

1. ACCEPTANCE. The following terms and conditions, including the attachments referenced herein, constitute the complete and final expression of agreement and understanding of Client and Philotechnics concerning the subject matter hereof, and merge and supersede any and all prior or contemporaneous agreements, understandings, negotiations or other communications, whether written or verbal, between Client and Philotechnics concerning this Agreement. The terms of this Agreement may not be changed or modified except by a writing signed by an authorized representative of each party.

2. SERVICES AND PRICES: (a) Philotechnics' services consist of the pick up, transportation, documentation, processing and disposal of waste provided to Philotechnics by Client. Specific services to be performed shall be in accordance with Philotechnics' quotation provided to the Client prior to performance of services. Attachment A, Philotechnics, quotation, is expressly made a part hereof. (b) The parties agree and understand the nature of the waste processing and disposal business may necessitate a price change in the event of, but not limited to: (i) amounts charged by waste processors and/or disposal site operator(s), and (ii) surcharges, taxes, fees, etc., imposed upon processing or disposal of waste by any Federal, State, or local government agency(ies). Price increases/decreases will be effectuated by notification of Client. (c) Philotechnics' payment terms are 100% Net 30 calendar days of receipt of invoice. Philotechnics shall have the right to add to Client's invoice(s), and Client agrees to pay, a service charge of one and one percent (1.0%) per month (but not to exceed the lawful applicable rate) on all undisputed amounts not paid within the specified terms. Client agrees to pay collection costs, including attorney's fees, incurred by Philotechnics in connection with past due undisputed amounts. Client's failure to pay any undisputed invoice amounts when due shall constitute a material breach of this Agreement.

3. SHIPMENTS and WASTE CONFORMANCE (a) All Client mixed and/or radioactive waste (hereinafter "Waste") to be received shall conform to the then current version of the applicable Waste Acceptance Criteria (WAC), as revised from time to time by Philotechnics. Attachment B is a copy of the current WAC and expressly made a part hereof. (b) For each shipment, Client shall fully and accurately complete a Radioactive Shipment Manifest in form and substance acceptable to Philotechnics and, acknowledging that Philotechnics will rely on such data, Client hereby represents and warrants that the data provided by it on each such Manifest is true and correct in all aspects and in compliance with all applicable Federal, State or local laws, rules, regulations, ordinances and government actions. (c) Philotechnics will take possession of conforming waste upon acceptance of the waste for shipment, completion of loading operations of the transportation vehicle and approval signature on the Client's shipment manifest. Philotechnics reserves the right, in its sole discretion, to reject any Client Waste at the time of waste pick up. Waste will be inspected by Philotechnics in accordance with the applicable Radioactive Materials License of the receiving facility, the WAC, and other applicable Federal, State or local laws, regulations, licenses or permits. Material found to be non-conforming shall be rejected. (d) Client hereby represents, warrants and promises that it has the legal right and ability to accept, and will accept, the return of its waste (processed or unprocessed) to the generator or Client's facility of origin, in the event a non-conformance or such return is required due to regulatory authority. All reasonable and allocable costs associated with such a return of Waste shall be the responsibility of the Client and will be invoiced in accordance with this Agreement plus 15 percent handling. In the event a processing or disposal facility requires return of waste, Philotechnics will make best effort to find an alternative processing and/or disposal facility prior to any return.

4. FORCE MAJEURE (a) The performance of this Agreement, except for the payment of money, may be suspended without any liability whatsoever by either party in the event of act beyond the reasonable control of such party, which event prevents the delivery, transportation, acceptance or disposal of waste. (b) The performance may be suspended by either party in the event of any Federal, State or local government requests, laws, regulations, orders, directives or actions, including but not limited to those arising out of or incidental to the Low-Level Radioactive Waste Policy Act of 1980 any amendments thereto, the effect of which is to prevent the delivery, transportation, acceptance or disposal of low-level radioactive wastes. (c) If Philotechnics suspends the performance under the terms of this Force Majeure clause, Philotechnics shall not be responsible for any costs or expenses which may arise as a result of such suspended performance.

5. INSURANCE. Philotechnics will maintain the following insurance at its expense during the term of this Agreement: (a) Worker's Compensation, Statutory; (b) Employer's Liability, \$500,000; (c) General Liability, \$1,000,000; (d) Automobile Liability, \$1,000,000; and (e) Pollution Liability \$1,000,000.

6. INDEPENDENT CONTRACTOR. Philotechnics is, and will perform this Agreement as an independent contractor. As such, it will have and maintain sole control over its employees, agents, operations, and/or the work to be performed under such order. Neither Philotechnics nor any representative, employee or agent thereof, will be, represent, act or deemed to be a representative, employee, or agent of Client.

7. ASSIGNMENT. This Agreement may not be assigned, conveyed, or transferred without the prior written consent of Philotechnics. Any attempted assignment, conveyance or transfer without the required consent will be void. The respective rights and obligations of the parties under this Agreement shall inure to the benefit of, and be binding upon, the parties' permitted successors and assigns.

8. WAIVER. The failure of either party to insist, in any one or more instances, upon the strict performance of any provision of this Agreement shall not be construed as a waiver or other relinquishment of such party's right to insist upon such strict performance of said provision or any other provision hereof or any other provision of this Agreement. Any waiver by either party of any provision hereof or any other provision of Agreement shall be in writing signed by an authorized representative of the party to be bound and shall not be construed or deemed to be a waiver of any subsequent breach of the same provision or of any other provision unless such a waiver is expressed in writing as aforesaid.

9. NOTICE. Any notice, communication, or statement required to be given to Philotechnics under this Agreement must be in writing to: Philotechnics, 201 Renovare, Oak Ridge, TN 37830, Attn: Contracts Administrator.

10. WARRANTY. (a) Philotechnics understands the risks presented to persons, property and the environment in the handling, transportation, storage, treatment and disposal of radioactive waste, and that Philotechnics is qualified to perform the services required hereunder. Accordingly, Philotechnics warrants that it possesses, and will maintain, all permits, licenses, certificates and approvals necessary

for the performance of the services hereunder. (b) Philotechnics warrants to Client that the services to be performed hereunder will: (i) be performed by qualified and competent personnel in accordance with industry practice appropriate to the nature of the services rendered at the time performed; (ii) comply with all applicable laws, rules, regulations and ordinances; and (iii) be performed in a safe and workmanlike manner. This warranty of the services to be performed shall expire with respect to a given service one (1) year after such service was performed. In the event any portion of the services to be performed hereunder fails to comply with this warranty obligation and Philotechnics is promptly notified in writing of such failure, and in no event later than thirty (30) days after the expiration of the applicable warranty period, Philotechnics will promptly re-perform such portion of the services work without additional compensation from Client or, if re-performance is impracticable in the sole judgment of Philotechnics, then Philotechnics will refund the amount of the compensation paid to Philotechnics for such portion of the services. (c) Without limiting Philotechnics' rights under this clause, Philotechnics will reasonably consult with Client as to the election, timing and manner of any re-performance, replacement or adjustment to be made by Philotechnics, giving consideration to such factors as Client's operating requirements and costs, as well as the respective costs to Philotechnics of the various alternatives. After Philotechnics has made its election, it will notify the Client, who shall have the opportunity to request an alternative corrective action; provided such alternative corrective action does not enlarge or adversely affect Philotechnics' warranty obligations under this clause and Client and Philotechnics agree on any necessary price adjustments as a result, Philotechnics will take such alternative corrective action. (d) All guarantees made by Philotechnics in connection with this Agreement are limited to those set forth in this Article. Philotechnics makes no other warranties or guarantees, express or implied. IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE ARE SPECIFICALLY EXCLUDED.

11. INDEMNIFICATION. To the extent caused by the negligent or willful act or omission of either party, its employees, agents or subcontractors in the performance hereof, of this Agreement, such party ("Indemnifying Party") agrees to indemnify, save harmless and defend the other party ("Indemnified Party") from and against any and all liabilities, claims, penalties, forfeitures, proceedings, suits, and the costs and expenses incident thereto including costs of defense, settlement, and reasonable attorney's fees, but excluding special and consequential damages such as loss of profit (hereinafter "Claims"), which the Indemnified Party may hereafter incur or become responsible for as a result of death or bodily injuries to any person, destruction of property of whatever kind or any other interest, or contamination of or adverse effect on the environment, or any violation of governmental laws, regulations or orders. The indemnification obligation of each party hereunder is subject to the following: (i) the Indemnified Party shall provide prompt notice to the Indemnifying Party of any Claim for which indemnification may be sought; (ii) Indemnified Party shall have the opportunity to participate fully, at its expense, in any administrative or judicial proceeding, including any settlement negotiations, with respect to any Claim for which indemnification may be sought; (iii) no settlement agreed to with respect to any Claim for which indemnification will be sought without the prior consent of Indemnified Party which consent shall not be unreasonably withheld; and (iv) the Indemnified Party shall be obligated to exert reasonable efforts to mitigate any loss or damage for which it may seek indemnification.

12. LIMITATION OF LIABILITY. (a) Regardless of any other provision of this Agreement, under no circumstances will Philotechnics be liable to Client whether in contract, tort (including negligence and strict liability) under any warranty or otherwise, for any incidental, indirect, special or consequential damages of any kind, nature or amount whatsoever, including but not limited to loss of profits or revenue, even if advised of the possibility of such damages. (b) The remedies set forth herein are exclusive and the total cumulative liability of Philotechnics under or in connection with this Agreement, or as a result of any act or omission in connection therewith or related thereto, whether in contract, in tort (including negligence and strict liability), under any warranty, or otherwise, shall be limited to the compensation received by Philotechnics under this Agreement. (c) The provision of this clause shall survive the expiration or termination of this Agreement, and shall apply and control notwithstanding any other conflicting or inconsistent provision hereof or this Agreement, to the fullest extent permitted by applicable law.

13. DISPUTES AND GOVERNING LAW. (a) The parties agree to exercise reasonable efforts toward the prompt and equitable settlement of any controversy, claim or dispute arising out of or relating to this Agreement, or breach thereof, through amicable consultation and negotiation by their respective management and, if agreed by such management representatives, through a mutually agreeable alternative dispute resolution proceeding (ADR). All such consultation and negotiation shall be confidential and shall be deemed as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and any applicable State rules of evidence. If any such controversy, claim or dispute has not been resolved or referred to ADR by agreement of such management representatives within sixty (60) days after a party's written request for management negotiation thereof, then either party is free to initiate litigation. (b) This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, except its rules regarding choice of laws. (c) Each of the Parties (i) irrevocably and unconditionally consents to the exclusive jurisdiction and venue of any court of competent jurisdiction (whether federal or state) sitting within the State of Tennessee, located in Knox County or the federal court of the United States, located in Knoxville, Tennessee, for purposes of enforcing the terms of this Agreement or interpreting any provision, remedying any breach, or otherwise adjudicating any dispute of or under this Agreement, (ii) expressly submits to personal jurisdiction in the State of Tennessee and consents to venue in Knox County, with respect to any suit, action, or proceeding, (iii) irrevocably and unconditionally waives any objection to the jurisdiction and venue required in this provision, and (iv) agrees not to plead or claim in any such court that any such suit, action, or proceeding has been brought in an inconvenient forum.

14. MISCELLANEOUS. The terms of this Agreement shall also apply to Purchase Orders issued in relation to this Agreement. All such Orders shall be deemed for Client's internal administrative use only, such as for invoicing and accounting purposes, and all provisions, including those on the reverse side shall be deemed deleted. Additional or different terms inserted in this Agreement by Client, or deletion thereto, whether by Purchase Order, alterations or addenda, or otherwise, shall be of no force and effect.