

**ANNEX VI
TO THE MEMORANDUM OF AGREEMENT
BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
AND
THE INTERNATIONAL SCIENCE AND TECHNOLOGY CENTER
IN THE RUSSIAN FEDERATION
CONCERNING
IMPLEMENTATION OF PROJECTS OF THE
OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT**

The Department of Energy of the United States of America ("DOE") and the International Science and Technology Center in the Russian Federation ("ISTC") (hereinafter collectively the "Parties"),

Noting the Memorandum of Agreement between the Department of Energy of the United States of America and the International Science and Technology Center in the Russian Federation for Cooperation in Approved Projects to Facilitate the Nonproliferation of Weapons and Weapons Expertise ("MOA"), signed June 16, 1995, and

Desiring to facilitate cooperation between DOE and the ISTC, including the implementation of various projects of DOE's Office of Civilian Radioactive Waste Management (RW) among DOE, the ISTC, and scientific and engineering institutes in the Russian Federation.

Have agreed as follows:

Article 1

- A. The purpose of this Annex is to establish the procedures under which the Parties will cooperate to implement various RW projects through the ISTC.
- B. This Annex is subject to the MOA.

Article 2

- A. Cooperative activities to be undertaken by the Parties pursuant to this Annex include various projects for geologic repository research, engineering and planning with scientific, technical and engineering institutes of the Russian Federation.
- B. For each project selected by the DOE RW Program for implementation pursuant to this Annex, a separate Project Agreement shall be executed by DOE, the ISTC and the participating Russian Federation institute(s).
- C. To fund the projects, DOE will initially provide to the ISTC in the amount of Eight Hundred and Eight Thousand Dollars (\$US 808,000), with additional contributions to be made as RW determines appropriate. These contributions shall be paid in US Dollars to an ISTC account at the Bankers Trust Company, New York, Account Number 04-838-214, by bank transfer within thirty (30) days after receipt from the Chief Financial Officer of the ISTC, of an invoice to this effect. The ISTC shall send the invoices to the U.S. Department of Energy, Office of Civilian Radioactive Waste Management, RW-40, 1000 Independence Avenue, SW,

Washington, D.C. 20585.

- D. DOE and its contractors participating in a project identified in a Project Agreement may provide in-kind equipment and supplies, which will be reflected in the Work Plan in the relevant Project Agreement.
- E. The ISTC shall not use or otherwise dispose of DOE's funds and in-kind supplies and materials for any purpose other than those authorized under the MOA, this Annex, and any Project Agreement.
- F. The ISTC shall make payments to individual project participants, provide in-kind equipment, supplies and services, make payments of bank fees, disburse payments to the participating Russian Federation institutes, make payments to other entities and shall perform other functions as set forth in particular Project Agreements or as otherwise agreed by the Parties in writing.
- G. The ISTC shall be responsible for customs clearance for those equipment and materials to be provided by DOE in-kind. It is the intention of the Parties that, following the conclusion of any project, the Russian Federation institute(s) shall retain custody to any equipment supplied by DOE.

Article 3

Each Party shall designate a Project Coordinator to implement their cooperation on each project. In addition, for each project DOE shall designate a DOE facility as the Technical Monitor with the responsibility to assist DOE in the oversight of day-to-day technical activities.

Article 4

In the event that a project is terminated and the DOE funds have not been fully disbursed, the ISTC shall inform DOE of the amount of any funds remaining. Any such remaining funds shall be returned to DOE by the ISTC within thirty (30) days of receiving instructions to do so from DOE.

Article 5

- A. The ISTC shall, in respect of legal proceedings and claims, hold harmless and bring no legal proceedings against DOE or its personnel for any actions undertaken pursuant to this Annex.
- B. The ISTC shall ensure that DOE is not liable for any charges, including but not limited to taxes, fees, and permits, in connection with any project undertaken pursuant to this Annex.

Article 6

- A. For each project, the ISTC shall maintain an accounting system, which accurately records DOE contributions and the transfer of these funds for project implementation, consistent with the terms of the ISTC Statute and the relevant Project Agreement.

- B. The ISTC, at its discretion or upon the request of DOE, shall conduct on-site auditing and monitoring of a project in accordance with the ISTC Statute and the relevant Project Agreement.
- C. Representatives of DOE and its designees may conduct one or more site visits to a project to render any necessary technical assistance and to monitor the work under the project. If requested, the ISTC shall facilitate the site visits.

Article 7

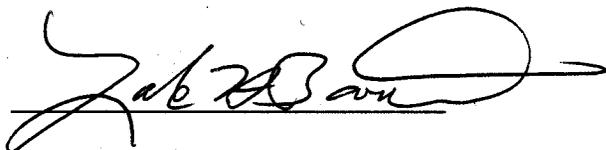
For the duration of each project, the ISTC shall submit to DOE at least on an annual basis ISTC standard financial reports for each project. Technical reports and other financial reports are to be submitted in accordance with the Work Plan in each Project Agreement. Each financial report shall identify the name of the recipient, the amount of the disbursement, and the purpose for which the disbursement will be used. The DOE reserves the right to request additional information concerning such disbursements. These requests shall be in writing, be reasonable in nature, and allow at least thirty (30) days for accomplishment. The ISTC shall respond to such requests in an expeditious manner.

Article 8

- A. This Annex shall enter into force upon the date of the last signature and shall remain in force for five (5) years, subject to paragraph 8.D below, or so long as the MOA remains in force, whichever is shorter.
- B. This Annex may be extended for additional periods, by written agreement of the Parties, so long as the MOA remains in force.
- C. This Annex may be amended by written agreement of the Parties.
- D. Either Party may withdraw from this Annex one (1) month after written notification to the other Party, except that the obligations contained in Articles 4, 5, 6 and 7 of this Annex shall remain in force unless the Parties otherwise agree in writing.

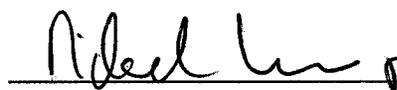
DONE at Washington and Moscow, in duplicate, in the English language.

FOR THE DEPARTMENT OF ENERGY
OF THE UNITED STATES
OF AMERICA:



Date: 8/16/01

FOR THE INTERNATIONAL
SCIENCE AND TECHNOLOGY
CENTER IN THE RUSSIAN
FEDERATION:



Date: 05.02.01