

MEMORANDUM OF UNDERSTANDING
BETWEEN
GE - HITACHI NUCLEAR ENERGY AMERICAS, LLC
AND
SAVANNAH RIVER NUCLEAR SOLUTIONS, LLC

Introduction

This Memorandum of Understanding (MOU) is entered into by and between GE - Hitachi Nuclear Energy Americas, LLC (GEH) and Savannah River Nuclear Solutions, LLC (SRNS).

GEH and SRNS may individually be referred to as a "Party" or collectively as the "Parties."

Purpose

Whereas: Savannah River National Laboratory is the applied research and development laboratory for the U.S. Department of Energy's (DOE) Office of Environmental Management (EM) and is operated by SRNS,

Whereas: GEH is a limited liability company providing services and products to the nuclear industry, including development of a small modular nuclear reactor concept commonly referred to as the "PRISM,"

Whereas: the PRISM concept is a metal-cooled, small modular nuclear reactor designed to operate in the fast spectrum with a nominal output of 311 megawatts electric, and as an advanced burner reactor can be fueled with surplus weapons plutonium, surplus weapons uranium, and recycled used commercial light water reactor (LWR) fuel,

Whereas: both Parties concur that, upon design certification and licensing by the U.S. Nuclear Regulatory Commission (NRC), the PRISM can contribute significantly to energy security and greenhouse gas reduction efforts in the U.S. and abroad, and,

Now Therefore: the Parties hereby enter into this MOU to reflect certain topics to be discussed further to support a program to deploy, on an expedited basis at the Savannah River Site (SRS), a prototype of the PRISM.

Scope

The scope of this MOU and the associated collaboration is related exclusively to exploring opportunities to work on the expedited development and deployment at SRS of the PRISM. Any such work would occur only under subsequent, definitive written agreement(s) should such definitive written agreement(s) result from the Parties' discussions.

Topics to be discussed under this MOU may include some or all of the following:

- How to seek an agreement with DOE leadership under which DOE would assume responsibility for regulating the design, construction, and operation of a PRISM prototype under DOE's existing authority as codified in 10 CFR 830, in advance of any design certification and licensing by the NRC.
- How to develop a public-private partnership and associated business case and cost-share model for funding a PRISM prototype at SRS.
- How to seek DOE approval to leverage existing facilities and materials at SRS, including, but not limited to, the Mixed Oxide Fuel Fabrication Facility (under construction and slated for initial operations in 2016) and inventories of surplus plutonium and uranium to reduce the cost, schedule and risk associated with fuel development, fuel qualification, and fabrication of the start-up core for the prototype reactor.
- How to assist DOE with the establishment of an organization and program responsible for regulating the PRISM prototype.
- How to complete National Environmental Policy Act (NEPA) documentation, engineering designs, documented safety analyses, and other required studies.
- How to construct, commission, and operate at SRS the PRISM prototype.
- How to incorporate the PRISM prototype into a modular reactor power park and associated secure mini-grid which would service critical national defense related facilities at SRS and within the surrounding region, including Fort Gordon, the Eisenhower Medical Center, and the National Security Agency.

Terms

1. This MOU records the Parties' agreement on the topics to be discussed as of the Effective Date. It is not intended to give rise to, nor is it to be construed as giving rise to, any legally binding obligations on either Party, except as set forth in this Terms section.
2. Unless superseded by a more comprehensive agreement or terminated by the Parties, this MOU shall remain in effect for one year from the Effective Date. This MOU may be terminated by either Party effective upon 30 days written notice to the other Party. Upon expiration or termination, excepting obligations which are intended to survive termination or expiration, neither Party shall have any liability or obligation to the other and, to the fullest extent permitted by law, the Parties waive and release each other from any other obligation or liability.
3. This MOU does not restrict either Party from discussing or contracting with others on the same or similar matters that are the subject of the MOU. The amount of information supplied pursuant to this MOU shall be at each Party's discretion, provided that neither Party shall supply the other with any confidential or proprietary information unless and until a mutually agreeable written Proprietary Information Agreement (PIA) is reached.


4. This MOU provides only for the Parties to discuss the topics contemplated by the Scope section during the period the MOU remains in effect. Any future cooperation or work shall only occur following mutual agreement of the Parties as reflected in a subsequent written agreement.
5. No work or funds are committed under this MOU. Any commitment of work or funds shall be only as made under a separate agreement following the contracting requirements of each Party.
6. Each Party shall bear all costs, risks and liabilities which it may incur arising out of its obligations and efforts under this MOU. However, neither Party is obligated to undertake any activity hereunder.
7. Neither Party makes any representation or warranty regarding the completeness or accuracy of the information supplied hereunder, and neither undertakes to update any such information. Neither Party shall have any liability to the other, and each specifically releases the other from any such liability to the fullest extent permitted by law, for any conclusions reached as the result of this MOU.
8. Unless otherwise specified, this MOU embodies the entire understanding between the two Parties and any prior representation or agreement is superseded. Any modifications to this MOU must be in writing and signed by all Parties.
9. Conflicts or issues that may arise which cannot be resolved between GEH and SRNS staff personnel should be raised to the necessary level of management to obtain resolution. An effort shall be made by all participants to resolve conflicts with a spirit of cooperation at the working level. This MOU shall be governed by the laws of the State of South Carolina, and any dispute hereunder which cannot be resolved amicably as contemplated by this paragraph may be brought in a court of competent jurisdiction.
10. All information supplied to SRNS and any other technical data, technical information, software, services, assistance, equipment or materials, furnished to SRNS hereunder shall at all times be subject to the export control laws and regulations of the United States Government, including 10 CFR 810 and the U.S. Export Administration Regulations. SRNS agrees that no such information, or any product thereof, shall be exported or re-exported by SRNS or its authorized transferees, if any, directly or indirectly unless explicitly permitted in writing by GEH and in accordance with U.S. export control laws and regulations. The obligations of SRNS under this paragraph shall survive any termination, expiration or discharge of any other contract obligations.
11. Any publications, news releases, public announcements, advertisements or publicity to be released by either Party concerning this MOU, or any proposal or agreement resulting from this MOU, shall be subject to prior approval by the other Party.
12. This MOU will be effective upon the date the last Party signs (the Effective Date).

13. Any legal or otherwise binding or enforceable obligations between the Parties to proceed with any agreement(s) with respect to the PRISM or the supply of technology, specifically including but not limited to engineering, procurement and construction, and establishing a construction schedule and price, shall be only as set forth in such other definitive agreement(s) as may be negotiated and duly signed and delivered by the authorized representative of the Parties. Neither Party shall have any obligation to negotiate toward or enter into any such other agreement(s) or the PIA. This MOU is not intended to and does not in any way set a precedent binding on GEH or SRNS for negotiation of, or final agreement under other agreement(s).

Authorized Signatures

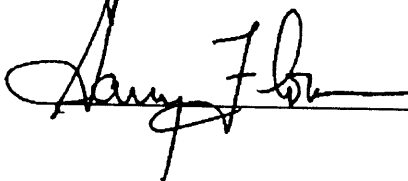
Those individuals whose signatures appear below certify that they are authorized to sign on behalf of the respective Parties to this Agreement. This Agreement will be executed in duplicate, and is not effective until signed by both Parties.

GE - HITACHI NUCLEAR ENERGY AMERICAS, LLC
Chris Monetta
Senior Vice President
Advanced Fuel Programs



Date 9/28/2010

SAVANNAH RIVER NUCLEAR SOLUTIONS, LLC
Garry Flowers
President & CEO



Date 9/22/10