

## Cogema 1990 Fixed Quantities Reprocessing Contract

This is an electronic version of a Cogema reprocessing contract, a "fixed quantities" contract for German utilities made up in 1990 as a standard reference for potential German customers . Appendices and other documents referred to are not included.

### Is this legal?

Probably not, but this document has been passed around for years among groups so it may be considered a public secret anyway and I bet it has been quoted before (as in several parts of my own report). Besides, it's good reading if one is interested in the subject ;-)  
Anyway, now's the time to leave if you don't like this.

+++ COGEMA 1990 FIXED QUANTITIES REPROCESSING CONTRACT +++

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This Contract is made this ..... day of ..... one thousand nine hundred and ninety between

COMPAGNIE GENERALE DES MATIERES NUCLEAIRES  
having their registered office at 2, rue Paul Dautier, 78140 Velizy-Villacoublay  
(hereinafter called "the Reprocessor") of the one part

AND

.....  
.....

(hereinafter called "the Company") of the other part,

WHEREAS

(A)

The company are operating at ..... (a) nuclear power station(s) named ..... (hereinafter called "the POWER STATION") and wish the Reprocessor to store and reprocess fuel assemblies irradiated in the POWER STATION,

(B)

The Reprocessor is operating reprocessing plants at LA HAGUE and is able and willing to accept FUEL for reprocessing and related services according to the terms and conditions hereinafter set forth,

(C)

The Governments of the Federal Republic of Germany and of the French Republic published on June 6, 1989 a Joint Statement on Co-operation in the Field of Peaceful Use of Nuclear Energy between France and the FRG to let their intention known to co-operate in the field of nuclear energy and to formalize in the appropriate legal manner the undertakings necessary for such co-operation,

(D)

Other German utilities intend to sign with COGEMA reprocessing contracts similar to this one,

NOW THEREFORE, IT IS HEREBY AGREED AS FOLLOWS

**CLAUSE 1**

**DEFINITIONS**

In this Contract and the Appendices hereto the following expressions shall, unless the context otherwise requires, have the following meanings respectively (with the singular including the plural and verb tenses being changed as the context may require), that is to say :

AGREED

means agreed in writing between the parties ;

AVAILABILITY PROGRAMME

means the programme which shall specify the estimated dates when quantities of uranyl nitrate and plutonium dioxide shall be MADE AVAILABLE to the Company at the REPROCESSING SITE ;

CONSIGNMENT means

- a. in respect of FUEL, the quantity of FUEL delivered at one time and shall consist of at least one full or partially full transport flask ;
- b. in respect of uranium and plutonium, the quantity transported at one time ;
- c. in respect of RESIDUES, the quantity transported at one time to a particular

REPOSITORY ;

COOLED

means stored after discharge from the reactor, for such period of time as shall permit transportation of the FUEL or REPROCESSING of the FUEL, as the case may be ;

DELIVERY means

- a. in respect of FUEL transport :
  1. in respect of the empty (i.e. free of FUEL) flask : the unloading of the flask from the transport vehicle at the installation where the FUEL is stored by the Company ;
  2. in respect of FUEL : the loading of the flask containing the FUEL onto the transport vehicle the installation where the FUEL is stored by the Company ;
- a. in respect of uranium and plutonium: the meaning ascribed thereto in Clause 6.7 ;
- b. in respect of RESIDUES : the meaning ascribed thereto in Clause 8.6 ;in case of return of FUEL according to Clause 9.1.9 : where and when the flask and/or the FUEL are physically handed over ;

DELIVERY PROGRAMME

means the programme for the DELIVERY of FUEL during one calendar year ;

FIRM QUANTITY

means the firm quantity of FUEL notified by the company as being available for DELIVERY ;

FUEL

means fuel assemblies irradiated in the POWER STATION ;

HEAVY METAL or HM

means all the isotopes of uranium and plutonium contained in the FUEL before irradiation ;

HIGH BURN-UP FUEL

means uranium FUEL as described in Appendix 1 for which the Reprocessor reserves the right to have it REPROCESSED in UP2-PLANT as a result of burn-up limits applicable in UP3-A ;

MADE AVAILABLE means

- a. in respect of FUEL, FUEL acceptable to the Reprocessor pursuant to Clause 4.3.2 and which has been declared by the Company as being available for DELIVERY ;
- b. in respect of uranium and plutonium, uranium and plutonium which has been either declared by the Reprocessor to be available for collection by the Company from the REPROCESSING SITE, or placed into STORAGE pursuant to Clause 17.2.1 whichever shall first occur ;

MOX FUEL

means FUEL as described in Appendix 1 which prior to irradiation contain plutonium and which the Reprocessor reserves the right to have REPROCESSED in UP2 Plant ;

NOTIFIED DATE

means in respect of uranyl nitrate and plutonium dioxide the date notified by the Reprocessor to the Company under the AVAILABILITY PROGRAMME when such products are estimated to be MADE AVAILABLE at the REPROCESSING SITE ;

PROVISIONAL DELIVERY PROGRAMME

means the programme for the expected DELIVERY of FUEL to the Reprocessor during a period of two consecutive calendar years ;

PROVISIONAL QUANTITY

means the quantity of FUEL expected to be MADE AVAILABLE for REPROCESSING ;

REPOSITORY

means a site or facility wherein the Company shall arrange for storage of RESIDUES relevant to the Company's FUEL ;

REPROCESSING

means the separation of the plutonium, uranium and fission products contained in the FUEL including the conversion of plutonium into dioxide and the conversion of WASTE into RESIDUES.

REPROCESSING PLANT

means the UP3-A REPROCESSING facilities ;

REPROCESSING SITE

means the site of the establishment at La Hague, Manche ;

RESIDUES

means all such WASIE as defined below which is in a form suitable for transportation and return to the company pursuant to the provisions of Clause 8 hereof ;

SERVICE AGREEMENT

means the Agreement entered into on February 17th 1978, as amended, for the REPROCESSING of certain quantities of FUEL arising from the POWER STATION ;

STORAGE means

- a. in respect of FUEL : the storage of FUEL in the ponds prior to REPROCESSING at the REPROCESSING SITE ;
- b. in respect of uranium and plutonium, the storage of uranium and plutonium after the date on which the same are MADE AVAILABLE and prior to the collection of the same from the REPROCESSING SITE ;
- c. in respect of WASTE, the interim storage of WASTE prior to conversion into RESIDUES ;
- d. in respect of RESIDUES, the storage of any such RESIDUES by the Reprocessor until DELIVERY thereof to the Company ;

SWU

means Separative Work Unit ;

UP2-PLANT

means the REPROCESSING facilities other than the REPROCESSING PLANT located on the REPROCESSING SITE ;

WASTE

means and includes any item falling within the description of "waste" as described in paragraph 2 of Part A of Appendix 13 hereof when such items have not been converted into RESIDUES ;

YEAR

means a calendar year.

**CLAUSE 2**

**SCOPE OF CONTRACT**

2.1

The Company shall, during the period from [ ] to 31 December 2005, DELIVER to the Reprocessor and the Reprocessor shall accept from the Company for transport, STORAGE and REPROCESSING under the terms of this Contract a firm quantity of fuel assemblies arising from the POWER STATION and containing not less than [ ] tonnes of HEAVY METAL in accordance with the schedule set out below:

YEAR OF DISCHARGE FROM THE POWER STATION	QUANTITY (tHM) CONTAINED IN FUEL ASSEMBLIES BEFORE IRRADIATION, ANNUAL/CUMULATED	YEAR OF DISSOLUTION
1990 or before	. . . . .	2000
-	. . . . .	-
-	. . . . .	-
2005	. . . . .	2009

2.2

In addition to the provisions of Clause 2.1, the Company are entitled to require the REPROCESSING of extra quantities of FUEL according to the terms and conditions of one of the three following alternatives:

2.2.1

If the Company elect alternative 1, they shall have two options free of charge to require the Reprocessor to accept for transport, STORAGE and REPROCESSING under the terms and conditions of this Contract a quantity - to be determined by the Company - of FUEL discharged from the POWER STATION, such option to be exercised during the following

periods of time:

- Option 1 for FUEL discharged between January 1st 2006 and December 31st 2010,
- Option 2 for FUEL discharged between January 1st 2011 and December 31st 2015.

The Company may exercise Option 1 until January 1st 2003 and option 2 until January 1st 2008. It is however AGREED that if COGEMA can demonstrate between January 1st 2000 and January 1st 2003 for Option 1 or between January 1st 2000 and January 1st 2008 for Option 2 the existence of concrete sales possibility which would affect the STORAGE and/or REPROCESSING capacities kept available for the Options, the parties shall consult together. The Company shall decide within 6 months following such consultation if they elect to exercise or to give up or to postpone all or part of the relevant option.

The parties AGREE that :

- the benefit of such Options involves a waiver by the Company of their options under clauses 2.3.3, 2.3.4 and 2.3.5 of the SERVICE AGREEMENT.
- the Company may not waive their right to the Options in order to obtain REPROCESSING from another reprocessor.

If the Company elect alternative 2, they shall be entitled to require the Reprocessor to make offers for transport, STORAGE and REPROCESSING of a quantity - to be determined by the Company - of FUEL discharged from the POWER STATION. Such requests for offers shall be made so as to allow the Company to benefit of two options free of charge:

- Option 1 for FUEL discharged between January 1st 2006 and December 31st 2010,
- Option 2 for FUEL discharged between January 1st 2011 and December 31st 2015.

The Reprocessor shall offer its terms and conditions for the options within six months from request by the Company. The Company may exercise Option 1 until January 1st 2003 and Option 2 until January 1st 2008. It is however AGREED that if COGEMA can demonstrate between January 1st 2000 and January 1st 2003 for option 1 or between January 1st 2005 and January 1st 2008 for option 2 the existence of a concrete sales possibility which would affect the STORAGE and/or REPROCESSING capacities kept available for the Options, the parties shall consult together. The company shall decide within 6 months following such consultation if they elect to exercise. or to give up or to postpone all or part of the relevant option.

The parties AGREE that the benefit of such Options involves a waiver by the Company of their options under Clauses 2.3.3, 2.3.4 and 2.3.5 of the SERVICE AGREEMENT.

#### 2.2.3

If the Company elect alternative 3 and wish to have FUEL discharged after 2005 REPROCESSED and should the Reprocessor is in a position to accept such FUEL, the Reprocessor shall make an offer, upon request of the Company, and the parties shall negotiate with a view to enter into a new contract. The parties AGREE that the options provided by clauses 2.3.3, 2.3.4 and 2.3.3 of the SERVICE AGREEMENT remain valid.

#### 2.2.4

Unless otherwise AGREED, the Company shall let the Reprocessor know which of the three above mentioned alternatives they elect not later than December 31st 1994.

#### 2.3

Should the Reprocessor determine that the REPROCESSING PLANT will still be in working condition after 2015, extra quantities will, after consultation with the Company, be accepted for REPROCESSING for the expected life-time of the REPROCESSING PLANT, subject to an agreement of the parties on the REPROCESSING and other charges to be reached no later than two YEARS before the expected date for the last DELIVERY of FUEL under Clauses 2.1 and 2.2.

#### 2.4

The Company may MAKE AVAILABLE in any of the YEARS a quantity of FUEL which is less or more than the quantity specified in Clauses 2.1 or 2.2 in the YEAR before - within the limits of 15 % of the said quantity. Should the total cumulated quantity actually MADE AVAILABLE by the end of the period specified in Clause 2.1 and, for the exercised option, 2.2 be less than the total quantity due to be MADE AVAILABLE, the Company shall be given not more than one additional YEAR to DELIVER the missing quantities. The provisions of Clause 9.1.9.1 shall apply for any quantity of FUEL not DELIVERED by the end of this additional YEAR.

#### 2.5

The Company may DELIVER MOX FUEL and HIGH BURN-UP FUEL subject to the provisions of Clause 5.6 herein.

#### 2.6

The FUEL shall conform to the relevant specifications set out in Appendix I hereto, or to such other specifications as may be AGREED.

#### 2.7

The Reprocessor will accept damaged FUEL subject to specific conditions to be AGREED.

2.8

The Company may terminate this contract at any time for reasons other than Force Majeure subject to the provisions of Clause 9.1.9.

2.9

Following REPROCESSING, the Reprocessor shall recover uranium and plutonium. Unless otherwise AGREED, WASTE shall be STORED by the Reprocessor prior to conversion into RESIDUES. At all times, FUEL, uranium, plutonium, WASTE and RESIDUES derived or deemed to be derived from such FUEL shall be and remain the property of the Company unless otherwise AGREED.

2.10

Should REPROCESSING be suspended or delayed in the REPROCESSING PLANT, the Reprocessor Shall endeavour to have it performed in the UP2-PLANT.

2.11

Should the Reprocessor, for reasons other than Force Majeure, not be in a position to REPROCESS in any YEAR the relevant quantities provided for under the above Clause 2.1 it shall, upon request of the Company, MAKE AVAILABLE to the Company substitute quantities of uranium and/or plutonium corresponding to the quantities of FUEL which should have been REPROCESSED.

2.12

Subject to an advance notice to be AGREED but which is anticipated to be not less than three years, the Reprocessor shall make arrangements in order to provide MOX FUEL manufacturing services for all or part of the Company's plutonium recovered from REPROCESSING.

2.13

The Reprocessor is prepared to store uranium recovered from REPROCESSING under a form and condition to be AGREED upon.

2.14

To contribute to the smooth implementation of this Contract, the Parties shall procure that a Co-ordination Committee shall be set up consisting of representatives of the Company, of the Reprocessor and if the Parties AGREE of other German customers having signed reprocessing contracts similar to this one.

2.15

The representative sent by the Reprocessor to the POWER STATION will be accepted subject to all applicable rules, it being AGREED that Appendix 15 will apply mutatis mutandis.

### **CLAUSE 3**

#### **SCOPE OF SERVICES**

The Reprocessor shall provide services for which it is firmly committed and shall also provide services at the Company's option.

##### **3.1 Firm commitments**

The Reprocessor is firmly committed for the following services:

- transport of the fuel assemblies,
- unloading of the fuel assemblies from the transport flasks,
- STORAGE of FUEL for a maximum period of 2 years before dissolution,
- REPROCESSING of FUEL,
- STORAGE of uranyl nitrate for a maximum period of 91days,
- STORAGE of plutonium dioxide for a maximum period of 2 years,
- STORAGE of RESIDUES for a maximum period of 3 years.

##### **3.2 Optional commitments**

The Reprocessor shall provide or arrange the making available of the following services subject to prior AGREEMENT on the terms and conditions with the Company:

- STORAGE of plutonium for more than two years,
- STORAGE of uranyl nitrate for more than 91 days,
- interim STORAGE of RESIDUES for more than three years,
- transport of plutonium to the place designated by Company,
- transport of uranyl nitrate to the place designated by the Company,

- long term STORAGE of uranium in a form to be AGREED,
- transport of RESIDUES,
- conversion of uranyl nitrate to another form,
- re-enrichment of the recovered uranium,
- providing advice and design information to the Company relevant to storage of RESIDUES at the REPOSITORY,
- supply of MOX fuel,
- REPROCESSING of the FUEL of the POWER STATION for its life-time provided that such REPROCESSING shall be compatible with the life-time of the REPROCESSING PLANT and subject to AGREEMENT on the REPROCESSING and other charges for REPROCESSING beyond 2015.

### 3.3 Additional service

In addition to the firm and optional commitments, the Reprocessor guarantees the STORAGE of FUEL until REPROCESSING thereof whenever FUEL DELIVERY or REPROCESSING takes place.

## CLAUSE 4

### DELIVERY AND TRANSPORT OF FUEL

#### 4.1 PROGRAMMES

The parties shall AGREEE on the programme for DELIVERY of FUEL which is to be DELIVERED by the Company according to the provisions at Appendix 2. Such programme shall take into account the requirements of the POWER STATION.

#### 4.2 DELIVERY AND TRANSPORT OF FUEL

##### 4.2.1 RESPONSIBILITIES

###### 4.2.1.1

The Reprocessor shall be responsible for transporting each CONSIGNMENT from the point of DELIVERY to the REPROCESSING SITE. More particularly, the Reprocessor shall :

- make available at the POWER STATION the flasks together with the ancillary equipment - unless the Company decide to provide flasks under the conditions set out under Clause 4.3.1 hereunder - and the transport means,
- take the necessary steps to secure all licenses required,
- arrange all the necessary insurance covers,
- send representatives to the POWER STATION in order to give advice on the flask handling and qualify the quality of the FUEL before it is DELIVERED to the Reprocessor,

it being AGREED that all transport matters should be arranged in accordance with the Company's wishes.

###### 4.2.1.2

The Company shall be responsible for :

- accepting the empty flask at the point of DELIVERY ;
- unloading the flasks from the transport vehicle ;
- loading the FUEL into the flask ;
- decontaminating the loaded flask ;
- loading the loaded flask onto the transport vehicle ;
- providing the equipment permanently required at the POWER STATION.

###### 4.2.1.3

The Company shall use its best endeavours to ensure that DELIVERY to the Reprocessor of each CONSIGNMENT is completed in accordance with the DELIVERY PROGRAMME referred to in Appendix 2. If the Company foresee through any cause attributable to the Company there is any likelihood of delay in DELIVERY of a CONSIGNMENT, they shall give notice to the Reprocessor and the parties shall consult together with a view to reaching agreement on the course of action to be taken in such circumstances.

###### 4.2.1.4

If DELIVERY of a CONSIGNMENT is not completed by the relevant due date, the Reprocessor shall, after consultation with the company, either :

- arrange for the departure of the transport vehicle to be delayed until DELIVERY has been completed, or
- arrange for the departure of the transport vehicle without delay notwithstanding the fact that DELIVERY of a full flask has not been effected.

#### 4.3 SPECIFICATIONS REGARDING TRANSPORT

##### 4.3.1 Flasks

The FUEL shall be transported in flasks which shall be to a design and specification which

shall be specified by the Reprocessor after consultation with the Company. The flasks and any internal support material shall be provided by the Reprocessor and shall be DELIVERED to the Company at the point of DELIVERY.

Such flask designs shall comply with the regulations referred to in Clause 4.3.6 below.

As provided for in Clause 4.2.1.1, the flasks will be provided by the Reprocessor. However :

- if on the date of signature of this Contract, the Company have flasks available, a list of which is given in Appendix 2 hereto, the Reprocessor will undertake to examine in good faith if such flasks are compatible with the unloading facilities at the REPROCESSING SITE, or
- if, in the long run, the Reprocessor's flasks can no longer be used, the parties will examine under which conditions flasks provided by the company could be used, if the Company so wish.

The Reprocessor shall DELIVER to the Company the empty flasks in such conditions as to allow immediate loading.

#### 4.3.2 Fuel cooling time

The Reprocessor shall accept DELIVERY of FUEL which has between the date of discharge from the reactor and the date of DELIVERY to the Reprocessor been COOLED for at least a period defined in Appendix I, or such other period as may be AGREED.

In addition to the foregoing, on a case by case basis the Reprocessor will use reasonable efforts to assist the Company to overcome eventual problems caused by limitations of cooling pond capacity and licensing restrictions. In such cases the acceptance of DELIVERY of FUEL which has been COOLED for a shorter period than that defined in the above paragraph shall be granted, provided this is technically feasible.

#### 4.3.3 Damaged fuel and fuel outside specifications

##### 4.3.3.1

The Company shall when the information set out in Appendix 3 Part D is provided to the Reprocessor also notify the Reprocessor if they know or suspect that any of the FUEL which they wish to send to the Reprocessor is damaged or otherwise fail to meet the specification set out in Appendix 1.

- ***One page missing!! Will be put in later.***

#### 4.3.6 Radiation

The Company shall, on the DELIVERY to the Reprocessor of each flask containing FUEL, ensure that it complies in respect of radiation and contamination with limits set out in the Regulations for the Safe Transport of Radioactive Materials (1973 Edition) published by the International Atomic Energy Agency under reference STI/ PUB/323 in Safety Series Number 6, and with such other limits as may be required by the relevant authorities.

## CLAUSE 5

### STORAGE OF FUEL AND REPROCESSING

#### 5.1

After transport of each CONSIGNMENT of FUEL to the REPROCESSING SITE the Reprocessor shall STORE such FUEL until such time as the same is REPROCESSED hereunder.

#### 5.2

After consultation of the Company, the REPROCESSING programmes will be established by the Reprocessor on a non-discriminatory basis between all the customers, according to the best technical advantage of the REPROCESSING PLANT, it being AGREED that the Reprocessor has to take into account the needs of the Company inasmuch as they do not hinder the rights of the other customers and the optimization of operation of the REPROCESSING PLANT.

When establishing the programmes, the Reprocessor will take into account the COOLING period of the fuel assemblies before dissolution according to their bum-up as indicated hereafter :

Average burn-up per fuel assembly, MWd/t HM	COOLING (years)
Up to 35000 for Uranium FUEL	3
35001 to 47500 for Uranium FUEL	4
47500 to 60000 for Uranium fuel and MOX FUEL	5



## 5.3

When the Company's FUEL is actually dissolved for REPROCESSING, the Reprocessor shall determine the weights of uranium, plutonium and fissile isotopes thereof in accordance with the provisions of Appendix 4 and as soon as practicable after the results are available, the Reprocessor shall notify the same to the Company.

## 5.4

After the samples have been taken from the FUEL in accordance with Appendix 4, the FUEL may at the Reprocessor's discretion be mixed during REPROCESSING with other fuel in accordance with normal operational requirements.

## 5.5

The Reprocessor shall, following REPROCESSING of quantities of FUEL, recover quantities of uranium and plutonium which the Reprocessor shall subsequently allocate to the Company. It is recognized that operation requirements may demand that the Reprocessor allocates to the Company uranium or plutonium not actually derived from the Company 's FUEL.

## 5.6

The REPROCESSING of HIGH BURN-UP FUEL and of MOX FUEL is subject to the following conditions :

## 5.6.1

The Company - whether or not they intend to DELIVER MOX FUEL - accept that the Reprocessor shall have the right to mix the Company's FUEL - whether uranium or MOX FUEL - with uranium or MOX FUEL of any other customers.

## 5.6.2

The Reprocessor may assign the REPROCESSING of HIGH BURN-UP FUEL and MOX FUEL to the Reprocessor for REPROCESSING in the UP2-PLANT. Such assignment shall take place under the sole responsibility of the Reprocessor and shall in no way affect the rights and obligations of the parties. However the performance of such assignment will require swaps of fuel assemblies between UP2 and UP3 customers including the Company and the parties AGREE that such swaps will be coordinated by the Reprocessor and that the Company will not object to such swaps and will accept to assist the Reprocessor for all the administrative arrangements which might then be needed.

## 5.6.3

MOX FUEL will be accepted by the Reprocessor if the following conditions are fulfilled in addition to the conditions of Clauses 5.6.1 and 5.6.2 hereof :

## 5.6.3.1

If the Company commit themselves to DELIVER in a given YEAR or in the YEARS next following quantities of uranium FUEL at least three times higher than the quantities of MOX FUEL still to be DELIVERED, the Reprocessor shall accept all such MOX FUEL without reservations,

## 5.6.3.2

If the Company wish to DELIVER a proportion of MOX FUEL higher than that determined under Clause 5.6.3.1, the Reprocessor shall accept these extra quantities of MOX FUEL if the relevant necessary quantities of uranium FUEL not already committed for the REPROCESSING of other MOX FUEL DELIVERED or still to be DELIVERED can be found by the Reprocessor among other customers.

**CLAUSE 6****URANIUM AND PLUTONIUM**

All the provisions of this Clause are subject to Clause 17 hereof :

## 6.1 PROGRAMMES FOR MAKING AVAILABLE URANIUM AND PLUTONIUM

The programmes for the MAKING AVAILABLE of uranium and plutonium are set out in Appendix 5 hereof.

## 6.2 AVAILABILITY OF URANIUM

## 6.2.1

Uranium MADE AVAILABLE shall be in the form of uranyl nitrate to the specifications set out in Appendix 6.

## 6.2.2

The quantity of uranium as uranyl nitrate to be MADE AVAILABLE shall be in accordance with the provisions of Appendix 7.

## 6.2.3

Before the uranium as uranyl nitrate is MADE AVAILABLE, the Reprocessor shall carry out the output determination in accordance with the provisions of Appendix 8.

## 6.2.4

The Company have the option either to arrange for collection of uranyl nitrate or to request the Reprocessor to arrange the transport of the uranyl nitrate. Upon request of the Company the Reprocessor shall submit to the Company the terms and conditions of such transport services two years in advance of the expected date of the transport. Within six months following such submission the Company shall inform the Reprocessor of their decision.

## 6.2.4.1

In case the Company decide to arrange for collection they shall not later than six weeks before the NOTIFIED DATES referred to in Appendix 5 arrange to make available to the Reprocessor at the REPROCESSING SITE containers for the uranyl nitrate solution and not later than three months after the uranyl nitrate IS MADE AVAILABLE arrange to collect and transport the uranyl nitrate containers from the REPROCESSING SITE.

## 6.2.4.2

In case the Company decide to request the Reprocessor to arrange the transport of uranyl nitrate, the Reprocessor shall provide such transport at the then AGREED terms and conditions.

## 6.2.5

If, for any reason, the Company have failed to provide containers for the uranyl nitrate within a period of three months after it has been MADE AVAILABLE or to collect the loaded uranyl nitrate containers, the Reprocessor may after consultation with the Company convert the uranyl nitrate to another chemical form at the expense of the Company.

## 6.2.6

The Company have the right to request the Reprocessor to arrange the STORAGE of uranyl nitrite for more than 91 days in the Reprocessor's facilities. The Company shall indicate their requirement for each such STORAGE to be provided by the Reprocessor 2 years in advance and the Reprocessor will inform the Company about the terms and conditions of STORAGE 18 months in advance of the STORAGE of uranyl nitrate. The Reprocessor shall be obliged to undertake STORAGE at the AGREED terms and conditions.

## 6.3 AVAILABILITY OF PLUTONIUM

## 6.3.1

Plutonium MADE AVAILABLE shall be in the form of plutonium dioxide to the specifications set out in Appendix 9.

## 6.3.2

The quantity of plutonium dioxide to be MADE AVAILABLE shall be in accordance with the provisions of Appendix 10.

## 6.3.3

Before the plutonium dioxide is MADE AVAILABLE the weights of plutonium and fissile isotopes thereof shall be determined in accordance with Appendix 11.

## 6.3.4

If the Company do not expect to be in a position to remove plutonium dioxide from the REPROCESSING SITE within two years after it has been MADE AVAILABLE they may request the Reprocessor to extend the STORAGE of such plutonium dioxide in the Reprocessor's facilities. The Company shall indicate their requirement for each such STORAGE to be provided by the Reprocessor 2 years in advance and the Reprocessor will inform the Company about the terms and conditions of STORAGE 18 months in advance of the STORAGE of plutonium dioxide. The maximum period of time for such STORAGE will be AGREED on a case by case basis taking into account the requirements of the Company and the available STORAGE capacities.

## 6.3.5

After STORAGE the plutonium dioxide shall be transported to an AGREED destination in accordance with a schedule and provisions to be AGREED.

## 6.4

In the event that the quantity of uranium and/or plutonium as the case may be actually MADE AVAILABLE is bigger or smaller than the quantity due to be MADE AVAILABLE pursuant to Appendices 7 or 10 hereof an adjustment shall be made between the parties as follows :

## 6.4.1

Whenever possible the Reprocessor shall adjust differences in such quantities by an appropriate quantity adjustment to the quantity of uranium and/or plutonium to be MADE AVAILABLE subsequently ; and

## 6.4.2

in cases not covered by the provisions of Clause 6.4.1 above and when all FUEL DELIVERED by the Company hereunder has been REPROCESSED and all relevant data have become available to the parties a financial settlement shall be made to cover any remaining differences as aforesaid either way pursuant to the provisions of Appendix 12 hereof.

## 6.4.3

If within 5 years after all the uranium and plutonium owing to the Company have been MADE AVAILABLE, the corresponding FUEL has not been REPROCESSED, the determination according to Clause 6.5 hereunder shall be final and all further claims and obligations with respect to such unprocessed FUEL shall cease and notwithstanding the provisions of Clause 8 property of any such unprocessed FUEL shall pass from the Company to the Reprocessor.

## 6.5

In the event that uranium and plutonium are MADE AVAILABLE to the Company before the date on which the relevant FUEL is actually REPROCESSED, the quantity of uranium and plutonium to be MADE AVAILABLE shall be determined by reference to the data provided by the Company pursuant to Appendix 3 and adjustments shall be made at a later date in accordance with Clause 6.4 following the availability of the data referred to in Clause 5.3 herein.

## 6.6 OTHER FORMS OF URANIUM AND PLUTONIUM AND PROVISIONS OF STORAGE

## 6.6.1

In the event that the Company wish the Reprocessor to MAKE AVAILABLE uranium and plutonium in a form other than those specified in Clauses 6.2 and 6.3 respectively, the Company shall so notify the Reprocessor and the parties shall consult with the intent of AGREEING terms and conditions of such further services.

## 6.6.2

In particular, should the Company require the Reprocessor to MAKE AVAIABLE the uranium in a form other than uranyl nitrate, the Company shall give the Reprocessor 3 years notice of such requirement unless a shorter period is AGREED. Such service shall be provided on terms to be AGREED.

## 6.7

For the purpose of this contract unless otherwise AGREED non-nuclear third party liability in the uranium and plutonium shall pass from the Reprocessor to the Company on physical transfer of the uranium and plutonium to the actual or deemed control of the company. The point of DELIVERY shall be AGREED between the Company and the Reprocessor.

**CLAUSE 7****VARIATION**

## 7.1

The parties recognise that at the date of signature of this Contract the services to be performed by the Reprocessor hereunder are to be performed in a plant just under completion and hence that the operating conditions of such plant cannot yet be fully ascertained, even though based on the Reprocessor's current best estimates of such conditions. It is therefore agreed that changes to the technical conditions of this contract may become necessary following the Reprocessor's actual operating experience of the said plant or some requirements of the Company. In such circumstances the Reprocessor shall have the option, following consultation with the Company and the Company shall be entitled to require the Reprocessor, to make such changes as may have become necessary as a result of the actual evolution of techniques and plant operating conditions as then ascertained. Such changes shall correspond to the changes in the technical conditions then being applied to services offered to all customers including the French Generating Boards.

## 7.2

The implementation of Clause 7.1 hereof should not, as a rule, have financial consequences. In the event there would be financial consequences, the parties shall meet together in order to determine the best course of action to minimize such consequences, including the costs, of such implementation and to cause as little inconvenience to them as shall be possible in the circumstances.

**CLAUSE 8**

**RETURN OF RESIDUES**

## 8.1

The RESIDUES allocated to the company pursuant to Appendix 13 hereof will be returned to the company at a REPOSITORY in the Federal Republic of Germany.

## 8.2

The RESIDUES will be returned only if the WASTE can be put into a form which can be safely transported to the REPOSITORY and stored in accordance with such regulations as may be specified by the relevant competent national authorities, it being anticipated by both parties that such safe form will have been agreed by the relevant authorities before 31st December 1998. Both parties acknowledge that on the date of signature of this Contract the vitrified form into which some of the high level WASTE will be converted for return to the company has already been agreed by the relevant authorities. Should the Company require the RESIDUES to be returned to the Company to be suitable for final disposal in the Federal Republic of Germany, the Reprocessor shall use its best efforts in this respect, it being AGREED that all charges, if any, resulting therefrom shall be borne by the Company.

The Reprocessor and the Company will AGREE upon a technical auditor who will have access to the facilities of the Reprocessor on behalf and at the expense of the Company in order to verify the necessary quality assurance.

## 8.3

The RESIDUES will be returned according to the following provisions :

## 8.3.1

The Reprocessor shall return to the Company a proportion of the RESIDUES relevant to the REPROCESSING of any FUEL and determined in pursuance of Appendix 13. The allocation and accounting of the RESIDUES shall be made by the Reprocessor according to procedures common to all customers and established by the Reprocessor after consultation of all parties involved and taking into account, the applicable guidelines for the supervision of the radioactive waste management issued by the relevant German Authorities.

The company recognize that these procedures will also reflect the fact that during REPROCESSING the mixing of certain products occurs.

The Company will have access to the REPROCESSING PLANT for checking that procedures for allocation and accounting of RESIDUES exist and are correctly implemented.

The Company will receive, unless otherwise AGREED, not less than one year in advance, all necessary information for the return of the RESIDUES.

## 8.3.2

The return of the RESIDUES shall take place not later than three years after dissolution of the relevant batch of FUEL. However :

- as far as high level RESIDUES are concerned the Reprocessor will discuss on a case by case basis arrangements that the Company may wish to benefit by a greater flexibility, it being AGREED that the return of high level RESIDUES shall take place no earlier than four years after FUEL dissolution unless otherwise AGREED,
- the Company can require storage of low and medium level RESIDUES for a period additional to the three year firm commitment as defined under Clause 3.1 herein, subject to AGREEMENT on the relevant terms and conditions, it being AGREED that all the RESIDUES allocated to the Company must be returned to the Company not later than five YEARS after dissolution of the Company's last batch of FUEL.

## 8.3.3

The parties shall conclude a separate contract (hereinafter called "the Residues Transport Contract") relevant to the transport by the Reprocessor of CONSIGNMENTS of RESIDUES and DELIVERY to the Company of the same.

The transport and storage flasks and other transport containers to be used for the return of RESIDUES will have been AGREED in advance. Such flasks and containers shall comply with the relevant safety requirements and with La Hague acceptance criteria for such flasks. It is anticipated that the flasks used for transport of high level RESIDUES will be the HA 20/28 CG and the TS 20/28 V.

The Reprocessor shall give the Company 18 month notice of the earliest estimated date for DELIVERY of each CONSIGNMENT and the Company shall make all arrangements relevant to receipt of the same at the REPOSITORY.

## 8.4

The Reprocessor will allocate as further described in Appendix 13 WASTE to the Company.

## 8.5

Unless otherwise AGREED, DELIVERY of RESIDUES to the Company shall be effected and risks

therein shall pass from the Reprocessor to the Company when the RESIDUES are physically handed over to the Company at an AGREED point in the Federal Republic of Germany or such other location as may be AGREED.

8.6

8.6.1

Should any return of RESIDUES not be practicable for any reason attributable to the Company or to the German authorities (such an occurrence not to be considered as a case of Force Majeure) , the Reprocessor will be entitled to charge the Company a sum of [ ] from the first day when the return of RESIDUES should have taken place under the terms of Clause 8.3.2 hereof onwards, and per REPROCESSED ton of HEAVY METAL before irradiation.

Such sum will be escalated according to the provisions of paragraph 2 of Appendix 14.

The STORAGE charges referred to in Clause 9.1.2 shall also be paid by the Company.

8.6.2

The sums so paid - but not the STORAGE charges - shall be refunded to the Company together with an interest to be determined and representing only half of the interest accrued for such sums to the Reprocessor when the RESIDUES allocated to the Company are returned to the Company.

8.6.3

The sums referred to in this Clause 8 shall not be due if the Reprocessor can return RESIDUES put into vitrified form within the period of time defined in Clause 8.3.2 herein to the Company and if a satisfactory settlement can be arranged for the non-returned RESIDUES.

8.7

The Reprocessor shall, if so required by the Company and subject to terms to be AGREED, provide advice and design information relevant to storage of RESIDUES at the REPOSITORY.

8.8

The Reprocessor will provide such data as to enable the Company to meet the rules imposed in Germany, as laid down in Appendix 13, for a proper identification of the RESIDUES returned to the Company.

## **CLAUSE 9**

### **FINANCIAL PROVISIONS**

#### **9.1 PRICES**

##### **9.1.1 Prices for the services defined in Clause 3.1**

###### **9.1.1.1**

For the transport of the fuel assemblies from the POWER STATION to the REPROCESSING SITE according to the provisions of Clause 4 hereof the Company shall pay a price for each flask whether or not this flask is fully loaded to be AGREED within three months of signature of the present Contract for the quantities under Clause 2.1 hereunder and within three months of the exercise of options for the quantities under Clause 2.2 hereunder. The price quoted by the Reprocessor will reflect the recent experience gained in similar transports and will be competitive with the prices of other transporters from which the Company may wish to request transport services.

For the transport of damaged fuel assemblies, the Company shall pay an additional price to be determined in due time.

###### **9.1.1.2**

For the unloading of the fuel assemblies, the STORAGE of the fuel assemblies for two years, the REPROCESSING of the fuel assemblies to uranium in the form of nitrate and plutonium in the form of dioxide, the STORAGE of uranium for 91 days, the STORAGE of plutonium for two years, the conversion of WASTE into RESIDUES and the interim STORAGE of the RESIDUES for three years the Company shall pay a price of [ ] per kg of HEAVY METAL contained in the fuel assemblies before irradiation.

##### **9.1.2 Guarantee of storage**

Option 1: For the additional service referred to in Clause 3.3 hereof the Company shall pay [ ] per kg of HEAVY METAL contained in the fuel assemblies before irradiation.

Option 2: For the additional service referred to in Clause 3.3 hereof the Company shall pay [ ] for storage beyond two years.

(The choice between both options should be made before signature of this Contract and apply to the quantities specified in Clause 2.1. For those who choose the second option,

Clauses 9.1.2 and 9.2.2.3 shall be redrafted.)

#### 9.1.3 Escalation

The prices set out in Clauses 9.1.1 and 9.1.2 and 9.1.7.1 are based on the economical conditions of July 1989 and shall be escalated according to the provisions of Appendix 14.

#### 9.1.4 Special measures

For the special measures referred to in Clause 4.3.3 hereof the Company shall pay a price corresponding to the work performed by the Reprocessor.

#### 9.1.5 Prices for optional commitments

##### 9.1.5.1

For the STORAGE of plutonium for more than two years and the STORAGE of uranyl nitrate for more than 91 days, if requested by the Company, the Reprocessor shall make an offer not later than 31st December 2000.

##### 9.1.5.2

For the interim STORAGE of RESIDUES for more than three years, the Reprocessor shall make an offer as soon as practicable and not later than 31st December 1995.

##### 9.1.5.3

For the transport of plutonium, uranyl nitrate and RESIDUES, if requested by the Company, the Reprocessor shall make an offer not earlier than 3 years before the expected date for such transport.

##### 9.1.5.4

For the conversion of uranyl nitrate to another form, if requested by the Company, the Reprocessor shall make an offer not later than 31 December 1999.

##### 9.1.5.5

For the re-enrichment of recovered uranium, if requested by the Company, the Reprocessor shall make the necessary arrangements not later than 4 years before the expected YEAR of delivery of enriched uranium.

##### 9.1.5.6

If requested by the Company, the Reprocessor shall make an offer within 6 months of such request for the provision of advice and design information for REPOSITORY for RESIDUES.

##### 9.1.5.7

If requested by the Company according to the provisions of Clause 2.12 herein the Reprocessor shall make the necessary arrangements for the provision of an offer for MOX fuel fabrication services.

#### 9.1.6 Taxes

The prices specified in this Contract do not include Value Added Tax. Such tax, if any, will be added to the same prices. All other taxes existing at the date of signature of the present contract are included in the prices. Any other tax not existing at the date of signature of the present Contract that may be applied to the services performed under this Contract shall be borne by the company, subject to evidence thereof to be provided by the Reprocessor to the Company.

#### 9.1.7 Adjustment

The price defined in Clause 9.1.1.2 may be adjusted by the Reprocessor. Such adjustment will have to be AGREED by the parties taking into consideration the circumstances then prevailing. During the process of consultation the Reprocessor will undertake to provide the Company with all necessary information. If after AGREEMENT on adjustment the circumstances which caused such an adjustment change significantly the parties shall discuss in good faith how the adjusted price may be reviewed.

Such adjustment will take place only in the cases described below and will be done without discrimination between the customers of the REPROCESSING PLANT, pro-rata their respective quantities of fuel still to be reprocessed between the time when the Reprocessor notifies the Customer of the need to adjust the price and 2015.

##### 9.1.7.1

Modification of the safety regulations and/or instructions, including those concerning decommissioning and regulations imposed on the REPROCESSING PLANT and the facilities common to UP2-PLANT and UP3-A Plant, which could not be reasonably envisaged by the Reprocessor at the date of this Agreement, it being AGREED that the Reprocessor will bear [ ] of the cost arising as a result thereof and that no such adjustment will take place for decommissioning if the Company pay on dissolution of the FUEL an extra decommissioning charge of [ ] as escalated according to the provisions of Clause 9.1.3, per kg HM

DELIVERED.

If such an adjustment results in an average increase of less than [ ] of the price, it shall not be implemented.

If such adjustment results in an average increase of more than [ ] of the price, defined in Clause 9.1.1.2 and 9.1.3, over the period of performance of this Contract, the Company and the Reprocessor shall consult together to determine the best course of action.

If no agreement can be reached, the Customer has the right to terminate the Contract on six months notice.

#### 9.1.7.2

Every unpredicted need for refurbishing on the REPROCESSING PLANT and the facilities common to UP2 and UP3-A plants resulting in important capital spends [ ]. In such events the Reprocessor shall bear the first [ ] and the costs in excess of [ ].

If no agreement can be reached, the Customer has the right to terminate the Contract on six months notice.

If such adjustment results in an average increase of more than [ ] of the price, defined in Clauses 9.1.1.2 and 9.1.3, over the period of performance of this Contract, the Company and the Reprocessor shall consult together to determine the best course of action.

For the implementation of the present paragraph it is AGREED that:

- FACILITY means one of the twenty CAPITAL ESTIMATES constituting the whole of the initial investment of the REPROCESSING PLANT and of the facilities used in common for UP2 and UP3-A plants, a list of which is attached hereto as Appendix 16,
- any refurbishing will apply to one or several FACILITIES and will not consist of a sum of minor spends spread one over several years but may be spent over more than one YEAR.

#### 9.1.7.3

The consequences of Clauses 9.1.7.1 and 9.1.7.2 will result in an increase of the price defined in Clause 9.1.1.2, which will apply to the quantities of FUEL still to be REPROCESSED.

#### 9.1.7.4

Notwithstanding Clause 9.1.7.3, should the lifetime of the REPROCESSING PLANT exceed 2015, the Reprocessor shall recover the extra-costs under Clauses 9.1.7.1 and 9.1.7.2 over the remaining expected lifetime of the plant, together with the sums not recovered as a consequence of the implementation of Clause 9.1.7.1 and 9.1.7.2 herein.

#### 9.1.8 Hardship

Neither the Reprocessor nor the Company shall try to take any advantage of any extraordinary or unexpected circumstances. Accordingly, in case of economic unforeseeability, which would affect the performance of this Contract, either Party will be entitled to require from the other an adjustment of the financial conditions. The Parties shall then consult together with a view to enter, within a period of time of three months which could be extended by mutual agreement, into an arrangement which will make the performance of the Contract practicable while maintaining a fair balance between their respective obligations.

#### 9.1.9 Non performance

##### 9.1.9.1

Should the Company decide not to MAKE AVAILABLE in any year all or part of the quantity of FUEL specified in Clause 2.1 herein for reasons other than Force Majeure, they shall notify the Reprocessor thereof. They shall owe the Reprocessor cancellation charges calculated according to the following formula:

[ ... ]

The provisions of this Clause 9.1.9.1 shall also be implemented if the Company does not notify the Reprocessor of their decision not to MAKE AVAILABLE all or part of the quantity of FUEL specified in Clause 2.1 herein.

Once the Company has paid the relevant cancellation charges, this Contract will be terminated in respect of the so cancelled quantities.

The Company AGREE that the provisions of this Clause 9.1.9.1 do not entitle them to cancel quantities in order to deliver FUEL to another reprocessor.

##### 9.1.9.2

If the Reprocessor is prevented from REPROCESSING for reasons of Force Majeure, the parties shall consult together in order to mitigate the effects of such situation and shall AGREE on reasonable and fair solutions based on the principles stated here below:

## 9.1.9.2.1

If the Reprocessor is prevented from REPROCESSING by German laws, regulations or political decisions the fuel assemblies not yet REPROCESSED shall be returned to the Company, at the Company's expense, not later than [ ] after the date of applicability of such laws and/or regulations or political decisions, and the Reprocessor shall refund to the Company all sums paid by the Company which will not correspond to services actually performed. The point of DELIVERY shall be AGREED between the Company and the Reprocessor.

## 9.1.9.2.2

If the Reprocessor is prevented from REPROCESSING by French laws, regulations or political decisions the fuel assemblies not yet REPROCESSED shall be returned to the Company, at the Reprocessor's expense, not later than [ ] after the date of applicability of such laws and/or regulations or political decisions, and the Reprocessor shall refund to the Company all sums paid by the Company less the costs incurred. The point of DELIVERY shall be AGREED between the Company and the Reprocessor.

## 9.1.9.2.3

If the Reprocessor is prevented from REPROCESSING for Force Majeure reasons other than those provided for in the above Clauses 9.1.9.2.1 and 9.1.9.2.2, the solutions to such situations shall be based on the provisions of Clause 14.2 herein.

## 9.1.9.2.4

In any of the situations occurring in the framework of this Clause 9.1.9.2, this Contract will be terminated only when all uranium, plutonium and RESIDUES arising from the FUEL already REPROCESSED and the FUEL not yet REPROCESSED have been returned to the Company and all the relevant payments have been made.

## 9.2 INVOICING AND PAYMENT

## 9.2.1 Transport of the fuel assemblies

Not more than [ ] before the expected date of DELIVERY to the Reprocessor of each CONSIGNMENT of fuel assemblies, the Reprocessor shall submit to the Company an invoice for the charges payable by the Company under Clauses 9.1.1.1 and 9.1.3.

Notwithstanding the provisions of Clause 9.2.3 the invoice shall not be due and payable before DELIVERY of the relevant CONSIGNMENT. Should the actual DELIVERY take place more than [ ] after the date of invoice, such invoice shall be due and payable not later than [ ] after the actual date of DELIVERY.

## 9.2.2 Reprocessing of the fuel assemblies

## 9.2.2.1

After DELIVERY to the Reprocessor of each CONSIGNMENT of fuel assemblies, the Reprocessor shall submit to the Company an invoice for a down payment of [ ] of the price payable under Clauses 9.1.1.2 and 9.1.3, in respect of the quantity of FUEL in the relevant CONSIGNMENT.

## 9.2.2.2

After the end of each calendar month, the Reprocessor shall submit to the Company an invoice for the total price of REPROCESSING payable by the Company under Clauses 9.1.1.2 and 9.1.3 in respect of the quantity of FUEL dissolved for the account of the Company during the said calendar month. The net amount to be paid shall be the difference between the amount of the invoice and the relevant proportion of the down payment referred to in Clause 9.2.2.1. This net amount shall be paid in two installments:

- one installment of [ ] according to the provisions of Clause 9.2.3 herein,
- one installment of [ ] not later than one year after dissolution.

## 9.2.2.3 Guarantee of storage

The Reprocessor shall submit to the Company an invoice for the total price of the STORAGE guarantee payable by the company under Clauses 9.1.2 and 9.1.3:

- upon signature of this Contract for the firm quantity referred to in Clause 2.1, and
- on the date of exercise of the options, referred to in Clause 2.2, for the relevant quantities.

## 9.2.2.4

The Reprocessor shall submit an invoice for the work performed under Clause 4.3.3.1 herein when the work is performed.

## 9.2.2.5

The parties will AGREE on the conditions of invoicing the sums due by the Company as a result of the implementation of Clause 9.1.5 when they consult as provided for under this Clause 9.1.5.



## 9.2.2.6

Th. Reprocessor will be entitled to issue invoices for the non performance charges referred to in the above Clause 9.1.9.1 as soon as the Company notify their cancellation decision or as soon as a DELIVERY of FUEL can be considered the last one, as the case may be.

## 9.2.3

Sums due by the Company to the Reprocessor shall be paid by bank transfer within [ ] of the date of the relevant invoice free of any deduction whatsoever to the account designated on each invoice.

## 9.3 MOST FAVOURED CUSTOMER

If during the life-time of this Contract a German customer gets better conditions from the Reprocessor, such conditions have to be offered to the Company. This provision does not apply if that German customer has signed with COGEMA a long term contract similar to this one or a fixed quantities contract or has exercised the options under Clauses 2.3.3, 2.3.4 and 2.3.5 of the SERVICE AGREEMENT and if the contract wished by that customer is a spot contract for not more than [ ] of the fuel arising before 2015. Furthermore, this provision does not apply to contracts signed for REPROCESSING after 2018.

**CLAUSE 10****THIRD PARTY LIABILITY, INDEMNITIES AND INSURANCE**

## 10.1 Other than in respect of the results of a nuclear incident

Notwithstanding Clause 10.3 hereof

## 10.1.1

The Reprocessor shall hold the Company harmless and indemnified against all actions, claims and demands which may be made in respect of any damage to or loss of any property or in respect of any injury (including injury resulting in death) to any third person which may be attributable to:

## 10.1.1.1

any empty flask before DELIVERY thereof to the Company and any flask or FUEL after the DELIVERY of the FUEL by the Company to the Reprocessor; or

## 10.1.1.2

any plutonium or uranium or container thereof prior to the DELIVERY of the plutonium or uranium by the Reprocessor to the Company or

## 10.1.1.3

any RESIDUES until DELIVERY to the Company

except

1. when the said damage, injury or loss has been caused by a nuclear incident where the provisions of Clause 10.2 hereof shall apply; or
2. in respect of Clause 10.1.1.1 insofar as the said damage, injury or loss can be demonstrated to have arisen from some condition of the flasks or FUEL which the Company were under an obligation to avoid.

## 10.1.2

The Company shall hold the Reprocessor harmless and indemnified against all actions, claims and demands which may be made in respect of any damage to or loss of any property or in respect of any injury (including injury resulting in death) to any third person which may be attributable to:

## 10.1.2.1

any empty flask after DELIVERY thereof to the Company and any flask or FUEL prior to the DELIVERY of the FUEL by the Company to the Reprocessor; or

## 10.1.2.2

any plutonium, uranium or RESIDUES or containers thereof after the DELIVERY of the plutonium, uranium or RESIDUES by the Reprocessor to the Company

except

1. when the said damage, injury or loss has been caused by nuclear incident where the provisions of Clause 10.2 shall apply; or
2. in respect of Clause 10.1.2.1 insofar as the said damage, injury or loss can be demonstrated to have arisen from some condition of the flasks or FUEL which the Reprocessor was under an obligation to avoid.

## 10.2 In respect of the results of a nuclear incident

### 10.2.1.1

When transport is operated by land, the Reprocessor shall be liable according to the terms and conditions of the Convention on Third Party Liability in the Field of Nuclear Energy signed in Paris on 29 July 1960, for the consequences of a nuclear incident arising from the flasks or FUEL after the same have left the boundary of the site where the FUEL is stored by the Company.

### 10.2.1.2

When transport is operated by sea, the Company shall be liable according to the terms and conditions of the Convention on Third Party Liability in the Field of Nuclear Energy signed in Paris on 29 July 1960, for the consequences of a nuclear incident arising from the flasks or FUEL until the same have entered the boundary of the REPROCESSING SITE.

### 10.2.2

Neither party shall be liable to the other for damage or loss to the other's property caused by a nuclear incident.

### 10.2.3

The respective liabilities of the Parties with respect to the return of FUEL, plutonium, uranium and RESIDUES are not within the scope of this clause and shall be AGREED before any such return transport. Should no AGREEMENT be reached, the provisions of the above mentioned Paris Convention shall apply.

## 10.3 Risk and damage

At all times during which the Reprocessor shall have custody of any FUEL, uranium, plutonium, WASTE and RESIDUES belonging or allocated to the Company the risk of loss thereof and damage thereto shall be with the Company. The Reprocessor shall nevertheless use all reasonable endeavours in relation to the physical security thereof in accordance with the rules of the art. If the Company so require any identifiable FUEL, plutonium, uranium or RESIDUES may be insured in the name of the Company at values which the Company may determine. Such insurance shall be obtained by the Reprocessor in which event the premium shall be reimbursed to the Reprocessor together with an overheads percentage of [ ] or obtained by the Company at their own expense. Such insurance may alternatively be obtained by the Company through the agency of the Reprocessor in which event the premiums therefor shall be paid by the Company to the Reprocessor but shall not be subject to overheads percentage.

## **CLAUSE 11**

### **EXPORT AND IMPORT PERMITS AND CUSTOMS DUTY**

#### 11.1

The Reprocessor shall, in respect of the export of the empty flasks from France, the import into France of each CONSIGNMENT of FUEL and the export from France of the uranium, plutonium, RESIDUES and any FUEL to be returned to the Company:

##### 11.1.1

promptly apply for any permits, licences and authorisations of a similar nature to be required from French authorities; and

##### 11.1.2

pay any customs duty or other impost which may be levied by French authorities and invoice the Company therefor.

#### 11.2

The Company shall at their expense be responsible for applying for all other import and export permits, licences and authorisations in respect of transport of flasks, FUEL, uranium, plutonium and RESIDUES from Germany to France or vice versa and shall bear the cost of any other customs duty or tax which may be levied by or required from any relevant authority other than French authorities.

#### 11.3

In the event of either party experiencing any difficulty it obtaining such permits, licences or authorisations as the case may be such party may consult with and seek the assistance of the other party with a view to the making of such representations or rendering such other assistance as may then be reasonably required to obtain such permits, licences or authorisations.

## **CLAUSE 12**

**CONFIDENTIALITY**

## 12.1

The terms and conditions of this Contract and all information and drawings provided by one party do the other under this Contract shall be confidential. Neither party shall, without the prior written permission of the other, disclose such terms and conditions or information or drawings received from the said other party to any third party, except to such extent as may be required by relevant government authorities or other authorities having due legal competence or as may be necessary for the proper performance of this Contract. However the Company shall be free to disclose the contents of this Contract and any related agreement referred to in Clause 18 to all other German utilities having entered into similar reprocessing contracts with the Reprocessor.

## 12.2

Under this Contract the Reprocessor shall not be required to transfer any information concerning any of the Reprocessor's techniques. However upon request of the Company the Reprocessor shall transfer in due time and to the extent such information is needed by the Company for the performance of this contract, technical information concerning, more particularly, the transport means and the flasks to be used for transport and the return of RESIDUES including the specifications of the said RESIDUES when required by the Company for transmission to the relevant safety and licensing authorities.

## 12.3

When the parties disclose any of the documents referred to in the above Clauses 12.1 and 12.2 they shall draw attention of the third party to whom the documents are disclosed to the fact that these documents are confidential and, as far as practicable, they will endeavour to commit the said third party to keep the documents confidential.

## 12.4

The executive and supervisory boards of the mother and/or, subject to agreement of the Reprocessor, daughter companies of the Company involved in the nuclear fuel cycle are not considered as third parties and therefore may receive from the Company information related to this Contract and the related agreements provided that they shall have the obligation to keep it confidential.

## 12.5

In any case, before disclosing any information to third parties, the parties shall inform each other with a view to determine the best course of action to be taken in order to minimize, as far as practicable, the risks of public disclosure.

**CLAUSE 13****NOTICES**

## 13.1

Any notice or other communication required to be given by one party to the other under this contract shall be transmitted by hand, mail, telex or telegraph to the principal office of the party concerned. Either party may by notice to the other party given in accordance with the provisions of this Clause change the address to which the other party shall transmit notices or other communications.

## 13.2

The addresses to which the aforementioned notices shall be sent are:

For the Company

.....

For the Reprocessor

C O G E M A

Compagnie Generale des Matieres Nucleaires

Branche Retraitement  
2, rue Paul Dautier  
B.P. 4  
78141 VELIZY-VILLACOUBLAY CEDEX

Telex : COGEM 697 833

13.3

All invoices and notices and communications shall be sent by registered mail. A telex informing the receiving party that an invoice or such notice or communication has been sent containing a summary of its relevant points shall immediately be dispatched to the receiving party. The invoice, notice or communication shall be deemed received when the said telex is received.

#### **CLAUSE 14**

##### **FORCE MAJEURE AND CONSEQUENCES THEREOF**

14.1

Neither party shall be responsible to the other for the financial or other consequences of any failure or delay on its part in fulfilling any of its obligations under this Contract by reason such as acts or restraints of government, war, revolution, riot, civil commotion, blockage, embargo, strike, lock-out or damage by fire or flood or by any other circumstances beyond its control.

14.2

If the performance of this contract or of any obligation thereunder by either party is prevented or delayed by reason of any circumstance falling within the scope of Clause 14.1, the party so affected shall upon giving notice to the other be excused from such prevention or for such delays PROVIDED THAT it shall do its best to avoid or remove or minimize the cause of non-performance or delay.

#### **CLAUSE 15**

##### **ASSIGNMENT**

15.1

The parties shall have the right to assign or to part with any of their rights or obligations under this contract after the written consent of the other party. This consent will not be unreasonably withheld.

15.2

The company shall have the right to assign quantities too other German utilities having concluded similar contracts with the Reprocessor, subject to signing the consequential arrangements with such companies and the Reprocessor.

15.3

It is also agreed that the Company shall have the right to assign this Contract with respect to the total quantity of FUEL or any part thereof to a daughter company subject to signing the consequential arrangements with such daughter company and the Reprocessor.

15.4

The Company acknowledge that, at the date of signature of this contract, the Reprocessor and VEBA are negotiating the formation of a joint company and that the Reprocessor is entitled to transfer this Contract to such company.

#### **CLAUSE 16**

##### **WAIVER**

No delay or failure by either party in exercising any right, power or remedy hereunder shall operate as a waiver of such right, power or remedy, nor shall any single or partial exercise of any such right, power or remedy preclude other or further exercise thereof or the exercise of any other right, power or remedy.

#### **CLAUSE 17**

**SAFEGUARDS, PHYSICAL PROTECTION AND GOVERNMENTAL UNDERTAKINGS**

## 17.1

Nuclear material transferred under this Contract and any subsequent generation of such material shall be subject to:

## 17.1.1

appropriate safeguarding procedure as scheduled by the Joint Statement of the German and French Governments dated 6th June 1989,

## 17.1.2

any other relevant undertakings and regulations including without limitation those referring to physical protection requirements and conditions for retransfers to countries other than countries of the parties to this Contract; and all such nuclear material shall be used for peaceful non-explosive purposes only.

## 17.2

## 17.2.1

When the plutonium due to the Company has been MADE AVAILABLE it shall be put into STORAGE and STORED for such a period until the plutonium is demonstrated by the Company to be required for fabrication of fuel. The plutonium shall be STORED by the Reprocessor in an appropriate facility which is available.

## 17.2.2

Plutonium and uranium MADE AVAILABLE to the Company shall be transferred subject to all applicable national and international regulations and any directives or orders of any governmental department having jurisdiction. In particular the uranium and plutonium shall be transported in a form suitable to ensure its physical protection according to the then prevailing regulations of the relevant countries or organisations.

**CLAUSE 18****WHOLE AGREEMENT**

This contract and any agreement or undertaking expressed to be ancillary or supplemental hereto to the extent therein set out, shall comprise the whole agreement between the parties and all representations, statements and undertakings related to the subject matter hereof and not contained therein are hereby excluded.

**CLAUSE 19****EARLY TERMINATION**

In the event that any governmental authority (other than the Government of the Federal Republic of Germany, a State thereof, or France) having jurisdiction transmits a notification to the Company stating that the transport and/or REPROCESSING of all or any FUEL hereunder will not be permitted and the Company also have FUEL over which the said authority had jurisdiction then the parties shall consult together in order to terminate their respective rights and obligations in respect of that part of the FUEL hereunder over which the said authority had jurisdiction.

**CLAUSE 20****EFFECTIVE DATE**

This Contract shall become effective when all the following conditions have been satisfied:

1. signature of the contract by both Parties,
2. in case a governmental agreement is necessary notification by each Party to the other that such agreement has been obtained.

**CLAUSE 21****LAW AND INTERPRETATION**

## 21.1

This contract shall in all respects be construed and operated as an agreement made and performed in France and subject to French Law.

21.2

The headings to Clauses are inserted for convenience only and shall have no effect on the interpretation thereof.

21.3

In the event of conflict between the provisions of the Clauses and the provisions of the Appendices hereof, the provisions of the Clauses shall prevail.

**CLAUSE 22**

**ARBITRATION**

All disputes arising in connection with this Contract shall be finally settled in Paris under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules. The proceedings shall take place in the English language.