

4.1a(1)(a) the Operator's shipments of Customers' enriched uranium orders (with 180 days lead-time for orders for Japan, 150 days lead-time for non-standard assays and 120 days lead-time for standard assays, or as modified by (c) below) as specified by the USEC Request for Special Work report are in-specification and on-schedule.

4.1a(1)(b) the Operator discovers, before the Customer or its agent discovers, and corrects any mistakes made in the orders before delivery of either the product or the paperwork;

4.1a(1)(c) the Operator is reasonably flexible, in agreeing to changes to the shipping dates, amounts or assays requested by Customers and in accommodating delays in the receipt of the Customer's product cylinders;

4.1a(1)(d) the Operator provides notification of deficiencies of cylinders and overpacks as specified below:

4.1a(1)(d)(i) the Operator notifies the appropriate USEC contact and the owner(s) of the cylinders and overpacks of external deficiencies in the packaging within five (5) working days from their receipt;

4.1a(1)(d)(ii) in preparation of on-site overpacks that have been identified for shipment, the Operator must detect and notify the appropriate USEC contact and owner(s) of the equipment of external deficiencies, need for weighing and/or repairs, and expired certifications of the packaging. Such notification for Asian shipments shall be no less than twenty-one (21) days prior to shipment and shall be no less than fourteen (14) days prior to shipments for all other shipments.

4.1a(1)(d)(iii) the requirement for on-schedule shipping by the Operator is based upon empty product cylinders and overpacks being received by the Operator sixty (60) days prior to the scheduled shipment date of the enriched uranium, unless such requirement for receipt of cylinders is changed or waived by the Operator. Customer provided cylinders and overpacks which are not within regulatory specification are considered Events Beyond the Operator's Control, unless the Operator fails to notify USEC and equipment owners, as specified in Sections (i) and (ii), above.

4.1a(2) Occupational Safety and Health:

4.1a(2)(a) No injury occurs to an Operator employee or a subcontractor employee under the direct supervision of the Operator, resulting in a required notification to OSHA;

4.1a(2)(b) No final adverse adjudication against the Operator has been made by the applicable OSHA authority concerning the issuance of an OSHA willful violation during the Subperiod 1.

4.1a(3) Environmental:

4.1a(3)(a) No unpermitted release of a pollutant (chemical or radiological) resulting in a Major Environmental Consequence occurs;

4.1a(3)(b) No knowing or willful falsification of a required certification of an external document by an employee of the Operator occurs;

4.1a(3)(c) No violation which results in imposition of a criminal penalty occurs.

4.1a(4) Nuclear Safety: No NRC action occurs related to activities of the operator that results in shut down of a major facility or operation, or restricts operations in a material manner. Shutdown of a major facility or operation or restriction of operations in a material manner are defined as having a cost impact to USEC of \$500,000, a reduction of 100,000 SWUs, or causing Operator to miss the requirements of 4.1a(1).