

2. AMENDMENT/MODIFICATION NO. 0121
 3. EFFECTIVE DATE See Block 16C
 4. REQUISITION/PURCHASE REQ. NO.
 5. PROJECT NO. (If applicable)

6. ISSUED BY CODE 05047
 NNSA Production OFC
 NA-00-NPO
 301 Bear Creek Road
 P.O. Box 2050
 Oak Ridge TN 37830
 7. ADMINISTERED BY (If other than Item 6) CODE

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)
 CONSOLIDATED NUCLEAR SECURITY LLC
 Attn: MICHAEL VERMEULEN
 301 BEAR CREEK RD
 OAK RIDGE TN 37831
 9A. AMENDMENT OF SOLICITATION NO.
 9B. DATED (SEE ITEM 11)
 10A. MODIFICATION OF CONTRACT/ORDER NO
 DE-NA0001942
 10B. DATED (SEE ITEM 13)
 01/08/2013
 CODE 078390708 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)
 See Schedule

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 FAR 43.103(a)
	D. OTHER (Specify type of modification and authority)

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.)
 The purpose of this modification is to revise Clause F-5 "Evaluation of Performance and Exercise of Options(s)", incorporate a revised cost savings goal, and update Section B CLIN 0001B-CLIN 0001E to reflect the revised MTP Cost Savings Incentive Fee (CSIF) for each period.
 Payment:
 OR for Oak Ridge/OSTI
 U.S. Department of Energy
 Oak Ridge Office
 Oak Ridge Financial Service Center
 P.O. Box 6017
 Oak Ridge TN 37831

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)
 MORGAN N. SMITH, PRESIDENT & CHIEF EXEC. OFFICER Raymond E. Cruz, Jr.
 15B. CONTRACTOR/OFFEROR 15C. DATE SIGNED 16B. UNITED STATES OF AMERICA 16C. DATE SIGNED
 9/29/2017 09/30/2017
 (Signature of person authorized to sign) (Signature of Contracting Officer)

The Purpose of this modification is to revise Clause F-5 "Evaluation of Performance and Exercise of Options(s)", incorporate a revised cost savings goal, and update Section B CLIN 0001B-CLIN 0001E to reflect the revised MTP Cost Savings Incentive Fee (CSIF) for each period. As a result, the following is hereby changed:

(a) Clause F-5 "Evaluation of Performance and Exercise of Options(s)" paragraph (a) Option Exercise for Additional Term is changed as follows:

1. Gateway Decision is changed

From: Gateway Decision: The Gateway Decision is a unilateral decision of the FDO based on the Contractor's performance rating under this Contract in accordance with the Performance Evaluation Plan, and the Contractor's delivery of cost savings reflected in the cost savings profile in Section J, Appendix D, Merger Transformation Plan. The standard of performance is such that the score in the annual PER must be "very good" or above (or achieve 80% or better) under the Performance Evaluation Plan for the performance years evaluated under the Base Term and Option Terms, if exercised, evaluated below. The Contractor must also meet a minimum of 80% of the total projected cost savings within the cost savings profile in Section J, Appendix D, Merger Transformation Plan for the combined performance years evaluated for each gateway decision point, as reflected in the table below. If the FDO's decision is to award additional term, the Contract will be modified unilaterally by the Contracting Officer to extend the term of the Contract, after considering NNSA requirements, in accordance with the Contract's Section I Clause entitled "FAR 52.217-9, Option to Extend the Term of the Contract".

To: Gateway Decision: The Gateway Decision is a unilateral decision of the FDO based on the Contractor's performance rating under this Contract in accordance with the Performance Evaluation Plan. The Contractor's delivery of cost savings reflected in the cost savings profile in Section J, Appendix D, Merger Transformation Plan will be taken into consideration in the Gateway Decision. The standard of performance for each Gateway Decision is such that the score in the annual PER is "very good" or above (or achieve 80% or better) under the Performance Evaluation Plan for the final year of the performance years evaluated for Exercise of Option Term 1 and each performance year evaluated for exercise of Option Terms 2 and 3. The total projected cost savings goal within the cost savings profile in Section J, Appendix D, Merger Transformation Plan for the combined performance years evaluated is 80% for each Gateway Decision Point, as reflected in the table below. The FDO has the discretion to evaluate the Contractor's achievements in cost savings in conjunction with Contractor performance in determining the Gateway Decision. If the FDO's decision is to award additional term, the Contract

will be modified unilaterally by the Contracting Officer to extend the term of the Contract, after considering NNSA requirements, in accordance with the Contract's Section I Clause entitled "FAR 52.217-9, Option to Extend the Term of the Contract".

(b) Section J, Appendix D - *Merger Transformation Plan*, Figure 19 is replaced with Merger Transformation Plan, Figure 20.

Chapter 11.0 SDN-25680-PLN-00003 – MERGER TRANSFORMATION PLAN, Figure 19 – Projected Cost Savings (PCS) (CNS Contract Proposal) (\$K) is changed as follows:

1. Figure 19-Projected Cost savings is changed

From: See Exhibit 1 Figure 19 – Projected Cost Savings (PCS) (CNS Contract Proposal) attached.

To: See Exhibit 2 Figure 20 - MTP Revision 3 -April 2017 attached

Note: This modification revises the overall cost savings goal. A revised MTP will be incorporated in whole by a subsequent modification which incorporates these changes.

(c) Section B CLIN 0001B-CLIN 0001E is updated to reflect the revised MTP Cost Savings Incentive Fee (CSIF) amounts for each period as follows:

1. CLIN 0001B – CLIN 0001E is changed

From: See Exhibit 3 Section B CLIN 0001B – 0001E attached.

To: See Exhibit 4 Section B CLIN 0001B – 0001E attached.

(d) Section B, Clause B-2(a)(5), Provisional Payment of Fee, paragraph (iii) is replaced with the following language:

The Contractor is authorized semi-annual provisional payments of the Cost Savings Incentive Fee. The Contractor is authorized to be paid on March 31 and September 30 of each year of the 24-month fee sharing period. Each semi-annual provisional CSIF payment may be up to 50% of the fee associated with the sustainment of savings validated by NNSA and up to 25% of the CSIF associated with that year's claimable savings from the approved CRP. If the provisional payment results in overpayment, the Contracting Officer will determine if the Contractor is to refund all of part of the provisional fee it has received. Any refund made shall include interest. Interest will be paid at the published prime rate of the financial institution (depository) in which the special account is established or at the interest rate established by the Secretary of Treasury as provided in Section 12 of the Contract Disputes Act of 1978 (Public Law 95-563) whichever is higher, which is applicable to the period in which any unearned payments were made. Interest paid for this clause is an unallowable cost.

(e) Under Clause I.19, Cost Reduction, paragraph (h) is replaced with the following:

(h) Validation of Net Savings. The Contractor shall certify the amount of savings achieved and sustained from previous period(s) under the sharing arrangement identified in (g). Fee will be paid after Contracting Officer validation from the annual or semi-annual period achieving sustainment through the remainder of the sharing period. An external, third-party validation may be utilized by the Contracting Officer. The validation recommendations provided by the third-party would be advisory in nature to both the Contractor and NNSA. The Government's validation of cost savings will ensure NNSA mission deliverables (quality or timeliness) were not negatively impacted.

All other terms and conditions of the contract remain unchanged.

SDN-25680-PLN-00003 – MERGER TRANSFORMATION PLAN

		Base Years (\$K)					Option Years (\$K)					Total Savings	Cumul. Savings
Benefit Savings		1	2	3	4	5	6	7	8	9	10		
CRP Savings Note 1	TY\$	30,936	29,387	-5,154	11,705	7,648	4,595	3,150	3,132	3,225	1,601	90,226	713,457
Offeror Share in Savings Notes 2, 3	%	0	0	0	0	0	0	0	0	0	0		
	\$	0	0	0	0	0	0	0	0	0	0	0	
Share in Savings Period	yrs	0	0	0	0	0	0	0	0	0	0		
Savings to the Government Note 1	TY\$	30,936	29,387	-5,154	11,705	7,648	4,595	3,150	3,132	3,225	1,601		713,457
		Base Years (\$K)					Option Years (\$K)					Total Savings	Cumul. Savings
Other Savings		1	2	3	4	5	6	7	8	9	10		
CRP Savings Note 1	TY\$	61,255	59,042	74,759	46,599	30,436	20,605	21,291	19,906	20,463	21,101	375,457	2,560,749
Offeror Share in Savings Notes 2, 3	%	35	35	35	35	35	35	35	35	35	35		
	TY\$	21,439	42,104	46,831	42,476	26,962	17,864	14,663	14,419	14,129	21,933	262,820	
Share in Savings Period	yrs	2	2	2	2	2	2	2	2	2	2		
Savings to the Government	TY\$	39,816	16,938	27,929	4,124	3,474	2,740	6,627	5,487	6,334	-832		2,297,929
		Base Years (\$K)					Option Years (\$K)					Total Savings	Cumul. Savings
Total CRP Savings		1	2	3	4	5	6	7	8	9	10		
CRP Savings Note 1	TY\$	92,191	88,429	69,606	58,305	38,084	25,200	24,441	23,037	23,689	22,702	465,683	3,274,206
Total Savings to the Government	TY\$	70,752	46,325	22,775	15,829	11,122	7,336	9,777	8,619	9,560	769	202,863	3,011,386

Figure 19 – Projected Cost Savings (PCS) (CNS Contract Proposal) (\$K)

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Attachment
Letter, M. R. Vermeulen to John A. Franklin
Dated: April 11, 2017

ATTACHMENT 1
Revision 3 to the Merger and Transformation Plan

FIGURE 20 - MTP Revision 3 - April 2017

Benefit Savings		Base Years (\$K)										Option Years (\$K)		Total Savings	Cumul. Savings
		FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24			
CRP Savings	TY\$	0	21,541	7,755	8,044	20,640	8,642	4,143	2,874	2,959	3,049	1,422	81,068	594,494	
<i>Note 1</i>															
Offeror Share in Savings	%	0	0	0	0	0	0	0	0	0	0	0			
<i>Notes 2, 3</i>	\$	0	0	0	0	0	0	0	0	0	0	0	0		
Share in Savings Period	yrs	0	0	0	0	0	0	0	0	0	0	0			
Savings to the Government	TY\$	0	21,541	7,755	8,044	20,640	8,642	4,143	2,874	2,959	3,049	1,422		594,494	
<i>Note 1</i>															
Other Savings		Base Years (\$K)										Option Years (\$K)		Total Savings	Cumul. Savings
		FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24			
CRP Savings	TY\$	0	45,175	45,511	56,289	63,852	32,756	23,686	25,418	23,868	24,240	24,151	364,926	2,319,397	
<i>Note 1</i>															
Offeror Share in Savings	%	35	35	35	35	35	35	35	35	35	35	35			
<i>Notes 2, 3</i>	TY\$	0	15,811	31,740	28,930	40,093	27,443	14,933	13,633	14,070	13,515	21,914	222,083		
Share in Savings Period	yrs	2	2	2	2	2	2	2	2	2	2	2			
Savings to the Government	TY\$	0	29,364	13,771	27,359	23,759	5,313	8,733	11,785	9,798	10,725	2,237		2,097,314	
<i>Note 1</i>															
Total CRP Savings		Base Years (\$K)										Option Years (\$K)		Total Savings	Cumul. Savings
		FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24			
CRP Savings	TY\$	0	66,716	53,266	64,333	84,491	41,398	27,809	28,292	26,827	27,289	25,573	445,994	2,913,891	
<i>Note 1</i>															
Total Savings to the Government	TY\$	0	50,905	21,526	35,403	44,399	13,955	12,876	14,659	12,757	13,774	3,659	223,912	2,691,808	
<i>Note 1</i>															

Note 1: New benefit savings and CRP Savings are calculated based on the difference of savings from that year minus the previous year.

Note 2: Cumulative CSIF is a summation of the savings in each Contract Year listed in the table.

Note 3: Fee for a given year is calculated by $0.35 * [(Total\ new\ savings\ for\ year\ n - Benefits\ new\ savings\ for\ year\ n) + (Total\ new\ savings\ for\ year\ (n-1) - Benefits\ new\ savings\ for\ year\ (n-1))]$. Year 10 fee is $0.35 * (Total\ new\ savings\ for\ year\ 9 - Benefits\ new\ savings\ for\ year\ 9) + 0.7 * (Total\ new\ savings\ for\ year\ 10 - Benefits\ new\ savings\ for\ year\ 10)$ to accommodate the equivalent of two years of fee from year 10.

CLIN 0001B BASE TERM (1 JUL 2014 – 30 JUN 2019)

Services being Acquired under this CLIN: The Contractor shall, in accordance with the terms and conditions of this Contract, provide the personnel, equipment, material, supplies, and services, (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to effectively, efficiently, and safely complete all work in accordance with Section J, Appendix A, Statement of Work, except for the work covered by CLIN 0001H and CLIN 0002. The fee available is:

Performance Period	Fixed Fee (FF)	Available Performance Incentive Fee (PIF)	Total Available Fee (FF+PIF)	Total Fee Earned	Estimated Cost Savings Incentive Fee (CSIF)	CSIF Earned
1 Jul 2014 – 30 Sep 2015	\$29,949,750	\$19,966,500	\$49,916,250	\$41,330,657	\$21,439,000	\$18,599,621
1 Oct 2015 – 30 Sep 2016	NA	\$39,933,000	\$39,933,000		\$42,104,000	
1 Oct 2016 – 30 Sep 2017	NA	\$39,933,000	\$39,933,000		\$46,831,000	
1 Oct 2017 - 30 Sep 2018	NA	\$39,933,000	\$39,933,000		\$42,476,000	
1 Oct 2018 – 30 Jun 2019	NA	\$29,949,750	\$29,949,750		\$26,962,000	

[*Performance Period 1 Jul 2014 – 30 Sep 2015 is a 15 month period of performance and Performance Period 1 Oct 2018 – 30 Jun 2019 will be a 9 month period of performance to align with the fiscal year.]

CLIN 0001C OPTION I TERM (1 JUL 2019 – 30 JUN 2021)

Services being Acquired under this CLIN: If this option is exercised, the Contractor shall, in accordance with the terms and conditions of this Contract, provide the personnel, equipment, materials, supplies, and services, (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to effectively, efficiently, and safely complete all work in accordance with Section J, Appendix A, Statement of Work, except for the work covered by CLIN 0001H and CLIN 0002. The fee available is:

Performance Period	Fixed Fee (FF)	Available Performance Incentive Fee (PIF)	Total Available Fee (FF + PIF)	Total Fee Earned	Estimated CSIF	CSIF Earned
1 Jul 2019 – 30 Jun 2020	NA	\$39,933,000	\$39,933,000		\$17,864,000	
1 Jul 2020 – 30 Jun 2021	NA	\$39,933,000	\$39,933,000		\$14,663,000	

CLIN 0001D OPTION II TERM (1 JUL 2021 – 30 JUN 2023)

Services being Acquired under this CLIN: If this option is exercised, the Contractor shall, in accordance with the terms and conditions of this Contract, provide the personnel, equipment, materials, supplies, and services, (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to effectively, efficiently, and safely complete all work in accordance with Section J, Appendix A, Statement of Work, except for the work covered by CLIN 0001H and CLIN 0002. The fee available is:

Performance Period	Fixed Fee (FF)	Available Performance Incentive Fee (PIF)	Total Available Fee (FF + PIF)	Total Fee Earned	Estimated CSIF	CSIF Earned
1 Jul 2021 – 30 Jun 2022	NA	\$39,933,000	\$39,933,000		\$14,419,000	
1 Jul 2022 – 30 Jun 2023	NA	\$39,933,000	\$39,933,000		\$14,129,000	

CLIN 0001E OPTION III TERM (1 JUL 2023 – 30 JUN 2024)

Services being Acquired under this CLIN: If this option is exercised, the Contractor shall, in accordance with the terms and conditions of this Contract, provide the personnel, equipment, materials, supplies, and services, (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to effectively, efficiently, and safely complete all work in accordance with Section J, Appendix A, Statement of Work, except for the work covered by CLIN 0001H and CLIN 0002. The fee available is:

Performance Period	Fixed Fee (FF)	Available Performance Incentive Fee (PIF)	Total Available Fee (FF + PIF)	Total Fee Earned	Estimated CSIF	CSIF Earned
1 Jul 2023 – 30 Jun 2024	NA	\$39,933,000	\$39,933,000		\$21,933,000	

CLIN 0001B BASE TERM (1 JUL 2014 – 30 JUN 2019)

Services being Acquired under this CLIN: The Contractor shall, in accordance with the terms and conditions of this Contract, provide the personnel, equipment, material, supplies, and services, (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to effectively, efficiently, and safely complete all work in accordance with Section J, Appendix A, Statement of Work, except for the work covered by CLIN 0001H and CLIN 0002. The fee available is:

Performance Period	Fixed Fee (FF)	Available Performance Incentive Fee (PIF)	Total Available Fee (FF+PIF)	Total Fee Earned	Estimated Cost Savings Incentive Fee (CSIF)	CSIF Earned
1 Jul 2014 – 30 Sep 2015	\$29,949,750	\$19,966,500	\$49,916,250	\$41,330,657	\$21,439,000	\$18,599,621
1 Oct 2015 – 30 Sep 2016	NA	\$39,933,000	\$39,933,000	\$30,648,578	\$42,104,000	\$18,293,442
1 Oct 2016 – 30 Sep 2017	NA	\$39,933,000	\$39,933,000		\$28,930,000	
1 Oct 2017 - 30 Sep 2018	NA	\$39,933,000	\$39,933,000		\$40,093,000	
1 Oct 2018 – 30 Jun 2019	NA	\$29,949,750	\$29,949,750		\$27,443,000	

Note: fee amounts are from—FY 17 and forward based on the MTP 3 rev.

[*Performance Period 1 Jul 2014 – 30 Sep 2015 is a 15 month period of performance and Performance Period 1 Oct 2018 – 30 Jun 2019 will be a 9 month period of performance to align with the fiscal year.]

CLIN 0001C OPTION I TERM (1 JUL 2019 – 30 JUN 2021)

Services being Acquired under this CLIN: If this option is exercised, the Contractor shall, in accordance with the terms and conditions of this Contract, provide the personnel, equipment, materials, supplies, and services, (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to effectively, efficiently, and safely complete all work in accordance with Section J, Appendix A, Statement of Work, except for the work covered by CLIN 0001H and CLIN 0002. The fee available is:

Performance Period	Fixed Fee (FF)	Available Performance Incentive Fee (PIF)	Total Available Fee (FF + PIF)	Total Fee Earned	Estimated CSIF	CSIF Earned
1 Jul 2019 – 30 Jun 2020	NA	\$39,933,000	\$39,933,000		\$14,933,000	
1 Jul 2020 – 30 Jun 2021	NA	\$39,933,000	\$39,933,000		\$13,633,000	

CLIN 0001D OPTION II TERM (1 JUL 2021 – 30 JUN 2023)

Services being Acquired under this CLIN: If this option is exercised, the Contractor shall, in accordance with the terms and conditions of this Contract, provide the personnel, equipment, materials, supplies, and services, (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to effectively, efficiently, and safely complete all work in accordance with Section J, Appendix A, Statement of Work, except for the work covered by CLIN 0001H and CLIN 0002. The fee available is:

Performance Period	Fixed Fee (FF)	Available Performance Incentive Fee (PIF)	Total Available Fee (FF + PIF)	Total Fee Earned	Estimated CSIF	CSIF Earned
1 Jul 2021 – 30 Jun 2022	NA	\$39,933,000	\$39,933,000		\$14,070,000	
1 Jul 2022 – 30 Jun 2023	NA	\$39,933,000	\$39,933,000		\$13,515,000	

CLIN 0001E OPTION III TERM (1 JUL 2023 – 30 JUN 2024)

Services being Acquired under this CLIN: If this option is exercised, the Contractor shall, in accordance with the terms and conditions of this Contract, provide the personnel, equipment, materials, supplies, and services, (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to effectively, efficiently, and safely complete all work in accordance with Section J, Appendix A, Statement of Work, except for the work covered by CLIN 0001H and CLIN 0002. The fee available is:

Performance Period	Fixed Fee (FF)	Available Performance Incentive Fee (PIF)	Total Available Fee (FF + PIF)	Total Fee Earned	Estimated CSIF	CSIF Earned
1 Jul 2023 – 30 Jun 2024	NA	\$39,933,000	\$39,933,000		\$21,914,000	