

ARRANGEMENTS CONCERNING THE ACCESS OF U.S. DEPARTMENT OF ENERGY REPRESENTATIVES TO SITES AT WHICH ACTIVITIES ARE CONDUCTED ON THE PROJECT OF PROVIDING FOSSIL FUEL PLANTS FOR HEAT AND ELECTRICITY UNDER THE AGREEMENT BETWEEN THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA AND THE MINISTRY OF THE RUSSIAN FEDERATION FOR ATOMIC ENERGY CONCERNING THE CESSATION OF PLUTONIUM PRODUCTION AT THE OPERATING ADE-4 AND ADE-5 REACTORS IN SEVERSK (TOMSK REGION) AND ADE-2 REACTOR IN ZHELEZNOGORSK (KRASNOYARSK REGION) OF MARCH 12, 2003

These Arrangements have been developed by the Department of Energy of the United States of America (hereinafter "DOE") and the Ministry of the Russian Federation for Atomic Energy (hereinafter "Minatom of Russia") under the Agreement Between the Department of Energy of the United States of America and the Ministry of the Russian Federation for Atomic Energy Concerning the Cessation of Plutonium Production at the Operating ADE-4 and ADE-5 Reactors in Seversk (Tomsk Region) and ADE-2 Reactor in Zheleznogorsk (Krasnoyarsk Region) of March 12, 2003 (hereinafter the "Agreement"). These Arrangements are solely for the purpose of defining the arrangements for access, referred to in Article V of the Agreement, for representatives of DOE to the Seversk Thermal Electric Power Plant and the Thermal Electric Power Plant located near Zheleznogorsk (hereinafter the "Sites") at which activities are being undertaken under the Agreement in connection with the implementation of the project to establish fossil fuel energy sources (such activities hereinafter referred to as the "Program") and do not apply to visits for other purposes under the Agreement.

DOE and Minatom of Russia (hereinafter the "Parties") have agreed as follows:

1. Minatom of Russia shall take all necessary measures to permit access of DOE representatives to the Sites for the purpose of overseeing contractor operations during implementation of the Program and ensuring satisfactory performance by any and all contractors on DOE's or DOE agent's contracts and subcontracts, as specified in Article V, paragraph 2, of the Agreement.
2. For the purposes of these Arrangements, the term "DOE representatives" means those personnel of DOE and DOE-designated organizations engaged in the Program activities under the Agreement in the Russian Federation and included in a list (hereinafter the "List"), as specified in paragraph 3 of these Arrangements. The term "stage of work" means the performance of a mutually agreed upon set of tasks.

3. Within 60 calendar days after these Arrangements enter into force, and then annually, DOE shall provide to Minatom of Russia a list of no more than 75 DOE representatives to obtain access to the Sites. The number of DOE representatives on the List may be increased by mutual agreement between DOE and Minatom of Russia. Information to be submitted about DOE representatives on the List shall be provided in the format of the Annex to these Arrangements, which is an integral part of these Arrangements. Any additional information shall be provided with visa applications in accordance with generally applicable procedures in effect at that time.
4. The List shall enter into effect after its approval by Minatom of Russia and shall remain in effect until the next list is approved. Within a calendar-year period, the List can be amended not more than once, excluding situations described in paragraph 6 below.
5. No later than 60 calendar days after receipt of the initial List or a new annual List, Minatom of Russia shall notify DOE in writing whether the DOE representatives named in the List can be granted access to the Sites.
6. If Minatom of Russia determines that any person included on the initial or a subsequent List is not acceptable, Minatom of Russia shall notify DOE accordingly, and that person shall be excluded from the List and shall have no right to participate in visits to the Russian Federation conducted under the Agreement. DOE may propose another candidate to replace any DOE representative specified on the List whose access to the Sites is found unacceptable. Minatom of Russia shall notify DOE in writing no later than 45 calendar days after receipt of a proposal of a replacement candidate whether that individual can be granted access to the Sites.
7. Minatom of Russia shall take the steps necessary to enable DOE representatives on the List to obtain visas. Minatom of Russia shall request one-year multi-entry visas for the DOE representatives.
8. Within the territory of the Russian Federation, DOE representatives on a visa obtained in connection with these Arrangements shall not engage in any professional, commercial, or other activities other than as provided for in the Agreement. Before or after the completion of activities provided for by the Agreement, DOE representatives may engage in activities under other agreements or arrangements between the Governments of the United States of America and the Russian Federation or any of their departments or agencies if such activities were identified in their visa applications and coordinated under procedures established by the other agreements or arrangements.
9. Without prejudice to their rights and privileges and immunities provided for under the Agreement, the DOE representatives shall respect the laws of the Russian Federation, observe safety regulations and site regulations in effect at the locations of their work and accommodation, and not interfere with the activities at Russian facilities participating in implementation of the Agreement.
10. DOE representatives under the Program shall be present within the territories, organizations, and facilities of the Russian Federation the entry of foreigners to which is

subject to special permission (hereinafter referred to as "Special Areas") only when the appropriate permission has been received from the Russian side and subject to escort by personnel designated by Minatom of Russia or by the management of its enterprises.

11. The terms of access by DOE representatives for the purpose of accepting completed work phases at the Sites, including the duration of access, the makeup of such representatives and the specific locations of their visits, will be determined by the Parties depending on the nature of the work to be accepted.

12. Representatives designated by Minatom of Russia shall keep the visiting DOE representatives informed about appropriate regulations concerning their stay within Special Areas as well as about the requirements concerning equipment for the support of their Program activities or for their personal use, the import of which into a Special Area is regulated by legislative and regulatory acts of the Russian Federation.

13. While within a Special Area in accordance with legislation of the Russian Federation, DOE representatives may use only equipment provided or approved by Minatom of Russia. All equipment to be brought to the territory of the Russian Federation that is intended for use within a Special Area in accordance with legislation of the Russian Federation, including personal communications and computer equipment, shall be declared by DOE in its application for access. All equipment for the support of DOE representatives' Program activities which is to be used at sites inside a Special Area may be checked by Minatom of Russia before its first use to assure its compliance with the declared purposes. This check shall be conducted expeditiously so as not to unnecessarily delay the commencement of activities using this equipment and, in any case, shall be completed within 45 calendar days of receipt of the equipment. This equipment will remain inside the Special Area unless the Parties previously agreed otherwise. This equipment may be used during subsequent visits.

14. Upon its arrival at the Special Area, equipment brought by DOE representatives may be subject to a check of consistency between that declared under the Annex and the equipment actually imported, and also for its compliance with its declared purposes. In such a case, DOE representatives shall submit all available equipment for such a check. In case undeclared equipment is found in the possession of DOE representatives or the functional purpose of equipment is inconsistent with the declared purposes, this equipment shall be removed from the Special Area by DOE.

15. In order to prevent access to it by people and organizations not participating in the implementation of the Agreement, information transmitted under the Agreement may be considered as sensitive by the Parties. Such information must be clearly designated and marked. The Party transmitting the information shall designate information as sensitive in accordance with its internal laws and regulations. The Party receiving the information shall handle this information as sensitive.

Sensitive information shall be handled in accordance with the laws and regulations of the Party receiving the information, and this information shall not be disclosed or transmitted to a third party not participating in implementation of the Agreement without

the written consent of the Party transmitting the information. According to the regulations of the United States, such information shall be treated as foreign government information provided in confidence and shall be protected appropriately. According to the regulations of the Russian Federation, such information shall be treated as official information with limited distribution and shall be protected appropriately.

Information transmitted under the Agreement must be used solely for the purposes established by the Agreement in accordance with the laws, regulations and mutual interests of the States represented by the Parties.

16. DOE shall bear expenses related to visits to the Sites, within an amount agreed to by the Joint Program Managers Executive Committee, including expenses for the DOE representatives' lodging, transportation to the Sites, meals, and medical care, as requested by the team leader. The limit on daily per person expenses will be reviewed periodically by the Joint Program Managers Executive Committee and adjusted as needed.

17. DOE representatives shall coordinate plans for their emergency evacuation with the appropriate Site representatives.

18. The Parties shall establish Joint Management Teams (JMT), as specified in the Regulations Concerning the Joint Management Teams Rendering Assistance to the Project of Providing Fossil Fuel Plants for Heat and Electricity under the Agreement Between the Department of Energy of the United States of America and the Ministry of the Russian Federation for Atomic Energy Concerning the Cessation of Plutonium Production at the Operating ADE-4 and ADE-5 Reactors in Seversk (Tomsk Region) and ADE-2 Reactor in Zheleznogorsk (Krasnoyarsk Region) of March 12, 2003. These Regulations shall be an integral part of these Arrangements.

19. During the design phase of the project, DOE representatives shall have the right to conduct up to three visits at each Site (before the beginning of design work, after the completion of the preliminary design, and after the completion of the final design), unless agreed otherwise.

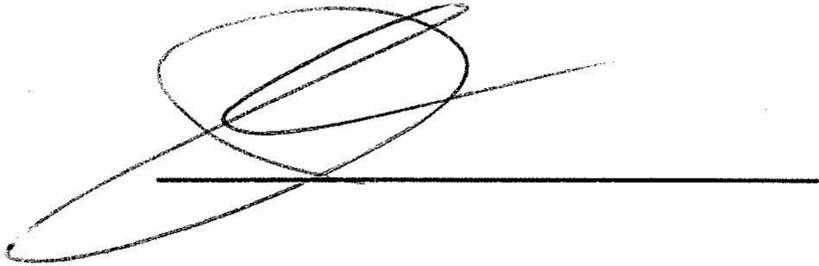
20. During the first phase of the project, and prior to commencement of work on any of the subsequent phases, the Parties shall define in writing the acceptance points that will be used in all remaining phases of the project; acceptance points shall be those points at which it is necessary to determine that the performance is compliant with the performance specifications and the project is proceeding as planned. They shall include: (1) completion of any work for which payment is sought; and (2) completion of any work the acceptance of which would be prevented by subsequent work. These points may be revised by mutual agreement between DOE and Minatom of Russia as the project proceeds. No acceptance visits may be conducted beyond the first phase of the project until the acceptance points for those subsequent phases have been mutually agreed upon.

21. Three weeks before the beginning of each calendar-year quarter, Minatom of Russia shall provide to DOE a schedule of all major activities for the quarter, to include all work phases it expects to present for acceptance during that quarter.

22. Within one week of receiving this schedule, DOE shall provide to Minatom of Russia a notification of intent to conduct a Site visit for each acceptance point that was identified in the schedule. DOE shall include in the notification the dates of the visit, schedule, the places to be visited, a list of group members and alternates with family names, first and middle names, date and place of birth, citizenship, passport number and its expiration date, employment address, including name of the organization, its address, phone and fax numbers, functions and responsibilities during the visit as well as the list of equipment to be imported by the delegation, including photo and video equipment, communication and computer hardware, and the name of the individual authorized to sign the statement of acceptance for work accomplished in that phase.
23. Twenty days before each acceptance point is reached, Minatom of Russia shall confirm to DOE that the acceptance point will be reached as scheduled.
24. Not later than 36 hours after receiving the confirmation provided for in paragraph 23 of these Arrangements, DOE shall confirm to Minatom of Russia that it will conduct the proposed visit.
25. Not later than 7 days after receipt of a particular DOE confirmation provided for in paragraph 24 of these Arrangements, Minatom of Russia shall inform DOE of the feasibility of the visit and shall provide DOE its comments and suggestions on the group composition, dates, Site visit schedules, etc.
26. Two days before each acceptance point is reached, Minatom of Russia shall confirm to DOE that the Site is prepared for the visit.
27. Any group of DOE representatives conducting a visit under these Arrangements shall consist of no more than eight persons appointed from the List. These DOE representatives may be different from the DOE representatives included in the JMT.
28. The duration of any single visit of DOE representatives to a Site shall not exceed five working days unless otherwise agreed by the Parties. The length of stay at the Site by the DOE representatives may be extended by mutual agreement of the Parties in the event of force majeure situations that prevent the timely completion of the work of the DOE representatives at the Site, i.e., inclement weather conditions, natural disasters, accidents, and other situations.
29. In the case of an unanticipated event, Minatom of Russia may invite DOE to send DOE representatives to visit a Site to address any issues that may have arisen.
30. The activities of the DOE representatives under these Arrangements shall be subject to the availability of appropriated funds.
31. Any additions or amendments to these Arrangements may be made as agreed upon in writing by the Parties.

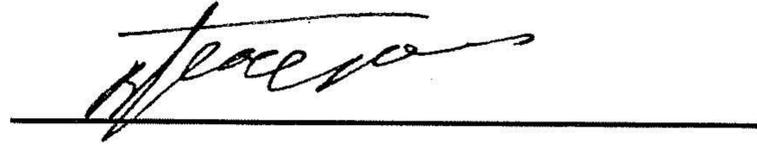
32. These Arrangements shall enter into force upon signature and shall remain in force until all activities under the Program have been terminated or completed.

Done at *Moscow*, in duplicate, this *17th* day of July, 2003, in the English and Russian languages, both texts being equally authentic.



James Marshall Turner
Assistant Deputy Administrator for
International Nuclear Safety and
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National Nuclear Security Administration
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Co-Chairman of the Joint Program
Managers Executive Committee



Vladimir Nikolayevich Generalov
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Construction Department
Ministry of the Russian Federation
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ANNEX

Last name, first name and middle name (Russian and English)

Date of birth

Place of birth (including city and country)

Citizenship

Passport number and expiration date

Employer (name of organization)

Position held

Employment address (including name of organization, address, phone and fax numbers)

This Annex is an integral part of the Arrangements Concerning the Access of U.S. Department of Energy Representatives to Sites at which Activities are Conducted on the Project of Providing Fossil Fuel Plants for Heat and Electricity under the Agreement Between the Department of Energy of the United States of America and the Ministry of the Russian Federation for Atomic Energy Concerning the Cessation of Plutonium Production at the Operating ADE-4 and ADE-5 Reactors in Seversk (Tomsk Region) and ADE-2 Reactor in Zheleznogorsk (Krasnoyarsk Region) of March 12, 2003.

REGULATIONS CONCERNING THE JOINT MANAGEMENT TEAMS
RENDERING ASSISTANCE TO THE PROJECT OF PROVIDING FOSSIL FUEL
PLANTS FOR HEAT AND ELECTRICITY UNDER THE
AGREEMENT BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
AND
THE MINISTRY OF THE RUSSIAN FEDERATION FOR ATOMIC ENERGY
CONCERNING
THE CESSATION OF PLUTONIUM PRODUCTION AT THE OPERATING ADE-4
AND ADE-5 REACTORS IN SEVERSK (TOMSK REGION)
AND ADE-2 REACTOR IN
ZHELEZNOGORSK (KRASNOYARSK REGION)
OF MARCH 12, 2003

These Regulations have been developed by the Department of Energy of the United States of America (hereinafter "DOE") and the Ministry of the Russian Federation for Atomic Energy (hereinafter "Minatom of Russia") under the Agreement Between the Department of Energy of the United States of America and the Ministry of the Russian Federation for Atomic Energy Concerning the Cessation of Plutonium Production at the Operating ADE-4 and ADE-5 Reactors in Seversk (Tomsk Region) and ADE-2 Reactor in Zheleznogorsk (Krasnoyarsk Region) of March 12, 2003 (hereinafter the "Agreement").

For the purpose of overseeing contractor operations during implementation of the Program and ensuring satisfactory performance by any and all contractors on DOE's or DOE agent's contracts and subcontracts for payment of contract performance, DOE and Minatom of Russia shall create for each Site a joint management team (hereinafter the "JMT"), which shall be headed by a representative of DOE and a representative of Minatom of Russia.

Over the course of its activities, each JMT shall be guided by the following:

1. The JMT shall consist of an equal number of representatives from DOE and from Minatom of Russia.
2. The JMT shall include up to eight DOE representatives from the List described in paragraphs 3-7 of the Arrangements Concerning the Access of U.S. Department of Energy Representatives to Sites at which Activities are Conducted on the Project of Providing Fossil Fuel Plants for Heat and Electricity under the Agreement between the Department of Energy of the United States of America and the Ministry of the Russian Federation for Atomic Energy Concerning the Cessation of Plutonium Production at the Operating ADE-4 and ADE-5 Reactors in Seversk (Tomsk Region) and ADE-2 Reactor in Zheleznogorsk (Krasnoyarsk Region) of March 12, 2003, unless other arrangements have been made.