



AGREEMENT OF LEASE
(Special Nuclear Material)

Pursuant to an Agreement for Cooperation dated _____,
between the Government of the United States of America and the
Government of _____, and subject to all of the terms,
conditions, provisions, and guarantees contained therein,

THE UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter re-
ferred to as the "United States Commission"), on behalf of the
Government of the United States of America, and the Government of
_____, with respect to the lease of special nuclear
material under said Agreement for Cooperation, AGREE AS FOLLOWS:

1. The United States Commission hereby leases to the Govern-
ment of _____ in the form of reactor fuel elements six (6)
kilograms of contained U-235 in uranium enriched up to a maximum
of twenty percent (20%) for use as initial and replacement fuel
in the operation of a research reactor as defined in the Agreement
for Cooperation. The United States Commission may lease to the
Government of _____ under this Agreement of Lease such
additional quantity of such material as, in the opinion of the
United States Commission, may be necessary to permit the efficient
and continuous operation of such a reactor while replaced fuel

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elements are radioactively cooling in _____ or while fuel elements are in transit between the United States of America and _____.

2. (a) Delivery of packaged fuel elements shall be made by the United States Commission to the Government of _____ at a point in the United States to be designated by the United States Commission. Acceptance of delivery shall be evidenced by appropriate receipt, and thereafter the Government of _____, shall assume full responsibility for safekeeping the fuel elements in accordance with the provisions of the aforesaid Agreement for Cooperation, for all loss or destruction of the fuel elements however caused, and for safeguarding against radiation hazards. Costs of shipping the fuel elements from the point of delivery to the Government of _____ shall be paid by _____.

(b) When any fuel elements leased by the Government of _____ under this agreement require replacements, they shall be returned and delivered to the United States Commission at a site in the United States designated by the United States Commission at the expense of the Government of _____, under appropriate safeguards against radiation hazards while in transit. The Government of _____ shall bear all risk of loss or

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destruction of fuel elements in transit and until acceptance of redelivery by the United States Commission. Except as may be mutually agreed, the form and content of the irradiated fuel elements shall not be altered after their removal from the reactor and prior to delivery to the United States Commission.

3. (a) For the lease of fuel elements, the Government of _____ shall pay the United States Commission, in United States currency, a sum determined in accordance with the following formula and in the manner provided in the following subparagraph (b) of this paragraph 3:

(1) A use charge calculated at the rate of four percent (4%) per annum of the price of the enriched uranium leased under this agreement.

(2) A charge for the consumption (burn-up and losses).

(3) The charge for enriched uranium used in computing both (1) and (2) shall be based on a price of \$25 per gram of contained U-235 in uranium enriched to 20% U-235 and proportionately lesser prices for material of lesser enrichment.

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(4) The cost of fabrication of the fuel elements leased.

(5) Recovery costs:

(a) The chemical or other processing costs for the decontamination and recovery of uranium returned.

(b) A charge for the loss in value due to depletion or isotopic dilution of the uranium determined as in (3) above.

(6) The cost of packaging and crating fuel elements in preparation for delivery.

(b)(1) The costs of fabrication and packaging and crating, as certified by the United States Commission, shall be payable upon delivery of the fuel elements.

(2) A use charge at 4% to be paid on an annual basis.

(3) A consumption charge (burn-up and losses) to be paid on an annual basis.

(4) Recovery costs to be paid on return and recovery of the material.

Final payment or adjustment on (2) and (3) will be determined upon decontamination and recovery of the fuel returned.

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4. The Government of _____ shall indemnify and save harmless the United States Commission and the Government of the United States of America against any and all liability (including third-party liability), loss, damages, costs or expenses of any kind and for any cause whatsoever arising out of the production and ownership of the contained U-235 leased to the Government of _____, the fabrication and ownership of the fuel elements leased to the Government of _____, the lease of the fuel elements with contained U-235 to the Government of _____, and the use of the fuel elements with contained U-235 by the Government of _____ as reactor fuel or the possession of such fuel elements by the Government of _____ while radioactively cooling in _____ or in transit in either direction between the United States and _____ and until acceptance of redelivery by the United States Commission.

5. For the purpose of this Agreement of Lease, the term "fuel elements" includes both fuel rods and fission chambers.

6. This Agreement of Lease shall enter into force at _____ on _____, 19__.

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IN WITNESS WHEREOF, the _____ of the United States Atomic Energy Commission, duly authorized to act, and the Chairman of the _____, duly authorized to act and to bind the Government of _____ to the terms and conditions hereof, have executed this Agreement of Lease.

Done at _____ this _____ day of _____.

WITNESS:

_____, United States Atomic Energy Commission

Chairman