| 2. AMENDMENT/MODIFICATION NO. | AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT | | | PAGE OF PAGES | | |
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| AMENDMENT/MODIFICATION NO. | 3. EFFECTIVE DATE | 4. REC | UISITION/PURCHASE REQ. NO. | 5. PROJE | CT NO. (If app | 1 licable) |
| P00104 | See Block 16C | | | | | |
| 3. ISSUED BY CODE | | 7. ADI | MINISTERED BY (If other than Item 6) | CODE | 05003 | |
| NNSA M&O Contracting Branch NA-APM-131 Albuquerque Complex P.O. Box 5400 Albuerque NM 87185-5400 | | NA-1 | A Los Alamos Field OFG LA 8 West Jemez Road Alamos NM 87544 | | | |
| NAME AND ADDRESS OF CONTRACTOR (No., street | t, county, State and ZIP Code) | (m) 9A | AMENDMENT OF SOLICITATION NO. | | | |
| Triad National Security, LLC Attn: H. Rich Heitman 505 KING AVE COLUMBUS OH 43201 | | 10 | DATED (SEE ITEM 11) A. MODIFICATION OF CONTRACT/ORDE 9233218CNA000001 | R NO. | | |
| | | 101 | B. DATED (SEE ITEM 13) | - | | |
| CODE 080961356 | FACILITY CODE | 0 | 6/08/2018 | | | |
| | 11. THIS ITEM ONLY APPLIES T | O AMENDA | MENTS OF SOLICITATIONS | | | |
| CHECK ONE A. THIS CHANGE ORDER IS ISSUED ORDER NO. IN ITEM 10A. | PURSUANT TO: (Specify authority) T | THE CHANG | ODIFIES THE CONTRACT/ORDER NO. AS GES SET FORTH IN ITEM 14 ARE MADE I MINISTRATIVE CHANGES (such as change of FAR 43.103(b). | N THE CONTR | RACT | |
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The purpose of this modification is to revise Section J - LIST OF ATTACHMENTS, APPENDIX A - STATEMENT OF WORK, CHAPTER III. HUMAN RESOURCES, 4.0 BENEFITS, to implement changes to the M&O Contractor Benefit Value Study.

As a result of the above, Section J, Appendix A, Chapter III, 4.0 Benefits is modified as follows:

FROM:

4.0 BENEFITS

4.1 Establishment of New Benefit Plans and/or Changes to Existing Benefit Plans

- **4.1.1** To the extent the Contractor seeks to establish new benefit plans or change existing benefit plans, plan design, or funding methodology the Contractor shall provide justification to the Contracting Officer. Proposed changes must also include cost impact, and the basis of determining cost. The Contractor must obtain approval from the Contracting Officer prior to implementation of a new benefit plan and prior to making changes to existing benefit plans that increase cost or which are contrary to written Departmental policy. The Contractor shall provide 60-day advance notification to the CO of changes to benefit plans that do not increase costs or long-term liabilities.
- **4.1.2** Cost reimbursement for retirement plans and other benefit programs sponsored by the Contractor for non-bargaining employees will be based on conformance with the "Employee Benefits Value Study" and an "Employee Benefits Cost Survey Comparison" requirements as described in 4.2.5.1 and 4.2.5.2 below.
- **4.1.3** If the Contractor seeks to terminate any benefit plan during the term of the Contract, the Contractor must obtain Contracting Officer approval for such termination. In addition, a Contractor proposal to terminate a pension plan must be provided to the Contracting Officer at least 60 days prior to the scheduled date of plan termination.
- **4.1.4** Service Credit for cost reimbursement for employee benefits to include PRB eligibility will be determined in accordance with NNSA Supplemental Directive NA SD O 350.1, *Management and Operating Contractor Service Credit Recognition*.
- **4.1.5** Unless otherwise stated, or as directed by the Contracting Officer, the Contractor shall participate in and/or submit the studies required in paragraphs 4.1.5.1 and 4.1.5.2 below. The studies shall be used by the Contractor in calculating the cost of the benefits under existing benefit plans. In addition, the Contractor shall submit updated values to the Contracting Officer for approval prior to the adoption of any change that will increase costs to a pension or other benefit plan.
- **4.1.5.1** The Consolidated Employee Benefits Value Study for non-bargaining unit employees, shall be completed every two years and submitted to the Contracting Officer no later than July 31 of the applicable year. An Employee Benefits Value Study (**Ben Val**) is an actuarial study of the relative value (RV) of the benefits programs offered by the Contractor to employees measured against the RV of benefit programs offered by comparator companies. The Contractor shall use the comparator companies previously used in the last Consolidated Benefit Value Study. If any of the comparator companies no longer participate, the Contractor shall recommend replacement companies for approval by the Contractor Officer. The Contractor shall include major non-statutory benefit plans offered by the Contractor, including qualified defined benefit (DB) and defined contribution (DC) retirement plans;

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capital accumulation plans; and death, disability, health, and paid time off welfare benefit programs in the Value Study. Any M&O Contractor defined benefit pension plans, closed to new entrants, do not have to be included in the Ben Val measurement. To the extent that the value studies do not address postretirement benefits other than pensions, the Contractor shall provide a separate cost and plan design data comparison for the postretirement benefits other than pensions using external benchmarks derived from nationally recognized and Contracting Officer approved survey sources.

If applicable, a Ben Val for bargaining unit employees shall be submitted to the Contracting Officer no later than 60 days before the commencement of bargaining. The Ben Val for bargaining unit employees must include at least 15 comparator companies approved by the Contracting Officer. The Ben Val must include major non-statutory benefit plans offered by the Contractor, including qualified DB & DC retirement plans; capital accumulation plans; and death, disability, health, and paid time off welfare benefit programs. Any M&O Contractor defined benefit pension plans, closed to new entrants, do not have to be included in the Ben Val measurement. To the extent that the Ben Val does not address post-retirement benefits other than pensions, the Contractor shall provide a separate cost and plan design data comparison for the post-retirement benefits other than pensions using external benchmarks derived from nationally recognized and Contracting Officer approved survey sources.

- **4.1.5.2** With respect to the Ben Val that must be submitted every two years, per 4.1.5.1 above, when the average net benefit value for non-bargaining employees (including different tiers of benefits or groups of employees) exceeds the comparator group average by more than five percent, the Contractor is required to provide, for Contracting Officer approval, a Corrective Action Plan describing the specific actions they plan to take to get to 105% within a specified period of time.
- **4.1.5.3** An Employee Benefits Cost Study Comparison (Cost Study) for non-bargaining and bargaining unit employees if applicable, shall be completed annually and submitted to the Contracting Officer no later than July 31. The Cost Study must use a professionally recognized measure approved by the Contracting Officer that analyzes the Contractor's employee benefits cost for employees on a per capita basis per full time equivalent employee and compares it with appropriate comparator data.
- **4.1.5.4** When the average of the Contractor's Cost Study total benefit per capita cost for the non-bargaining employees exceeds the comparator group's total benefit per capita cost by more than five percent, the Contractor shall submit an analysis to determine the particular benefits that have driven the per capita costs in excess of 105% of the comparator group's benchmark. Based on this analysis, the Contracting Officer will determine whether a corrective action plan is necessary and the specified period of time.

TO:

4.0 BENEFITS

- 4.1 Establishment of New Benefit Plans and/or Changes to Existing Benefit Plans
- 4.1.1 To the extent the Contractor seeks to establish new benefit plans or change existing benefit plans, plan design, or funding methodology the Contractor shall provide justification to the Contracting Officer. Proposed changes must also include cost impact, and the basis of determining cost. The Contractor must obtain approval from the Contracting Officer prior to

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implementation of a new benefit plan and prior to making changes to existing benefit plans that increase cost or which are contrary to written Departmental policy. The Contractor shall provide 60-day advance notification to the CO of changes to benefit plans that do not increase costs or long-termliabilities.

- 4.1.2 Cost reimbursement for retirement plans and other benefit programs sponsored by the Contractor for non-bargaining employees will be based on conformance with the "Employee Benefits Value Study" and an "Employee Benefits Cost Survey Comparison" requirements as described in 4.2.5.1 and 4.2.5.2 below.
- 4.1.3 If the Contractor seeks to terminate any benefit plan during the term of the Contract, the Contractor must obtain Contracting Officer approval for such termination. In addition, a Contractor proposal to terminate a Section J, Appendix A, pg. 41 pension plan must be provided to the Contracting Officer at least 60 days prior to the scheduled date of plan termination.
- 4.1.4 Service Credit for cost reimbursement for employee benefits to include PRB eligibility will be determined in accordance with NNSA Supplemental Directive NA SD O 350.1, Management and Operating Contractor Service Credit Recognition.
- 4.1.5 Unless otherwise stated, or as directed by the Contracting Officer, the Contractor shall participate in and/or submit the studies required in paragraphs 4.1.5.1 and 4.1.5.2 below. The studies shall be used by the Contractor in calculating the cost of the benefits under existing benefit plans. In addition, the Contractor shall submit updated values to the Contracting Officer for approval prior to the adoption of any change that will increase costs to a pension or other benefit plan.
- 4.1.5.1 The Consolidated Employee Benefits Value Study for non-bargaining unit employees, shall be completed every two years and submitted to the Contracting Officer no later than July 31 of the applicable year. An Employee Benefits Value Study (Ben Val) is an actuarial study of the relative value (RV) of the benefits programs offered by the Contractor to employees measured against the RV of benefit programs offered by comparator companies. The Contractor shall use the comparator companies previously used in the last Consolidated Benefit Value Study. If any of the comparator companies no longer participate, the Contractor shall recommend replacement companies for approval by the Contracting Officer. The Contractor shall include major non-statutory benefit plans offered by the Contractor, including qualified defined benefit (DB) and defined contribution (DC) retirement plans; capital accumulation plans; and death, disability, health, and paid time off welfare benefit programs in the Value Study. Any M&O Contractor defined benefit pension plans and post-retirement benefit plans, closed to new entrants, do not have to be included in the Ben Val measurement.

If applicable, a Ben Val for bargaining unit employees shall be submitted to the Contracting Officer no later than 60 days before the commencement of bargaining. The Ben Val for bargaining unit employees must include at least 15 comparator companies approved by the Contracting Officer. The Ben Val must include major non-statutory benefit plans offered by the

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Contractor, including qualified DB & DC retirement plans; capital accumulation plans; and death, disability, health, and paid time off welfare benefit programs. Any M&O Contractor defined benefit pension plans and post-retirement benefit plans, closed to new entrants, do not have to be included in the Ben Val measurement.

- 4.1.5.2 With respect to the Ben Val that must be submitted every two years, per 4.1.5.1 above, when the average net benefit value for non-bargaining employees exceeds the comparator group average by more than five percent, the Contractor may be required to provide, for Contracting Officer approval, a Corrective Action Plan describing the specific actions they plan to take to get to 105% within a specified period of time.
- 4.1.5.3 An Employee Benefits Cost Study Comparison (Cost Study) for non-bargaining and bargaining unit employees if applicable, shall be completed annually and submitted to the Contracting Officer no later than July 31. The Cost Study must use a professionally recognized measure approved by the Contracting Officer that analyzes the Contractor's employee benefits cost for employees. as a percent of payroll and compares it with the cost as a percent of payroll including geographic factor adjustments, reported by the U. S. Labor's Bureau of Labor Statistics or other Contracting Officer approved comparator group or broad-based national benefit cost survey. Any M&O Contractor defined benefit pension plans and post-retirement benefit plans, closed to new entrants, do not have to be included in the Benefit Cost study measurement.
- 4.1.5.4 When the benefit costs as a percent of payroll exceed the comparator group by more than five percent, the Contractor shall submit an analysis to determine the particular benefits that have driven the percent of payroll in excess of 105% of the comparator group's benchmark. Based on this analysis, the Contracting Officer will determine whether a corrective action plan is necessary and the specified period of time.