

U.S. DEPARTMENT OF ENERGY  
REIMBURSEMENT AUTHORIZATION

NO.

RA No. 9  
Mod. M202

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PROJECT

SANDIA NATIONAL LABORATORIES

LOCATION

ALBUQUERQUE, NM

CONTRACTOR

SANDIA CORPORATION

CONTRACT NO.

DE-AC04-94AL85000

DATE OF CONTRACT

OCTOBER 1, 1993

The following revision or addition to the approved employment policies and wage and salary schedules of the contractor is approved as an allowable cost, effective December 31, 2008.

Amend Appendix A., VI., Retirement Plans to read as attached.

APPROVED FOR THE CONTRACTOR BY:

NAME:

James Eanes  
James Eanes

TITLE: Senior Manager

Deputy for Contracts and WFO/CRADA  
Management

DATE:

11/3/10

Approved for the U.S. Department of Energy by:

NAME

John Wright

TITLE

Contracting Officer

DATE

11/19/2010

## VI. Retirement Plans

Note: The Contractor maintains the following plans:

|  |  |
|--|--|
| Sandia Corporation Pension Security Plan   | SPD-<br>12/1/09                          |
| Sandia Corporation Retirement Income Plan  | SPD-<br>1/1/09                           |
| Sandia Corporation Excess Benefit Plan (as referenced by the Retirement Income Plan) | Closed<br>to new<br>entrants<br>12/31/08 |
| Sandia Corporation Non-qualified Pension Plan  | Closed<br>to new<br>entrants<br>12/19/00 |
| Sandia Corporation Savings and Security Plan   | SPD-<br>12/1/09                          |
| Sandia Corporation Savings and Income Plan   | SPD-<br>12/1/09                          |
| Sandia Corporation 401(a)(17) Restoration Plan                                       | 12/31/08                                 |
| Sandia Corporation 415 Excess Benefit Plan   | 12/31/08                                 |

### A. General Provisions

1. Costs involved in implementing, administering, and funding DOE approved pension plans are allowable. Administrative cost associated with the effective administration of the Plans include such items as: publicizing, enrolling, maintaining records, and providing employees with assistance in understanding and collecting their benefits. The cost of the present plans are allowable. The Contractor shall obtain approval from the Contracting Officer prior to making a change in pension plan benefits. The Contractor shall notify the Contracting Officer of any change in cost which is not attributable to a change in benefits, including the changes needed solely to maintain qualification under Section 401 of the Internal Revenue Service (IRS) code.

### B. Qualified Defined Benefit Plan

#### 1. Employee Transfers

Employees who transfer between the Contractor and Lockheed Martin Corporation (including subsidiaries thereof), who retire, or terminate their employment from the entity to which last transferred shall be considered for pension purposes as having performed their entire service with that entity.

Assets and liabilities shall be transferred to the defined benefit plan of the appropriate entity as of the valuation date following date of transfer. The amount of assets to be transferred shall equal the sum of the funded portion of the actuarial accrued liability of each transferee where the funded portion is based on the funding status of the active participants in the segment to which transferred. In no event shall the amount of such asset transfer be less than the amount required under Section 414(1) of the IRS code. The transferred assets and the number of transfers shall be itemized in the actuarial valuation report.

## 2. Contract Termination

If this Contract terminates and there is no successor contractor, the plan shall be terminated. If this Contract terminates and there is a successor contractor, the successor contractor shall assume sponsorship or continued maintenance of the plan. Liabilities for participants so retained and assets equal to the liabilities shall be transferred to another deferred compensation plan of the contractor. Such liabilities shall equal the Projected Benefit Obligation as defined in Financial Accounting Standards Board Statement Number 87.

## 3. Plan Termination

If the Contracting Officer and the Contractor agree to terminate the plan, the termination shall follow IRS and Pension Benefit Guaranty Corporation guidelines and remaining assets and investment return on those assets shall revert to DOE. If, upon plan termination, assets are insufficient to meet liabilities, DOE shall pay the Contractor the amount necessary to cover liabilities.

## C. Qualified Defined Contribution Plan

Contractor funds contributed on behalf of participating employees, who cancel their participation in the plan or whose employment is terminated, which are nonvested pursuant to the provisions of the plan, shall be used to offset the Contractor's contributions obligated to be made on behalf of other participants in the plan. In the event this Contract with the Contractor is terminated, funds not committed pursuant to provisions of the Savings and Security Plan and the Savings and Income Plan and/or Trust Agreement shall be returned to DOE.

## D. Nonqualified Plans

The Nonqualified Plans are funded on a pay as you go basis. The plans and amendments thereof require approval of the Contracting Office. Annually the Contractor shall report the following data to the Contracting Officer: number of individuals receiving benefits, benefits amount paid, expenses paid; and, any other data as requested by the Contracting Officer.