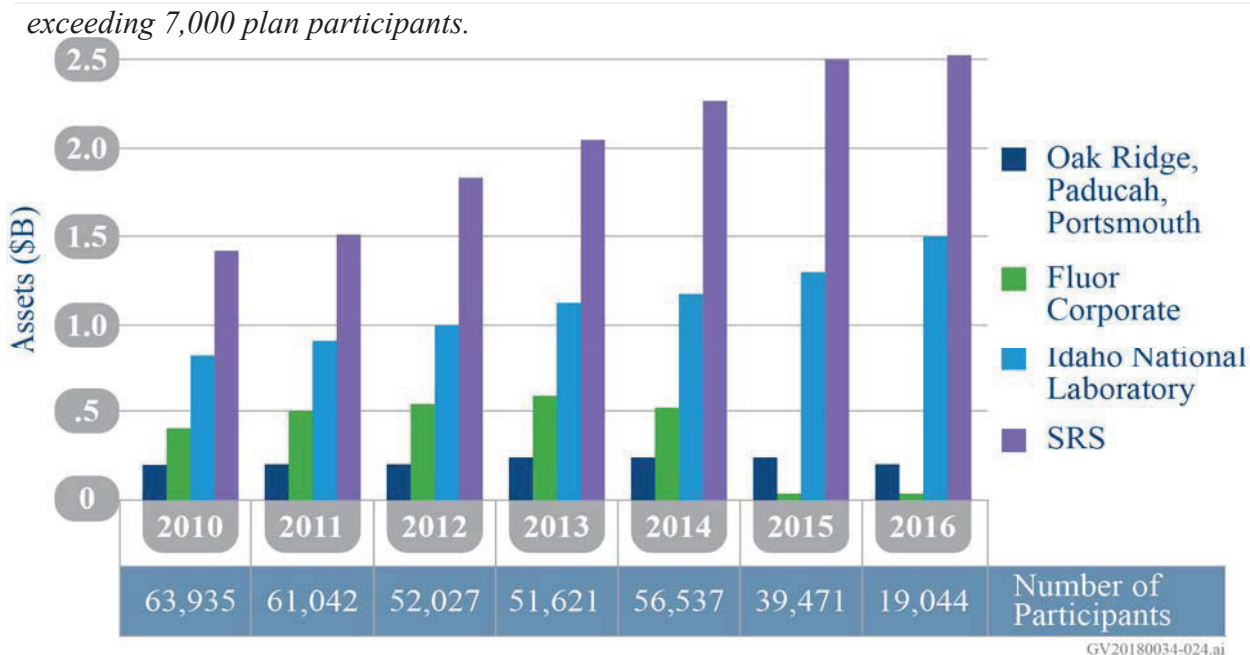


Figure 4-2. Pension Management. Based on the most recent reporting year, Fluor manages or has fiduciary responsibility for more than \$4.68B in pension assets.

E.4.(a)(2) Ability to Recruit High Quality People. Fluor is recognized as one of the industry’s best employers; a leader in ethical workplace culture; an active STEM supporter; and a top 50 recruiter of minorities, veterans, and diversity candidates. In 2015, *Forbes* recognized Fluor as one of America’s Best Employers. Working with our in-house technical professionals, Fluor’s 53 recruiters have used our HCMP (overseen by FMP Board Member Ms. Jennifer Large) to attract and secure the highest quality candidates. Figure 4-3 highlights our success in creating and executing performance-driven plans to recruit high-quality employees during the past five years.

SITE	PLAN	OBJECTIVE	METRIC
▶ AECL CNL	10 Year Strategic Staffing Plan	Streamline and optimize AECL Lab recruiting	<ul style="list-style-type: none"> Recruit to fill 680 positions overall (including 200 for S&T by 2020) by enhancing pools through widening recruiting sources, including nontraditional areas
▶ SRNS	Strategic Staffing Plan – SRNL recruiting	Address retirements, identify high GPA candidates, elevate recruiting effectiveness	<ul style="list-style-type: none"> Increased intern retention by 50% Reduced average employee age from 54 to 48 through recruiting efforts Reduced time to hire by 50% through electronic onboarding
▶ SRNS	ARRA Staffing Plan	Rapidly recruit skilled nuclear staff	<ul style="list-style-type: none"> Completed a 60-day full onboard for 3,000 rad workers with zero deviations
▶ NuScale Power	Staffing Plan for SMR	Recruit critical nuclear skill set talent	<ul style="list-style-type: none"> Became industry employer of choice, created 17,000 applicant database with 24 specialty nuclear staffing recruiters

Figure 4-3. Measures of Recruiting Success. Tailored recruiting objectives for nuclear programs focus on high-quality candidates with specific scientific and technical skill sets.

Recruiting Plans. FMP adopts NNL’s recruiting and staffing approach at transition. Upon GM request, Fluor’s corporate resources, systems, and tools are made available to NNL, creating a recruitment force-multiplier effect to give NNL access to a larger candidate pool and additional recruiting resources. Fluor commits to supporting FMP in recruiting, retaining, and developing the resources to sustain and enhance NNL’s technological excellence. During transition, we review NNL’s HR programs and collaborate with NNL to develop a recruiting plan that supports the existing NNL recruiting program. Post-transition, we consult with NNL to define specific recruiting objectives that leverage Fluor’s recruiting capabilities and existing relationships with top science and technology schools. For instance, Fluor’s monetary support at Clemson University established an Endowed Chair of Supply Chain and Logistics and the Masters of Engineering program in Capital Projects Supply Chain and Logistics. Additionally, Oregon State University is partnered with Fluor in NuScale (Volume II, Section II, PPIF #2 NuScale). NuScale’s co-founder and Chief Technology Officer Dr. Reyes, who led the Department of Nuclear Engineering and Radiation Health Physics at Oregon State, is still closely tied to the University. Figure 4-4 shows our recruiting approach and potential exponential value to NNL.

Our approach is similar to the one deployed by SRNS (including SRNL) in 2017, where SRNS was named “Workforce Innovator of the Year.” SRNL welcomed 546 high-quality new hires, including engineers and scientists, and hosted 147 summer interns to fill the pipeline with STEM candidates for future hire; 69 of our interns became permanent hires.

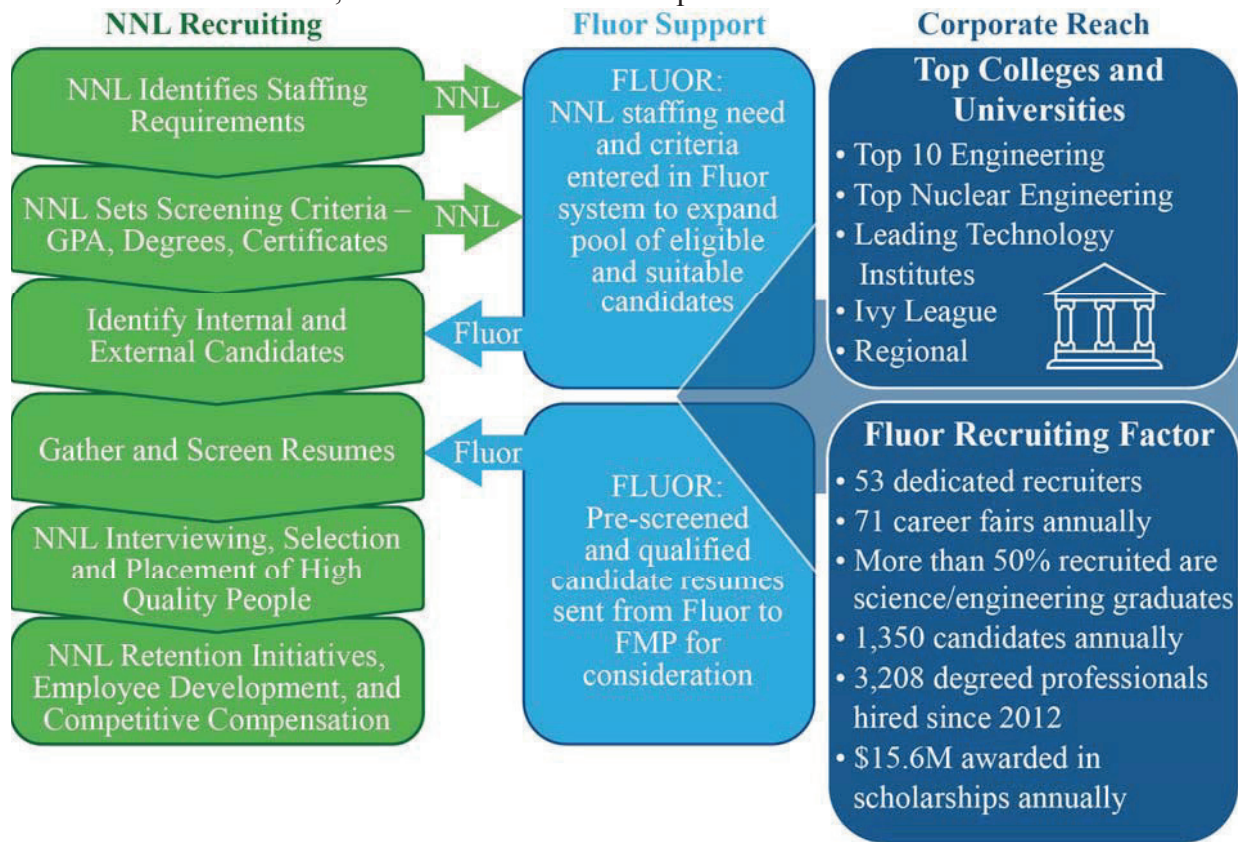


Figure 4-4 Recruiting “the Best” for NNL. Our force-multiplier approach optimizes the use of Fluor corporate resources, systems, and tools, when requested, while keeping all decision-

making and control within NNL Human Resources and Leadership.

The FMP recruiting focus for NNL is based on optimizing Fluor corporate recruiting initiatives to provide NNL with a steady stream of high-GPA science and technology candidates interested in long-term careers dedicated to the NR Program. The FMP recruiting plan for NNL creates a separate distinct path to NNL for candidates matching this profile. Following an agreed upon evaluation period, NNL will decide to either hire or release the candidate for consideration of other Fluor opportunities. Decision-making and control remain with NNL, while multiplying recruitment power and reach. Policy FMP 18-001, which is implemented during transition, reinforces Section H-41 and the zero-tolerance policy for poaching and noncompliant interactions with NNL personnel.

E.4.(a)(3) Ability to Leverage Corporate Resources and Expertise. With 56,000 global employees and more than 18,000 nuclear engineering, science, and technical staff, Fluor has a deep and experience-rich portfolio of corporate capabilities available to NNL. Upon request, FMP responds rapidly to leverage our resources to address NNL needs. The NNL GM's request for corporate resources and support is given the highest response and priority. As an example of our capabilities, the following expertise and resources have provided value to our customers in key areas of interest to NNL:

- ▶ Facilities and infrastructure sustainment and capital construction projects – Fluor provides year-round facility maintenance, repairs and infrastructure improvement for the Rock Island Arsenal, enabling DOD to focus on their core mission. Fluor also delivers facility O&M, logistics, and security at the Pensacola Naval Regional Complex, supporting critical facilities, including the Naval Air School Command and Air Technical Training.
- ▶ Major construction – Consistently ranked in the top 2 spots on ENR magazine's Top 400 Contractors list; nuclear construction experience at Hanford (SNF Canister Storage Building), SRS (WSB), Idaho (including the Advanced Test Reactor and numerous INTEC facilities)
- ▶ Logistics and Materials Management – Utah Data Center; support 384 computer rooms with N+1 system reliability to ensure uninterrupted critical sensitive data protection
- ▶ Supply Chain Management – \$6B in goods and services managed over last 10 years for DOE and other Federal Government nuclear and environmental projects

Our ability to leverage corporate resources is evident at DOE's Idaho Site, where Fluor inherited the challenged IWTU project. A dedicated group of multi-disciplinary Fluor subject matter experts and technical specialists from National Laboratories, academia, and industry helped resolve the issues. Additional details are provided in the Volume II, Section II, PPIF #3 ICP.

Leveraging corporate resources is a focus beginning in transition. Our Transition Manager and FMP Board Member Mr. J.D. Dowell will brief the NNL GM early to provide a solid working understanding of Fluor's unique capabilities and expertise available to support NNL's mission (e.g., HR recruiting, D&D reach back, infrastructure planning, construction management). In addition, Mr. Dowell and the GM collaborate post-transition on dissemination methods for ensuring NNL senior managers understand the availability of and ready access to Fluor corporate support when needed.

E.4.(b) Small Business. Fluor demonstrates SB commitment through our award of \$1.8 billion (65% of subcontracted dollars) to SBs at our projects during the last three years alone and our numerous awards at the regional and national level for SB performance. We acknowledge that NNL’s existing SB contractors continue to execute after award and commit to promote SB participation into the future. As evidence of Fluor’s competency and record of achievement, we have met or exceeded our overall SB program targets on DOE prime contracts for the past 15 years. As the GM and staff identify and request SB support, FMP provides contract management in accordance with requested scopes and terms.

E.4.(b)(1) Tasks, Types, and Volumes of Work for Meaningful Small Business

Participation. FMP commits to subcontracting 40%, estimated at \$306 million per year, of the total procurement base for the DOE contract and 34%, estimated at \$83.6 million per year, of the total procurement base for the Navy contract. Understanding actual funding and cost for each contract varies by year, dollar values are recalculated annually during the performance period. Figure 4-4 identifies a preliminary, non-exhaustive list of goods and services to be obtained through SBs and individual SB-categories.

SERVICES AND SUPPLIES	SB	SDB	WOSB	HUBZ	VOSB	SDVOSB
Analytical Laboratory, Electronic, and Precision Equipment	✓	✓				
Remediation Services	✓					
Industrial, Commercial, and Institutional Building Construction	✓	✓	✓	✓	✓	
Industrial Machinery/Equipment Purchase, Lease, Maintenance	✓					
Computers, Peripherals & Software, Systems Programming	✓	✓	✓	✓	✓	✓
Building Leasing/Renovations	✓		✓			
Administrative and Support Services, Specialty Contractors	✓		✓			✓
Maintenance Repair Operations for Equipment & Supplies	✓					

Figure 4-4. SB Subcontracting. *Services and Supplies to be Obtained from Small Businesses*

E.4.(b)(2) Small Business Level of Commitment – DOE. FMP commits to comply with RFP stated goals of 40% of total procurement base for total SB, 5% SDB, 5% WOSB, 3% HUBZone, and 3% SDVOSB. Fluor has executed more than 28 DOE mentor-protégé agreements. Under our preferred approach, FMP honors existing mentor protégé arrangements or ongoing development efforts. Alternatively, FMP develops two new mentor-protégé agreements in collaboration with NR to identify the most suitable and desirable SBs.

E.4.(b)(3) Small Business Level of Commitment – Navy. FMP fully commits to comply with the RFP stated goals of 34% of total procurement base for total SB, 5% SDB, 5% WOSB, 3% HUBZone, and 3% SDVOSB. Fluor is not a participant in the test program for DOD Comprehensive Subcontracting Plan requirements.

E.4.(b)(4) Extent of SB, VOSB, SDVOSB, WOSB, HUBZone SB, and SDB. We monitor progress in executing our plans and provide guidance to meet the threshold of FAR 52.219-(9). Our Navy and DOE SB subcontracting plans are included in Volume I, Section L-8.

**SMALL BUSINESS MASTER SUBCONTRACTING PLAN
DEPARTMENT OF ENERGY**

FLUOR MARINE PROPULSION, LLC

RFP DE-SOL-0011530

MANAGEMENT AND OPERATION OF THE NAVAL NUCLEAR LABORATORY

Contract No. 89233018CNR000004, P00001
Attachment No. 11

1.1 CORPORATE COMMITMENT

For Fluor Marine Propulsion (FMP), small business is more than just a goal; it is an integral part of our organization, culture, and business philosophy. We work together with our small businesses to achieve success through workshops, training, financial stewardship, and mentoring. Our small business approach is highly structured and organized, combining best practices and successes from our project history. We maintain a dynamic Small Business Outreach Program, continually augmenting our supplier and subcontractor sources and databases, and managing relationships with small businesses (SB), small disadvantaged businesses [including Alaska Native Corporations/Native American concerns] (SDB), woman-owned small businesses (WOSB), HUB Zone small businesses (HUBZ), veteran-owned small businesses (VOSB), and service-disabled veteran-owned small businesses (SDVOSB) concerns. All references to ‘small business(es)’ in this document are intended to be inclusive of overall small business and each of the socioeconomic categories as defined by the Small Business Administration (SBA) and the Federal Acquisition Regulation (FAR).

In support of the DOE’s on-going commitment to small business and in accordance with FAR 52.219-9, we submit this Master Subcontracting Plan for the management and operation of the Naval Nuclear Laboratory (NNL).

1.2 SUBCONTRACTING GOAL SUMMARY

FMP has prepared the NNL subcontracting goals with the commitment to incorporate small businesses to the maximum extent possible within efficient contract performance. We acknowledge that NNL has existing small business contracts that NNL will continue to execute after award. FMP commits to following NNL lead and engaging only at NNL’s request. Small business contracts will be identified based on needs as requested by the NNL General Manager, and will be managed as a direct function with respect to NNL scopes and terms.

Subcontracting goals in terms of both percentages and planned subcontracting dollars will be established for each fiscal year and provided as an Attachment to this Master Subcontracting Plan on an annual basis.

1.3 PRINCIPAL SUPPLIES AND SERVICES TO BE SUBCONTRACTED

As with the subcontracting goals, the principal categories to be subcontracted will be identified annually and included as an attachment to this Master Subcontracting Plan.

1.4 METHOD USED TO DEVELOP SUBCONTRACTING GOALS

Our small business strategy and small business subcontracting goals for the Naval Laboratory contract are developed through detailed study of NNL and in consideration of the novation of existing small business subcontracts upon award. With limited knowledge of existing subcontractors, we studied various sources, including the Management & Operating Subcontract Reporting Capability (MOSRC), to examine current small business trends at the Laboratory.

Following award, the small business subcontracting goals will be developed based upon the annual forecasted acquisition requirements.

1.5 METHOD USED TO IDENTIFY POTENTIAL SOURCES

Fluor employs various methods for identifying potential small business offerors, including company source lists; attendance at conferences and networking events; working with local SBA and Procurement Technical Assistance Centers; and searching in internal and external databases. This ensures a maximum number of small business firms capable of providing the required supplies/services are considered. Specific methods used to identify potential sources include:

- ▶ Acquisition planning to include identification of small business subcontracting opportunities
- ▶ Maintaining company lists to include internal vendor database
- ▶ Contacting sources from external databases such as System for Award Management (SAM) and SBA Dynamic Small Business Search (DSBS) as well as other appropriate websites
- ▶ Interaction as appropriate with the Department of Energy Small Business offices, SBA district offices, Small Business Development Centers, Procurement Technical Assistance Centers, and other organizations in the region that support small and diverse businesses
- ▶ Establishing, maintaining, and using small business source lists, guides, and other data for soliciting sources
- ▶ Execution of a robust outreach program to effectively implement the subcontracting plan
- ▶ Execution of a “*Small Business First*” philosophy. Any new subcontract or material procurement is first sourced through the small business community. If it is determined that the service or material cannot be procured through small business and meet efficient contract execution, only then is it acquired from a large business.

1.6 INDIRECT AND OVERHEAD CHARGES

Indirect and overhead costs have not been included in the goals specified in this subcontracting plan.

1.7 SMALL BUSINESS PROGRAM ADMINISTRATOR

Name: Debra Sampson
Title: Small Business Liaison Officer
Address: 100 Fluor Daniel Drive, Greenville, SC 29607
Telephone: 864.281.6034 Email: debra.sampson@fluor.com

Fluor’s Small Business Liaison Officer is responsible for monitoring performance relative to contractual subcontracting requirements contained in this plan. These responsibilities will be augmented by a Small Business Program Administrator assigned specifically to this project.

- ▶ Maintenance of a capabilities database of small business concerns for compiling bidders lists
- ▶ Ensuring that procurement and contracting policies and procedures are structured to permit all Small Business concerns to participate to the maximum extent possible

- ▶ Promoting inclusion of small business concerns in all solicitations for products or services for which they are capable of providing
- ▶ Monitoring solicitations to ensure statements, clauses, etc., which may tend to restrict or prohibit small business participation are not included
- ▶ Ensuring periodic rotation of potential suppliers and subcontractors in internal capabilities database
- ▶ Conducting or arranging for the training of Procurement and Contracts personnel regarding the requirements of the subcontracting plan
- ▶ Attending or arranging for attendance of company counselors at small business outreach and networking events
- ▶ Monitoring attainment of proposed goals and recommending corrective action as necessary
- ▶ Preparing and submitting required subcontracting reports
- ▶ Coordinating Fluor's activities during the conducting of small business compliance reviews

If FMP decides to change the person in this position, we will notify the contracting officer.

1.8 EQUAL OPPORTUNITY STATEMENT

It is Fluor's policy to comply with all government regulations and public law, including those concerning small business concerns. It is an established Fluor policy that small businesses have an equitable opportunity to compete for Fluor purchases consistent with the efficient performance of Fluor's business as detailed in our Acquisition Manual and standard practices.

Other efforts to assure that small business concerns will have an equitable opportunity to compete for subcontracts include but are not limited to:

- ▶ Viable programs have been established to effectively implement the Small Business Subcontracting Plan. Project Managers and Supply Chain personnel are kept informed and current through department reviews and on-going training programs.
- ▶ Access to databases and source lists of small businesses are available to all procurement and contracting personnel.
- ▶ An explanation of the absence of small business sources on any award over \$150,000 must be noted in the award file.
- ▶ Fluor staff is available to assist small business concerns.
- ▶ Special payment terms may to be arranged if necessary for small business concerns.

1.9 SUBCONTRACTOR FLOW-DOWN REQUIREMENTS

The clause 52.219-8, Utilization of Small Business Concerns will be inserted in request for proposals and subcontracts offering further subcontracting opportunities when the amount is expected to exceed the simplified acquisition threshold unless it is a personal services subcontract or is being performed entirely outside of the U.S. and its outlying areas.

The Clause 52.219-9, Small Business Subcontracting Plan, will be inserted in solicitations and contracts that offer further subcontracting opportunities when the contract amount is expected to

exceed \$700,000 or \$1,500,000 for construction unless (a) the contract is for personal services or (b) issued to a small business.

1.10 REPORTS AND SURVEYS

Fluor will provide periodic reports and cooperate in any studies or surveys as may be required by the contracting agency or other federal government agency in order to determine the extent of compliance with the subcontracting plan or small business requirements in general.

- ▶ Fluor will submit the Individual Subcontract Report (ISR) and the Summary Subcontract Report (SSR) using the Electronic Subcontracting Reporting System (eSRS), per the requirements set forth in FAR 52.219-9(l) and in accordance with the instructions provided in eSRS.
- ▶ Fluor will ensure that its subcontractors, who are subject to Section 9 above, agree to submit the ISR and the SSR using eSRS. Additionally, Fluor will provide to those subcontractors its prime contract number, DUNS number and email address of official responsible for acknowledging the reports.

1.11 RECORDS MAINTENANCE

During the progress of the project, a continuous documentation effort will be conducted to measure small business participation. The following indicates the type of records that will be maintained:

- ▶ On each subcontract solicitation resulting in an award of more than \$150,000 indicating (a) whether small business concerns were solicited and if not, why not and (b) if applicable, the reason the award was not made to a small business concern.
- ▶ Outreach efforts (such as attendance at small business conferences, etc.) taken to identify small businesses in support of the Subcontracting Plan
- ▶ Internal guidance and encouragement provided to procurement and contract administrators through (a) workshops, seminars, training, etc., and (b) monitoring performance to evaluate compliance with the program's requirements.

1.12 ASSURANCES IN USE OF SMALL BUSINESSES

There were no small businesses used in the preparation of this proposal. However, on those occasions we make every effort consistent with efficient contract execution to acquire goods and services from small businesses when used in the preparation of our proposals in the same or greater scope, amount and quantity used in preparing the proposal. This includes small businesses listed in the proposal and/or Subcontracting Plan, and when the small business's pricing, cost information or technical expertise was used in the preparation of the proposal.

1.13 WRITTEN EXPLANATIONS

Although no small businesses were used in the preparation of this proposal, Fluor provides the Department of Energy assurance that a written explanation is submitted to the Contracting

Officer if we are unable to fulfill the requirements of paragraph 12 above during execution of those contracts in which small businesses were used in the preparation of the proposal. The explanation, if required, is submitted within 30 days of contract completion.

1.14 SUBCONTRACTOR COMMUNICATION ASSURANCES

Fluor does not prohibit subcontractors from discussing with the Contracting Officer any material matter pertaining to payment to or utilization of a subcontractor.

1.15 SMALL BUSINESS PAYMENT FOR WORK PERFORMED

It is Fluor policy to pay our small business subcontractors on time and in accordance with the terms and conditions of the underlying subcontract. The Contracting Officer will be notified if we make either a reduced or an untimely payment to a small business subcontractor.


1.16 SMALL BUSINESS COMMITMENT SUMMARY

The Small Business Program staff will prepare regular summary reports for the management team detailing small business performance. This includes cumulative and period of performance evaluations, thereby ensuring that the project's management remains cognizant of small business activities.

Drawing on our past performance executing subcontracting plans for projects of similar size, scope and complexity, Fluor is confident that opportunities exist to meet or exceed the subcontracting goals established.

SOLICITATION DE-SOL-0011350 MANAGEMENT AND OPERATION OF THE NAVAL NUCLEAR LABORATORY

Subcontracting Plan Submitted By:

Signed:  Date: 3/5/2018

Printed Name: Debra Sampson

Title: Small Business Liaison Officer

Subcontracting Plan Approved By:

Signed: _____ Date: _____

Printed Name: _____

Title: _____

ATTACHMENT 01 TO MASTER SUBCONTRACTING PLAN

DEPARTMENT OF ENERGY RFP DE-SOL-0011350 MANAGEMENT AND OPERATION OF THE NAVAL NUCLEAR LABORATORY

The Base Year small business subcontracting goals (Figure 1.1) and services to be subcontracted (Figure 1.2) were developed through study of NNL and in consideration of the novation of existing small business subcontracts upon award. We studied various sources, including the funding values found in the RFP Attachment L-2 and the Management & Operating Subcontract Reporting Capability (MOSRC), to examine current small business trends at the Laboratory. Following award, the small business subcontracting dollars will be revised based upon the annual forecasted acquisition requirements. However, the percentage commitments found in Figure 1.1 will be honored.

1.1 BASE YEAR SMALL BUSINESS SUBCONTRACTING GOALS

BASE YEAR SUBCONTRACTING GOALS		
Business Type	Anticipated Dollars Subcontracted	Percent Subcontracted Dollars
Total Subcontracted Dollars	\$765,000,000	100%
To Large Business	\$459,000,000	40%
To Small Business	\$306,000,000	60%
To Small Disadvantaged Business	\$38,250,000	5%
To Woman-Owned Small Business	\$38,250,000	5%
To HUBZ Small Business	\$22,950,000	3%
To Veteran-Owned Small Business	\$22,950,000	3%
To Service-Disabled Veteran-Owned	\$22,950,000	3%

Figure 1.1. Base Year Small Business Subcontracting Goals for Department of Energy Naval Laboratory Contract.

1.2 PRINCIPAL SUPPLIES AND SERVICES TO BE SUBCONTRACTED

Following award, the anticipated supplies and services to be subcontracted will be revised based upon the annual forecasted acquisitions.

SUPPLIES AND SERVICES TO BE SUBCONTRACTED						
Supplies and Services	SB	SDB	WOSB	HUBZ	VOSB	SDVOSB
Analytical Laboratory Equipment & Supplies	✓					
Electronic & Precision Equipment Repair & Maintenance	✓					
Remediation Services	✓					

SUPPLIES AND SERVICES TO BE SUBCONTRACTED						
Supplies and Services	SB	SDB	WOSB	HUBZ	VOSB	SDVOSB
Industrial, Commercial and Institutional Building Construction	✓	✓	✓	✓	✓	
Heavy and Civil Engineering Construction	✓					
Specialty Trade Contractors	✓					
Industrial Machinery & Equipment Purchase/ Lease	✓					
Machinery & Equipment Repair & Maintenance	✓					
Facilities Maintenance & Repair Services						
Computers, Peripherals & Software	✓	✓	✓	✓	✓	✓
Computers Systems Programming & Design Services	✓		✓		✓	
IT and Communications Equipment Maintenance & Service	✓					
Building Leasing/Renovations	✓		✓			
Professional Services						
Administrative and Support Services	✓		✓		✓	✓
Maintenance, Repair and Operation Equipment & Supplies	✓					
Electrical Equipment & Supplies	✓	✓	✓		✓	✓
Office Equipment & Supplies	✓		✓		✓	✓

Figure 1.2. *Supplies & Services Anticipated to Support the Naval Laboratory Contract*

SECTION V: TRANSITION PLAN (L-2.3 E.5)

Fluor fully understands the importance of conducting a safe, seamless, and effective transition across the five NNL sites. We conduct the transition of the current workforce to FMP and arrange for payroll and benefits in a way that ensures the workforce remains focused on the NNPP mission. Figure 5-1 details our experience and capabilities in successfully executing large and complex transitions. During the NNL transition, Fluor does the following:

1. Offer employment to and transition all current personnel from BMPC to FMP at the individual's same base salary and pay rates and with comparable benefits at the time of the offer
2. Execute any necessary agreements to transfer, novate, or assign subcontracts from BMPC to FMP, with NRLFO CO approval
3. Minimize disruptions to ongoing NNL operations and ensure transition work activities are performed seamlessly

Transition Plan and Schedule. Figure 5-2 on page 49 depicts the Transition Plan and associated timeline, noting specific activities and key milestones. This pictorial roadmap also divides the activities into discrete functions and indicates organizational interactions for the orderly and effective transfer of NNL personnel, sites, facilities, processes, methods, contracts, and agreements. The following sections further detail our plan and approach. We manage and execute the transition as a 90-day project organized by a WBS, with defined tasks and deliverables, augmented with a detailed execution schedule. We assume transition begins on July 1, 2018 and extends to September 30, 2018. Our approach for ensuring a seamless and efficient transition has three key milestones:

- ▶ Completing pre-award transition activities and work products
- ▶ Finalizing Transition Plan scope and details in coordination with the GM, BMPC, and the NRLFO CO during transition kickoff meeting(s) after receipt of Notice to Proceed (NTP)

FLUOR'S TRANSITION EXPERIENCE

- ▶ Completed transitions for 13 DOE sites, two UK government sites and two commercial reactor construction sites over the past 26 years, resulting in the transfer of more than 38,000 incumbent employees and 24 union agreements
- ▶ Experienced with transitions involving multi-site labor agreements and geographically dispersed facilities and locations, with as many as 8,200 personnel at one time (DOE Hanford Site)
- ▶ Fluor has Facility Security Clearances and ~1,300 DOD "Top Secret" and DOE "Q" cleared personnel to draw upon (if needed/requested) to support sensitive and/or classified portions of the NNL transition activities
- ▶ Fluor's transition experience includes Department of the Navy - NAVFAC Marianas, a 90-day transition of base operations and support services encompassing all military installations on the Island of Guam and the surrounding Marianas Islands.

Figure 5-1. Fluor's Transition Experience. *Our consistent success conducting transitions without disrupting ongoing hazardous and mission-critical site operations demonstrates our ability to manage transitioning the NNL mission to FMP seamlessly, safely, effectively, efficiently, and on schedule.*

- ▶ Implementing our Transition Execution Plan, where we measure progress daily and weekly through status tracking and make operational adjustments accordingly

Pre-Award Transition Activities. Based on our previous experience and success in conducting transitions, we develop work products before contract award to facilitate our readiness for immediately implementing our Transition Plan on notice from the NRLFO CO.

Preparative activities outlined below allow us to expedite the onboarding process and minimize employee concerns and personal stress that might otherwise impact NNL's performance:

1. Develop detailed Transition Execution Plan for NRLFO CO review and approval on NTP. This Execution Plan augments the Transition Plan by breaking down each activity into discrete steps; showing intermediate milestones and completion dates; identifying responsible function/personnel, including Fluor corporate resources and interfacing organizations involved in completing the 90-day effort. Interfaces include NRLFO, BMPC transition teams, and Bechtel corporate personnel assigned to transition. The Execution Plan includes a mechanism for tracking progress and adjusting priorities to meet the set schedule.
2. Prepare templates and other supporting information for employee offer letters for NRLFO CO review and approval.
3. Prepare a Transition Communication Plan that includes general communication messages and potential responses to questions for early NRLFO CO review. Communications are sensitive to potential site-specific issues and are open, honest, clear, and accurate to establish a relationship based on trust and mutual respect.
4. Launch a publicly available website to support communications with the workforce and local communities. The website incorporates a secure portal for employee access.



Transition Plan Kickoff Meetings and Finalization. With NTP, we coordinate our pre-award work products with the GM and BMPC transition teams during initial meetings. With consensus achieved, we provide the documents to the NRLFO CO for review, comment, and/or approval. Within the first two days of transition, we request a kickoff meeting with the GM and the NRLFO CO to discuss and finalize our Transition Plan and Schedule and the more detailed Transition Execution Plan. During these meetings, we clarify approaches for completing corporate fiduciary due-diligence activities utilizing Fluor and NNL personnel. Based on decisions from these meetings, we revise the Transition Plan to remove or add activities as requested by the GM and/or NRLFO.

FMP Board Chairman Mr. Tom D'Agostino assigns Mr. Dowell responsibility for managing transition activities in collaboration with the NNL GM and senior staff. Mr. Dowell's past and current leadership positions that include transitions for both the Navy and DOE uniquely qualify him to oversee the NNL transition. For example, Mr. Dowell has overseen, managed, and been recognized for five Navy transitions and four DOE transitions at the Hanford site. These efforts encompassed 3,552 personnel and 5,700 subcontractors. As commanding officer of the Naval Undersea Warfare Center at Keyport, he earned the Presidential Award for Leadership in Federal Energy Management in 2006. In 2007, the Navy recognized him with an achievement award for his work in completing a complex, high-visibility transition related to Keyport Naval Undersea

Warfare Division's acquisition and procurement services. Mr. Dowell leads Fluor's corporate functional organizations (i.e., Communications, HR, ES&H, Legal, Business, and Supply Chain) in executing transition activities. During the initial kickoff meeting with NRLFO and the GM, Mr. Dowell collaboratively explores transition activities, if any, that might be more effectively performed by NNL staff without disrupting mission-focused work. Together, Fluor corporate resources and NNL staff form an Integrated Transition Team (ITT). Under Mr. Dowell's and the GM's direction, the ITT executes the transition activities in accordance with the Transition Execution Plan. This approach efficiently produces the contractual and fiduciary deliverables set forth in the NNL Transition Plan and Schedule. The ITT focuses simultaneously on the following transition activities:

- ▶ Communicate with NNL employees providing clear, concise, and timely information that anticipates and addresses questions and mitigates potential personal and professional anxieties stemming from the transition.
- ▶ Extend employment offers to employees in accordance with the Transition Plan and Schedule to ensure the timely, efficient, and effective transfer of personnel to FMP.
- ▶ With NRLFO approval, transfer NNL permits, licenses, agreements, processes, methods and procedures, inventory, logs, and data to the FMP entity to ensure operational continuity.
- ▶ Conduct due diligence in an efficient and effective manner by minimizing work intrusions and consciously limiting due diligence at the five NNL sites to only those necessary (as finalized with the NRLFO CO in that initial transition kickoff meeting) to assume corporate responsibility of the contract at the end of transition.

With NRLFO's agreement, two or more ITT members are directed to Schenectady, Kesselring, West Mifflin, Idaho Falls, and Charleston to meet with NNL personnel and perform the specific activities listed in Figure 5-2. Mr. Dowell uses the West Mifflin, PA, and/or the Bettis Sites as his principal location for coordinating the transition activities. He travels to each of the NNL sites during transition to support employee town hall meetings and site's ITTs. In conjunction with the GM, he coordinates the ITT by conducting plan-of-the-day and weekly teleconference briefings to determine status and facilitate the multi-site transition. Issues and actions are tracked with assigned responsibility and timely resolution due dates.

Communicate Early, Clearly, Concisely, Transparently. From our experience, we have learned the most effective transitions include early and open communications at all levels of the impacted organizations. Mr. Dowell ensures that all communication messages are coordinated with, and/or approved by, NRLFO and the GM before their release. Our communication plan describes the FMP entity, provides welcome messages to the workforce, responds to anticipated questions, includes messaging for external public communications to the associated local communities, and lists dates for all-hands meetings at each site.

As shown in Figure 5-2, we begin communicating with the workforce at all NNL sites on NRLFO approval. We maintain two-way communications with employees throughout the transition period. We communicate through NR-approved electronic media, web-based systems, and newsletters/bulletins. Most communications come through the GM, the GM's staff, the transition 1-800 help line, or through email messages from NNL personnel to the ITT. We design and implement our communication plan to alleviate concerns, minimize personnel anxieties, and

maintain employee focus on mission delivery and performance excellence during the transition period. For example, we open the lines of communication to the workforce at the five NNL sites no later than the second week of transition. In answering questions and carrying out the communication plan, we coordinate with BMPC Communications and HR personnel at each site. Mr. Dowell and the ITT begin working with the site personnel in week two of the transition. This promotes early understanding of the transition plan and our personnel onboarding approach. Our plan provides timely information to the local NNL site HR personnel, so they can convey information to employees about transition specifics at their sites should employees contact them. In consultation with NRLFO, Mr. Dowell also reaches out to local community leaders at each site with an approved message that conveys FMP's commitment to responsible corporate citizenship and a pledge to continue the NNL traditions they have come to know and expect.

Extend Employment Offers as Early as Possible. Within the first 24 hours of transition, we extend an employment offer to Mr. Lubinsky for continued leadership as NNL's GM. Mr. Dowell and the ITT coordinate with the NRLFO CO and BMPC management to secure employee HR data and benefits information. This data is used for populating and issuing employment offers to NNL Key Management Positions as listed in Section J, Attachment 1 no later than week 2. The FMP ITT will issue employment offers to the balance of the NNL personnel no later than week 3. Our transition schedule assumes we receive a positive response to FMP's offer letters no later than the end of week 5. Our schedule gives employees at least two weeks to consider and accept their offers. Our communication plan includes messaging to ensure timely response to the offer letters. Mr. Dowell and the GM develop a staffing analysis and contingency plan after week 5 to identify organizational gaps resulting from employees not planning to join FMP. They will also develop recommendations and implementation plans for NR approval to consider potential organizational realignments, recruiting, and/or backfilling positions to address potential gaps.

Due Diligence. Consistent with DOE transitions, we propose a minimal set of due-diligence activities, shown in *blue font* in Figure 5-2. These activities meet Fluor's minimal fiduciary responsibilities to assume obligations for contract(s) performance. As an example, as part of due diligence, Fluor reviews NNL's existing processes, procedures, and methods for addressing the management and disposition of radiological and hazardous materials such as radioactive tools, asbestos, beryllium, PCBs, and mercury. Our focus and sensitivity in the due-diligence process is not to disrupt or interfere with the workforce or the NNL's ongoing mission.

During the transition kickoff meeting, Mr. Dowell discusses due-diligence activities with NR and the GM to determine the most efficient and non-intrusive way to complete due diligence. While our goal is to keep the due diligence work to a minimum, we list all the activities in our transition plan and schedule knowing they may be eliminated after initial discussions with NRLFO and the GM. We perform the due-diligence process with ITT members who are experienced in conducting DOE transitions and have the appropriate security clearances for the tasks they perform. We streamline the due diligence effort by preparing checklists for ITT members. Our checklists have evolved over the many transitions we have performed for complex DOE contracts and high-consequence sites. The checklists are designed to meet the objectives of gathering required information and data to assume corporate responsibility for the contracts while being sensitive not to disrupt or intrude on the workforce and mission performance.

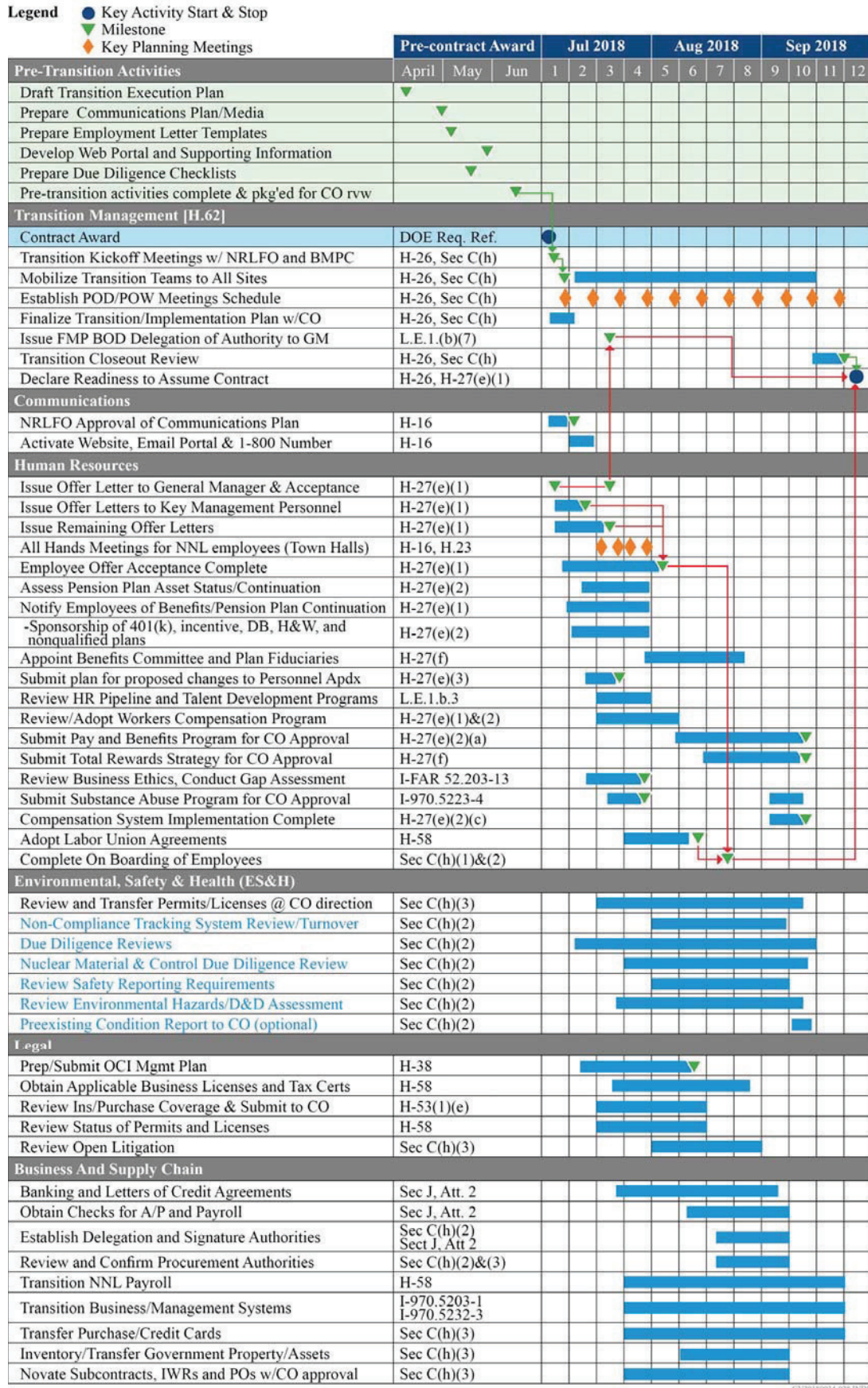


Figure 5-2. Transition Plan and Schedule. FMP's Transition Plan and Schedule for NNL is a collaborative 90-day project focusing on the effective and efficient transfer of ~7,000 employees located at NNL's five sites, along with the licenses, permits, processes, procedures, and methods required to responsibly operate NNL for NR.