PART I

SECTION B

SUPPLEIES OR SERVICES AND PRICES/COSTS

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PART I

SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 ITEMS BEING PROCURED

(a) The Contractor shall, in accordance with the terms of this contract, provide the personnel, facilities, equipment, materials and services (except as may be furnished by the Government), and otherwise do all things necessary for, or incident to providing its best efforts so as to carry out in an efficient and effective manner the necessary and related work to accomplish the requirements of the Base Contract Statement of Work (SOW), set forth in Part I, Section C - Description/Specifications/Work Statement.

(b) The Government has the unilateral right to extend the term of this contract for the performance of the SOW for Option 1, as described in Part III, Section J, Attachment 1, Subpart III in accordance with Clause H.9, Options to Extend Services.

(c) The Government has the unilateral right to extend the term of this contract for the performance of the SOW for Option 2, as described in Part III, Section J, Attachment 1, Subpart IV in accordance with Clause H.9, Options to Extend Services.

(d) The Government has the unilateral right to extend the term of this contract for the performance of the SOW for Option 3, as described in Part III, Section J, Attachment 1, Subpart V in accordance with Clause H.9, Options to Extend Services.

(e) The Contractor shall ensure the performance of Value Engineering services in accordance with the clause of this contract entitled, Value Engineering -- Architect-Engineer (MAR 1990) for the design of the MOX Fuel Fabrication Facility in accordance with the requirements contained in Part III, Section J, Attachment 1, Subpart II.A.1, Facility Design. The estimated cost and fixed fee for this effort shall not be separately priced, but be included in the overall estimated cost and fixed fee for performance of the work under this contract in paragraph B.2. below.

(f) All work under this contract shall be performed under the general guidance and direction of the Technical Manager whose responsibilities are defined in the clause entitled “Technical Direction and Surveillance” set forth in Part I, Section H - Special Contract Requirements. Such guidance and direction shall not, however, effect any change in the Schedule, Statement of Work, Reporting
Requirements, or other provisions of this contract. Such changes shall be only by action of the Contracting Officer.

**B.2 ESTIMATED COST, FIXED FEE, OBLIGATION OF FUNDS AND FINANCIAL LIMITATIONS**

(a) The estimated cost for the performance of the work under the Base Contract is $116,613,863.00.

(b) The fixed fee for the performance of the work under the Base Contract is . There shall 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 cost for performance of that work. Subject to the Contracting Officer’s right to withhold the payment of fixed fee pursuant to the clause entitled, “Fixed-Fee” set forth in Part II, Section I, the fixed fee specified herein shall become due and payable in periodic installments (but not more frequently than bi-weekly) in amounts based on the proportion of the work completed as determined by the Contracting Officer.

(c) Pursuant to the clause entitled, “Limitation of Funds”, set forth in Part II, Section I, the amount of $15,600,000.00 has been allotted and is available for payment of allowable costs and fixed fee under this contract. Of that amount, $6,000,000.00 in operating funds is being obligated for performance of work under W.B.S. elements 1.2.1, 1.3.1, and 1.4.1, and $9,600,000.00 in construction funds is being obligated for performance of work under W.B.S. element 1.1.1. The period of performance which it is estimated the allotted amount of operating funds will cover is September 30, 1999, and the period of performance which it is estimated the allotted amount of construction funds will cover is June 30, 1999.

(d) The amount presently obligated by the Government with respect to this contract is $15,600,000.00. Of that amount, $6,000,000.00 in operating funds is being obligated for performance of work under W.B.S. elements 1.2.1, 1.3.1, and 1.4.1, and $9,600,000.00 in construction funds is being obligated for performance of work under W.B.S. element 1.1.1. Such amounts may be increased unilaterally by DOE by written notice to the Contractor and may be increased or decreased by written agreement of the parties (whether or not by formal modification of this contract.)

(e) The giving of any notice by either party under this article or the clauses entitled, “Limitation of Funds” or “Limitation of Cost” set forth in Part II, Section I, as applicable, shall not be construed to waive or impair any right of the Government to terminate the contract under the provisions of the Termination Clause for this contract set forth in Part II, Section I.
(f) When funds are obligated under this contract, DOE shall inform the Contractor in writing regarding any limitations on amounts available for operating and plant and capital equipment expenditures under this contract. The limitations so established shall be binding on the Contractor.

(g) The clause entitled “Limitation of Funds” shall be applicable and the clause entitled “Limitation of Cost” inapplicable until such time as an amount equal to the estimated cost and fixed fee set forth in paragraphs (a) and (b) above is obligated to this contract, and thereafter the Limitation of Cost clause shall be applicable and the Limitation of Funds clause inapplicable.