

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 10, 2013

USEC Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

1-14287

(Commission File Number)

52-2107911

(I.R.S. Employer Identification No.)

**Two Democracy Center
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Bethesda, MD 20817
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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers; Appointment of Certain Officers; Compensatory Arrangements with Certain Officers.

Revisions to the Executive Compensation Program for 2013

On January 10, 2013 the Compensation Committee of the Board of Directors of USEC Inc. (“USEC” or the “Company”) approved changes to the executive compensation program for 2013 for the Company’s named executive officers identified in its proxy statement (the “named executive officers”) and other executives. These changes follow a reexamination of the Company’s executive compensation program, in consultation with the committee’s independent compensation consultant, taking into account the uncertainties and challenges facing the Company in 2013. The changes are designed to keep management and the entire organization focused on critical short-term goals and to provide for retention of key employees, while not increasing the overall risk of the program or encouraging excessive risk taking by executives. The revised incentive and severance opportunities are not limited to executives but will be implemented throughout the Company as appropriate. The changes for the executives move all long-term incentive compensation for 2013 to short-term cash incentives. However, the changes decrease the executives’ overall target long-term compensation opportunity by 25% and eliminate the potential for the executives to earn an award above target (previously the executives could earn up to 150% of target based on performance). Although this reflects a temporary move away from equity-based compensation for the executives for 2013, the named executive officers each already own significant equity in the Company. USEC hopes to be able to return to a more typical executive compensation program when there is greater certainty regarding the Company’s strategic path. The changes are summarized below:

- Adopted a new performance-based quarterly cash incentive program for 2013 to replace the existing quarterly cash incentive program that was put in place in 2012;
- Suspended the annual incentive program and the long-term incentive program for 2013 and shifted the value to the new quarterly cash incentive program, with a 25% reduction in the target value of the long-term incentive component to take into account the reduced program risk as a result of the shorter performance measurement period and shift from equity-based to cash incentive;
- Revised the Company’s existing severance arrangements to provide increased retentive features and ensure that they are market competitive without significantly increasing the overall cost of the arrangements, including:
 - o Revised the Company’s existing executive severance plan to temporarily enhance the severance benefit level for the named executive officers from one times annual base salary and bonus to two times annual base salary and bonus, with the enhanced benefit returning to the existing level effective January 1, 2015; and
 - o The named executive officers agreed to revisions to their existing change in control agreements to: (1) reduce the benefit level from two and a half times annual base salary and bonus to two times annual base salary and bonus; (2) eliminate the existing excise tax gross up; and (3) eliminate the additional pension credit.
- The named executive officers agreed to the cancellation of their existing 2,190,445 unexercised stock options.

Suspension of Annual Incentive Program and Long Term Incentive Program. On January 10, 2013, the Compensation Committee suspended the Annual Incentive Program and the Long Term Incentive Program for 2013 under the USEC Inc. 2009 Equity Incentive Plan and shifted the value of these programs at a reduced target level into the 2013 QIP (as defined below). Previously, the annual target awards for the named executive officers under the Annual Incentive Program and the Long Term Incentive Program were as follows:

Name	2012 Annual Incentive Program Target Award (as a percentage of base salary)	2012 Quarterly Incentive Plan Target Award (as a percentage of base salary)	2012 Total Long Term Incentive Program Target Award (as a percentage of base salary)	Total 2012 Incentive Target Award
John K. Welch	100%	100%	150%	350%
John C. Barpoulis	70%	70%	110%	250%
Peter B. Saba	70%	70%	90%	230%
Philip G. Sewell	70%	70%	110%	250%
Robert Van Namen	70%	70%	110%	250%

Annual incentive awards under the 2012 Annual Incentive Program and awards of performance based restricted stock under the 2012 Long Term Incentive Program could be from 0% to 150% of the target award amount based on performance.

2013 Quarterly Incentive Plan. On January 10, 2013, the Compensation Committee approved a new quarterly performance-based cash incentive program under the USEC Inc. 2009 Equity Incentive Plan for the Company’s named executive officers and certain other key employees. The 2013 Quarterly Incentive Plan (the “2013 QIP”) replaces the existing 2012 Quarterly Incentive Plan.

Awards under the 2013 QIP are earned based on performance during a three-month performance period in the form of cash paid after the end of the quarterly period, provided the quarterly period goals have been attained. An executive’s target award under the 2013 QIP is equal to the sum of their (1) Part A target award and (2) Part B target award. The Part A target award is intended to represent an executive’s historical annual incentive compensation opportunity (and will be considered in calculating such executive’s severance, change in control and retirement benefits). The Part B target award is intended to represent a portion of the executive’s historical long term incentive compensation opportunity (including the portion of the Long Term Incentive Program that for 2012 was shifted into the 2012 Quarterly Incentive Plan), with a 25% reduction in the target value of the long-term incentive component to take into account the reduced program risk as a result of the shorter performance measurement period and shift from equity-based to cash incentive. The table below shows the Part A and Part B target awards for the named executive officers on an annualized basis. Target awards for each quarterly period will be 25% of the annualized amounts included in the table below:

Name	2013 QIP Part A Annualized Target Award (as a percentage of base salary)	2013 QIP Part B Annualized Target Award (as a percentage of base salary)	2013 QIP Total Annualized Target Award (as a percentage of base salary)
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John K. Welch	100%	187.5%	287.5%
John C. Barpoulis	70%	135%	205%
Peter B. Saba	70%	135%	205%
Philip G. Sewell	70%	135%	205%
Robert Van Namen	70%	135%	205%

Actual payout of these awards will be determined by the performance of the Company during the quarterly performance period against one or more quarterly period goals reflecting the corporate needs to be accomplished in the quarterly period to ensure the achievement of the Company's short-term strategic objectives and to maximize enterprise value. Each goal will be given a percentage weight, with the sum of goals for each quarterly period totaling 100% of the executive's target award. The goals for Part A and Part B target awards will be the same and will be weighted the same for Part A and Part B.

Target awards attributable to a goal will be earned, if at all, based on the satisfaction of the goal within a quarterly period, as determined by the Compensation Committee. If a goal is not satisfied within a quarterly period to warrant a full or partial payout, the Compensation Committee, in its discretion, shall determine whether or not to reaffirm the target award opportunity for the next quarterly period. The value of any goal that is reaffirmed and carried forward may be retained or may be reduced up to 100% to reflect that the goal was not achieved in accordance with its original terms, with the amount of such reduction determined at the discretion of the Compensation Committee. The portion of the target award attributable to any goals not achieved in the quarterly period and not carried forward shall be forfeited. Any goals not met by the end of the calendar year will be forfeited. While it is contemplated that the goals will be such that they will be achieved or not achieved during a quarterly period, following the completion of the calendar year, for any goals that have not been fully achieved by the last day of the calendar year but for which significant progress has been made, the Compensation Committee in its discretion may provide for positive adjustment to performance and award a partial target award payable with respect to any goal. The Compensation Committee may also exercise negative discretion to reduce the amount of any target award payable with respect to any goal or any quarterly period. In no event will any goal be paid out, whether originally or carried forward, at more than 100% of target.

If, prior to the payout of an award with respect to a performance period (1) there is a change in control of the Company and an executive's employment is terminated by the Company other than for cause (or is terminated by the executive for good reason) (e.g., "double trigger"), awards for the quarter will vest as though earned and be paid regardless of performance; (2) an executive's employment is terminated by the Company other than for cause, prorated awards will vest and be paid in accordance with actual performance after the end of the quarterly performance period at the same time as other awards are paid to executives; and (3) an executive leaves the Company due to death or disability, prorated awards will be fully vested and paid regardless of performance. Notwithstanding the forgoing, awards with respect to any goals that have been carried forward from a prior quarterly period will vest and be paid in accordance with actual performance through the date of termination. To the extent a carry forward goal has not been attained by the date of termination, it will be forfeited. Performance must be certified by the Compensation Committee prior to any award being paid (other than death, disability or change in control).

The foregoing summary of the 2013 QIP is qualified in its entirety by reference to the text of the 2013 QIP, which is attached as Exhibit 10.1 hereto and incorporated herein by reference.

Executive Severance Plan. On January 10, 2013, the Compensation Committee approved the amendment and restatement of the USEC Inc. Executive Severance Plan (the "Severance Plan"), effective January 1, 2013. Under the existing Severance Plan, if an executive officer is terminated by the Company without cause, he is eligible to receive: (1) a prorated share of his current annual incentive (payable at the end of the performance period based on actual performance) up to the date of termination; (2) a lump sum cash severance equal to one year's base salary and bonus (the "Lump Sum Cash Severance Benefit"); and (3) continuation of medical and dental coverage as well as life insurance ("Continuing Severance Benefits") paid for by the Company for one year after termination (the "Severance Period") (or until he receives similar coverage from a subsequent employer, whichever occurs first) and outplacement assistance services.

The amendment to the Severance Plan temporarily (1) increases the Lump Sum Cash Severance Benefit for the named executive officers from one times annual base salary and bonus to two times annual base salary and bonus and (2) increases the Severance Period during which the executive is entitled to Continuing Severance Benefits from one year to two years. Under the Severance Plan, these increased benefits will be phased back to their current level effective January 1, 2015. Bonus under the Severance Plan has historically been calculated as the average of the three most recent annual incentive bonuses paid to the executive prior to the date of termination. In light of the changes to the executive incentive program for 2013 described above, the definition of bonus under the Severance Plan was revised to include the Part A target award under the 2013 QIP (which is intended to represent an executive's historical annual incentive compensation opportunity) and to exclude the Part B target award under the 2013 QIP (which is intended to represent a portion of the executive's historical long term incentive compensation opportunity).

The amendment also extended the duration of the restrictive covenants relating to non-competition and non-solicitation from one year to two years to be aligned with the Severance Period. This will also be phased back to one year effective January 1, 2015. Under the Severance Plan, severance benefits are contingent upon the executive executing a release and agreeing to comply with certain restrictive covenants relating to non-competition and non-solicitation of Company employees during the Severance Period. Under the Severance Plan, no severance is paid to an employee who is terminated for cause or who resigns voluntarily, including retirement.

The foregoing summary of the USEC Inc. Executive Severance Plan, as amended and restated effective January 1, 2013, is qualified in its entirety by reference to the text of the Severance Plan, which is attached as Exhibit 10.2 hereto and incorporated herein by reference.

Executive Change in Control Agreements. On January 10, 2013, the Compensation Committee approved revisions to the Company's existing change in control agreements with the named executive officers. The existing change in control agreements provide each named executive officer with certain benefits if there is a change in control of the Company and within a protected period beginning three months before and ending three years after that change in control (the "protected period") the Company terminates his employment for any reason other than cause, or the executive terminates his employment for "good reason" (as defined in the agreement) (e.g., "double trigger"). These benefits are in lieu of any severance benefits the named executive officer would otherwise be eligible to receive under the Severance Plan.

Under the terms of each named executive officer's existing change in control agreement, if during a protected period he is terminated other than for cause or terminates his employment for "good reason," he would receive a cash payment of his unpaid base salary through the date of termination plus all other amounts to which he was entitled under any compensation or benefit plan of the Company. In addition, as a change in control payment, he would receive a cash lump sum payment equal to two and a half times the sum of his annual base salary and bonus (the "Change in Control Lump Sum Benefit"). In addition, under the terms of each agreement, the Company would provide him and his dependents with continuation of life, accident and health insurance benefits ("Continuing Change in Control Benefits") for two and a half years following the occurrence of the change in control (the "Covered Period") or, if sooner, until he is covered by comparable programs of a subsequent employer. In addition, the executive will receive two and a half additional years of service for

purposes of retirement plan benefits under the USEC Inc. 1999 Supplemental Executive Retirement Plan or the USEC Inc. 2006 Supplemental Executive Retirement Plan, as applicable (the "Additional Pension Credit"). Under the existing change in control agreements, if the executive receives payments, whether or not under his or her agreement that would subject him to any federal excise tax due under Section 4999 of the Internal Revenue Code, either his severance payments would be reduced so as not to trigger the excise tax or, if it would produce a larger net benefit, the executive will receive a cash payment equal to the amount of the excise tax, which would partially reimburse the executive for the amount of the tax (an "Excise Tax Gross-Up").

The change in control agreements for the named executive officers were revised, effective January 1, 2013, to: (1) reduce the Change in Control Lump Sum Benefit for the named executive officers from two and a half times annual base salary and bonus to two times annual base salary and bonus; (2) reduce the Covered Period during which the executive is entitled to Continuing Change in Control Benefits from two and a half years to two years; and (3) to eliminate the Additional Pension Credit and the Excise Tax Gross-Up. Bonus under the change in control agreements has historically been calculated as the average of the three most recent annual incentive bonuses paid to the executive prior to the date of termination. In light of the changes to the executive incentive program for 2013 described above, the definition of bonus under the change in control agreements was revised to include the Part A target award under the 2013 QIP (which is intended to represent an executive's historical annual incentive compensation opportunity) and to exclude the Part B target award under the 2013 QIP (which is intended to represent a portion of the executive's historical long term incentive compensation opportunity). The change in control agreements were also revised to reduce the duration of the restrictive covenants relating to non-competition and non-solicitation from two and a half years to two years to be aligned with the Covered Period. In order to receive benefits under the change in control agreement, the named executive officer must comply with the non-competition, non-solicitation, and confidentiality provisions of the change in control agreement during the term of the agreement and during the Covered Period.

The foregoing summary of the amendments to the change in control agreements for the named executive officers and other executive officers is qualified in its entirety by reference to the text of the form of change in control agreement for executive officers, which is attached as Exhibit 10.3 hereto and incorporated herein by reference.

Cancellation of Unexercised Options. In consideration for being eligible to participate in the 2013 QIP, each of the named executive officers agreed to the cancellation of their existing 2,190,445 unexercised stock options (Mr. Welch, 915,833; Mr. Barpoulis, 331,608; Mr. Saba, 154,776; Mr. Sewell, 432,614; Mr. Van Namen, 355,614), all of which had an exercise price significantly above the current market price for the Company's common stock.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1	USEC Inc. 2013 Quarterly Incentive Plan
10.2	USEC Inc. Amended and Restated Executive Severance Plan
10.3	Form of change in control agreement with executive officers

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

USEC Inc.

January 16, 2013

By:

/s/ John C. Barpoulis

John C. Barpoulis

Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
10.1	USEC Inc. 2013 Quarterly Incentive Plan.
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USEC Inc.
2013 Quarterly Incentive Plan

PURPOSE

The purpose of this 2013 Quarterly Incentive Plan (the “QIP” or “Plan”), effective January 1, 2013, is to motivate executives and other key employees of USEC Inc. (the “Company”) to make extraordinary efforts to achieve short-term target goals that are crucial to the Company. The Plan provides the Company’s Board and the Chief Executive Officer (the “CEO”) with the flexibility to establish one or more specific performance goals (“Quarterly Period Goals”) based on critical financial and business performance criteria which relate to the Company’s short-term objectives. The Plan arises under and is subject to the terms of the USEC Inc. 2009 Equity Incentive Plan, as may be amended and/or restated from time to time (the “Equity Incentive Plan”). If not otherwise defined herein, capitalized terms within this Plan shall have the same meaning as provided under the Equity Incentive Plan.

OVERVIEW

Awards are earned based on performance during a three-month performance period (“Quarterly Period”) in the form of cash paid after the end of the Quarterly Period, provided the Quarterly Period Goals have been attained.

PLAN OPERATION

Eligibility for Participation - The QIP participants will be executives in selected key corporate management positions nominated by the CEO and approved by the Compensation Committee within the first 15 days of the start of each Quarterly Period. A new employee that is eligible for participation will not be allowed to participate in the QIP for a particular Quarterly Period if that employee joins USEC more than 30 days after the beginning of the performance period (e.g., no later than January 30, 2013 for the performance period January 1, 2013 through March 31, 2013).

Target Awards – A participant’s award under the Plan for a Quarterly Period (the “Target Award”) is equal to a specified dollar amount. The value of the Target Award for a participant in the Plan is equal to the sum of their (1) Part A Target Award and (2) Part B Target Award.

The Part A Target Award is intended to represent an executive’s historical target annual incentive compensation opportunity and will be considered in the definition of pay used to determine, as applicable: (1) the participant’s severance benefits under the USEC Inc. Executive Severance Plan or any other severance plan in which he or she participates, (2) the participant’s severance benefits under his or her change in control agreement with the Company and (3) the participant’s benefits under the USEC Inc. 1999 Supplemental Executive Retirement Plan, as amended and restated effective November 1, 2010, the USEC Inc. 2006 Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2008, the USEC Inc. Pension Restoration Plan, as amended and restated effective January 1, 2008, and the Employees’ Retirement Plan of USEC Inc., as amended and restated effective January 1, 2011, in each case as such plans are amended and may be further amended and/or restated from time to time or any successor plan.

The Part B Target Award is intended to represent a portion of a participant’s historical “long term” incentive compensation opportunity and will not be included in the definition of pay under any of the above arrangements.

The chart below shows Part A and Part B Target Awards on an annualized basis expressed as a percentage of base salary for each employee level. The value of the Target Award for each Quarterly Period will be calculated based on the participant’s base salary in effect on the first day of a Quarterly Period. Target Awards for each Quarterly Period will be 25% of the annualized amounts included in the table below:

Executive Level	Part A Annualized Target Award (as a percentage of base salary)	Part B Annualized Target Award (as a percentage of base salary)
President/CEO	100%	187.5%
Senior Vice Presidents	70%	135%
Vice Presidents	36% - 60%	45% - 67.5%
Key Managers	30% - 36%	25.6% - 36%
Others	5% - 20%	0%

The applicable Target Award for any Vice President or other key manager or other employee shall be within the range listed above and will be determined by the Compensation Committee on the recommendation of the Chief Executive Officer when the participant is first approved to participate in the Plan.

If, due to special circumstances, an employee of USEC who is not at one of the levels set forth above and who is not subject to Section 16 of the Securities Exchange Act of 1934 becomes eligible to participate in the Plan, the applicable target percentage of base salary for such individual will be determined by the CEO, but will not exceed the maximum target percentage for the Vice President level listed in the table above.

If an employee becomes eligible for participation in the QIP after the commencement of a Quarterly Period, the employee’s Target Award for his or her first Quarterly Period of participation will be pro-rated by multiplying the value of the quarterly Target Award that would otherwise be applicable by a fraction (the “Pro-ration Fraction”), the numerator of which is the number of days the employee was a participant employed during the performance period and the denominator of which is the total number of days in the applicable performance period.

Performance Goals – At the beginning of each Quarterly Period, the Compensation Committee shall determine, after consultation with and based on the recommendation of the CEO, one or more corporate Quarterly Period Goals for the Quarterly Period. The corporate Quarterly Period Goals will reflect corporate needs to be accomplished in the Quarterly Period to ensure achievement of the Company’s short-term strategic objectives and to maximize enterprise value.

For participants other than the Chief Executive Officer and the senior vice presidents, Quarterly Period Goals may also be comprised of division or individual objectives to be established by the Chief Executive Officer or by the manager of such participant as directed by the Chief Executive Officer.

Each Quarterly Period Goal will be given a percentage weight, with the sum of Quarterly Period Goals (not including any Carry Forward Goals as defined below) for each Quarterly Period totaling 100% of the participant's Target Award for the Quarter. The Quarterly Period Goals for Part A and Part B Target Awards will be the same and will be weighted the same for Part A and Part B. The Quarterly Period Goals may vary from one performance period to another. In addition, at their discretion, at the beginning of each Quarterly Period, the Compensation Committee may reaffirm Target Award opportunities for Quarterly Period Goals set in prior Quarterly Periods that have not yet been achieved (any such Quarterly Period Goal that is carried forward, a "Carry Forward Goal"). When reaffirming these Carry Forward Goals, the value of such Carry Forward Goals may be retained or may be reduced up to 100% to reflect that the goal was not achieved in accordance with its original terms, with the amount of such reduction determined at the discretion of the Compensation Committee. The portion of the Target Award attributable to any Quarterly Period Goals not achieved in the Quarterly Period and not carried forward shall be forfeited.

To the extent the Company wishes to satisfy the requirements of the "performance-based" exception to the deduction limit for compensation under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code") the individuals eligible to participate and the Quarterly Period Goals with respect to a Quarterly Period will be established in writing by the Compensation Committee from the goals approved by shareholders under the Equity Incentive Plan after not more than 25% of the Quarterly Period has elapsed, and the Compensation Committee will certify the satisfaction of the performance measures prior to payment of any Target Award earned.

Measuring Performance—Target Awards attributable to a Quarterly Period Goal will be earned, if at all, based on satisfaction of the Quarterly Period Goal within a Quarterly Period. Following the completion of each Quarterly Period, the CEO will review the achievement of the Quarterly Period Goals during that Quarterly Period, and will advise the Compensation Committee, with appropriate supporting documentation of performance. The Compensation Committee will certify the level of achievement of each Quarterly Period Goal and each Carry Forward Goal from a prior Quarterly Period. The CEO will also rate the performance on the following scale, and make a recommendation to the Compensation Committee as to the appropriate action.

- **Goal achieved** – The Company achieved the Quarterly Period Goal during the Quarterly Period. Therefore, a whole or partial payout is warranted. Taking the CEO's recommendation into account, the Compensation Committee, in its discretion, shall determine whether a full payout has been earned or if a reduction is appropriate due to any circumstances surrounding achievement.
- **Incomplete/In Process** – The Company did not achieve the Quarterly Period Goal during the Quarterly Period to warrant a full or partial payout. However, the underlying objective remains important and capable of being achieved in a subsequent Quarterly Period during the same calendar year. The Compensation Committee, in its discretion, taking into account the CEO's recommendation, shall determine whether or not to reaffirm the Target Award opportunity for the next Quarterly Period. The value of any such Carry Forward Goals may be retained or may be reduced up to 100% to reflect that the goal was not achieved in accordance with its original terms, with the amount of such reduction determined at the discretion of the Compensation Committee. The portion of the Target Award attributable to any Quarterly Period Goals not achieved in the Quarterly Period and not carried forward shall be forfeited.
- **Goal not achieved** – The Company did not achieve the Quarterly Period Goal during the Quarterly Period to warrant a payout (either full or partial). Further, it is not desirable for the Quarterly Period Goal to carry forward into the following Quarterly Period. The Compensation Committee, in its discretion, taking into account the CEO's recommendation, shall determine whether the Target Award should be forfeited.

For participants other than the Chief Executive Officer and the senior vice presidents, the achievement of Quarterly Period Goals that are comprised of division or individual objectives established by the Chief Executive Officer or by the manager of such participant as directed by the Chief Executive Officer shall be reviewed and determined by the Chief Executive Officer taking into account the recommendation of the manager of such participant.

For each Goal that is satisfied, the participant will be credited with the percentage of the Target Award attributable to that Quarterly Period Goal in the Quarterly Period in which the Quarterly Period Goal is first established. If a Quarterly Period Goal is not satisfied during the Quarterly Period, the opportunity may continue as a Carry Forward Goal in any subsequent Quarterly Periods occurring during the same calendar year as described above. For avoidance of doubt, the opportunity to satisfy a Quarterly Period Goal will not remain open past the fourth quarter of such calendar year. The portion of the Target Award attributable to a Quarterly Period Goal shall be paid, if at all, following the end of the Quarterly Period in which the Quarterly Period Goal is achieved. If a Quarterly Period Goal has not been achieved by the last day of the calendar year, the portion of the Target Award attributable to that Quarterly Period Goal will be forfeited. Notwithstanding the foregoing, while it is contemplated that Quarterly Period Goals will be such that they will be achieved or not achieved during a Quarterly Period, following the completion of the calendar year, for any Quarterly Period Goals that have not been fully achieved by the last day of the calendar year but for which significant progress has been made, the Committee in its discretion may provide for positive adjustment to performance and award a partial Target Award payable with respect to any Quarterly Period Goal (i.e., from 0% to 100% of the Target Award with respect to any Quarterly Period Goal). In addition, the Compensation Committee may exercise negative discretion to reduce the amount of any Target Award payable with respect to any Quarterly Period Goal or any Quarterly Period.

A new Quarterly Period will start every calendar quarter.

Payment of Awards—The portion of a Target Award attributable to a given Quarterly Period Goal, if not earlier forfeited, will be paid as soon as practical following the end of the Quarterly Period in which the applicable Quarterly Period Goal has been achieved. Except as otherwise provided herein, the portion of a Target Award attributable to a given Quarterly Period Goal will be forfeited if the participant has a termination of employment prior to the date it is actually paid.

Form of Payment—Target Awards will be paid only following the Compensation Committee's determination (or in the case of division or individual Quarterly Period Goals for participants other than the Chief Executive Officer and the senior vice presidents, the Chief Executive Officer's determination) of which, if any, Quarterly Period Goals have been achieved in the prior Quarterly Period. Target Awards, when earned, will be paid in cash in a lump sum, subject to applicable withholding and subject to Section 19.1 of the Equity Incentive Plan, including any compensation recovery or "clawback" policy the Company may have in effect at the time the Target Award is paid. Payment will be made as soon as possible after the Compensation Committee's determination that the Target Award with respect to specified Quarterly Period Goals has been earned for the Quarterly Period, but no later than March 15 of the following calendar year.

Effect of Termination of Service

- **Death or Disability.** If a participant's employment is terminated due to death or Disability prior to payment of a Target Award, the participant (or beneficiary, in the case of death) will be entitled to payment of:

- o A pro rated portion of the participant's outstanding Target Award(s), within 60 days of such termination, without regard to actual performance (i.e., as though the Quarterly Period Goals had been attained) as of the last day of the Quarterly Period in which termination occurs. The amount paid will be the participant's Target Award for such Quarterly Period (not including any Target Award(s) attributable to any Carry Forward Goals), multiplied by the Pro-ration Fraction.
- o With respect to any Target Award(s) attributable to any Carry Forward Goals, the participant's outstanding Target Award(s) based on actual performance through the date of termination of employment. To the extent the Carry Forward Goals have not been attained by the date of termination of employment, the Target Award(s) attributable to such Carry Forward Goals shall be forfeited.
- *Termination without Cause.* If a participant's employment is terminated due to involuntary separation from service by the Company other than for Cause prior to the payment of a Target Award, then, except as provided below in connection with a Change in Control, the participant will be entitled to payment of:
 - o A pro-rated portion of the participant's outstanding Target Award(s) based on actual performance through the end of the Quarterly Period in which the termination of employment occurs based on the attainment of Goals for the Quarterly Period in which such termination occurs. The amount paid will be the portion of the participant's Target Award that would have been earned had the participant remained in employment throughout such Quarterly Period (not including any Target Award(s) attributable to any Carry Forward Goals), multiplied by the Pro-ration Fraction. To the extent the Quarterly Period Goals for the Quarterly Period have not been attained by the end of the Quarterly Period, the Target Award for such period will be forfeited.
 - o With respect to any Carry Forward Goals, the participant will be entitled to payment of the participant's outstanding Target Award(s) based on actual performance through the date of termination of employment. To the extent the Carry Forward Goals have not been attained by the date of termination of employment, the Target Award(s) attributable to such Carry Forward Goals shall be forfeited.
- *Other Termination of Employment.* If the participant incurs a termination of employment for any other reason (not set forth above), including a voluntary termination of employment or retirement after the end of a Quarterly Period but prior to a Target Award being paid for such Quarterly Period, all unpaid Target Awards will be forfeited.
- *Change in Control.* Notwithstanding anything herein to the contrary, if a participant's employment is involuntarily terminated by the Company other than for Cause or is terminated by the participant for Good Reason (as defined below), in either case within three months prior to or within one year following a Change in Control:
 - o The Compensation Committee will immediately vest and pay out all outstanding awards for the Quarterly Period in which the termination of employment occurs. Such awards shall be calculated assuming achievement of all applicable Quarterly Period Goals.
 - o With respect to any Carry Forward Goals, the participant will be entitled to payment of the participant's outstanding Target Award(s) based on actual performance through the date of termination of employment. To the extent the Carry Forward Goals have not been attained by the date of termination of employment, the Target Award(s) attributable to such Carry Forward Goals shall be forfeited.
 - o For purposes of this QIP, "Good Reason" has the same meaning defined for that term in the participant's change of control agreement with the Company, or if the participant does not have a change of control agreement with the Company, "Good Reason" shall mean, without the participant's express written consent, any of the following, unless such act or failure to act is corrected prior to the date of termination specified in the notice of termination given in respect thereof: (1) the participant is removed from the participant's position (with the Company or a material subsidiary) as in effect immediately prior to the Change in Control for any reason other than (A) by reason of death, Disability or Retirement or (B) for Cause; provided that such action results in a material diminution of participant's authority, duties or responsibilities with the Company and its subsidiaries, taken as a whole; (2) the participant is assigned any duties inconsistent in a material respect with the participant's position (including status, offices, titles and reporting relationships with the Company or any material subsidiary), authority, duties or responsibilities as in effect immediately prior to the Change in Control (or thereafter if increased) if such assignment results in a material diminution of such participant's authority, duties or responsibilities with the Company and its subsidiaries, taken as a whole; (3) the Company materially breaches any agreement under which the participant provides services; (4) the participant's annual base salary, annual bonus opportunity, or quarterly bonus opportunity (determined on an aggregate basis for the Company and its subsidiaries) as in effect immediately prior to the Change in Control (or thereafter if higher) is materially reduced (except for across-the-board reductions similarly affecting all USEC employees participating in the Equity Incentive Plan, or any successor plan, and all similarly situated employees of any person in control of the Company); provided such reduction is a material diminution of participant's base compensation or a material breach of any agreement under which the participant provides services; (5) any relocation of the participant's principal place of business from its location as of the date immediately preceding a Change in Control, by more than fifty (50) miles; or (6) any purported termination of the participant's employment that is not effected pursuant to at least 10 day's advance written notice of termination indicating the specific reason for termination and setting forth in reasonable detail the facts and circumstances claimed to provide a basis for termination, which termination for purposes of this QIP shall be ineffective. Notwithstanding the foregoing, a termination shall not be treated as a termination for Good Reason unless the participant shall have delivered a written notice of termination stating that the participant intends to terminate employment for Good Reason within ninety (90) days, and such termination must occur within two years, of the participant's having actual knowledge of the initial occurrence of one or more of such events, provided, in each such event, the Company fails to cure within thirty (30) days of receipt of such notice of termination. For purposes of this QIP, any good faith determination of "Good Reason" or good faith determination of the Company's failure to cure within the thirty (30) day period made by the participant shall be conclusive.

Administrative Matters

- *Amendment and Termination.* Notwithstanding anything herein to the contrary, the Compensation Committee may amend, alter, suspend, discontinue or terminate the Plan or any portion thereof at any time, subject to the terms of the Equity Incentive Plan, and the Compensation Committee may amend or adjust awards under the Plan as provided in Section 16 of the Equity Incentive Plan.
- *409A Matters.* Awards payable under this plan are intended not to be deferred compensation within the meaning of Section 409A of the Code, and the QIP will be administered and interpreted to be consistent with that intention. Awards that are earned will in no event be paid more than 2-1/2 months after the end of the calendar year in which they are earned.

- *Awards under QIP Not Taken into Account for Other Benefits.* Amounts payable to any participant under the Plan shall not be taken into account in computing the amount of compensation of the person for purposes of determining any pension, retirement, death or other benefit under (a) any pension, retirement, profit-sharing, bonus, insurance or other employee benefit plan of the Company, except as such other plan shall otherwise expressly provide, or (b) any agreement between the Company and the person, except as such agreement shall otherwise expressly provide.

USEC INC.

EXECUTIVE SEVERANCE PLAN

Amended and Restated

Effective January 1, 2013

USEC INC.

EXECUTIVE SEVERANCE PLAN

ARTICLE 1

ESTABLISHMENT, PURPOSE AND INTENT

1.1 Establishment, Purpose and Intent. USEC Inc., a Delaware corporation with its principal place of business in Bethesda, Maryland originally adopted the USEC Inc. Executive Severance Plan (the “Plan”) effective as of July 31, 2008 (the “Effective Date”). This Plan has been amended and restated, effective January 1, 2013. The Plan is intended to protect key executive employees of USEC Inc. and its subsidiaries and affiliates (individually and collectively, the “Company”) against an involuntary loss of employment so as to attract and retain such employees, and motivate them to enhance the value of the Company. The Plan is intended to be an unfunded welfare plan subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”); or to the extent it is a pension plan subject to ERISA, an unfunded pension plan maintained primarily for the purpose of providing deferred compensation to a select group of management or highly compensated employees. Words and phrases used with initial capitals in the Plan and not otherwise defined in the Plan have the meanings defined for them in Article 7.

ARTICLE 2

ELIGIBILITY AND PARTICIPATION

2.1 Participation. Each Executive shall become a Participant upon the later of the Effective Date or the date he or she becomes an Executive.

2.2 Termination of Participation. A Participant’s participation in the Plan shall automatically terminate, without notice to or consent of the Participant, upon termination of the Participant’s employment with the Company for any reason (including but not limited to death or disability) that is not an Eligible Separation from Service (as defined in Section 3.1).

ARTICLE 3

SEVERANCE BENEFITS

3.1 Eligible Separation from Service. Each Participant shall be entitled to severance and other benefits under the Plan in the amount set forth in Sections 3.2 and 3.3 below (“Severance Benefits”) if the Participant incurs an Eligible Separation from Service. Entitlement to Severance Benefits is subject to the Participant’s compliance with Sections 3.6 and 3.7 of the Plan and the other terms and conditions of the Plan, and subject to the execution and delivery of a valid and unrevoked Waiver and Release Agreement as required by Section 3.5 and to the other conditions set forth below. For this purpose an “Eligible Separation from Service” is a Separation from Service by reason of a termination of the Participant’s employment by the Company for any reason other than death, disability, or Cause, but shall not include a Separation from Service that entitles the Participant to benefits under an individual change in control agreement.

No Severance Benefits shall be payable in respect of a Separation from Service that is not an Eligible Separation from Service. For avoidance of doubt, none of the following shall be an Eligible Separation from Service: (i) termination of the Participant’s employment upon death or disability, (ii) termination of the Participant’s employment by the Company for Cause, or (iii) any voluntary resignation, including retirement.

3.2 Amount of Severance Pay.

(a) The amount of severance pay (“Severance Pay”) to which a Participant is entitled under the Plan shall be the sum of the amount described in (i) and the amount described in (ii), reduced by the amount described in (iii):

(i) two (2) times the Participant’s Final Eligible Compensation; provided, however, that the multiplier or period of years used to determine the benefits (i.e., two) shall be reduced to one (1), effective January 1, 2015, provided that the Participant has not experienced a Separation from Service prior to such date;

(ii) the Participant’s Prorated Performance Bonus;

(iii) the sum of (A) severance or similar payments made pursuant to any Federal, state or local law, including but not limited to payments under the Federal Worker Adjustment and Retraining Notification Act (WARN), and (B) any termination or severance payments under any other termination or severance plans, policies or programs of the Company that the Participant receives notwithstanding Section 3.2(b) below.

(b) There shall be no duplication of severance benefits in any manner. Severance Pay under this Plan shall be in lieu of any termination or severance payments to which the Participant may be entitled under any other termination or severance plans, policies or programs of the Company. No Participant shall be entitled to Severance Pay hereunder for more than one position with the Company.

3.3 Other Benefits.

(a) A Participant entitled to Severance Pay pursuant to Section 3.2 shall be entitled to continue the following additional benefits during the applicable Severance Period described in subsection (d) below:

(i) continued participation for him or her (and for his or her eligible dependents) in the Company's medical, dental and life insurance benefit plans on the same basis as applies to active employees from time to time, except at no cost to the Participant; provided that this coverage shall terminate prior to the end of the Severance Period when the Participant (or his or her eligible dependents, as applicable) becomes eligible for medical, dental and life insurance benefit plan coverage, respectively (whether or not comparable to plans of the Company), from any successor employer; and

(ii) continued eligibility for participation in the USEC Employee Assistance Plan during the Severance Period.

Neither the Participant nor his or her dependents shall be eligible for continued participation in any disability income plan, travel accident insurance plan or tax-qualified retirement plan. Nothing herein shall be deemed to restrict the right of the Company to amend or terminate any plan in a manner generally applicable to active employees.

(b) The continuation of group health coverage during the Severance Period shall be applied toward the Company's obligation to make continuation coverage available under Section 601 et seq. of ERISA ("COBRA"), and the Participant and the Participant's eligible dependents shall be entitled to maintain such COBRA coverage, at their expense, for the balance of the period required by COBRA, if any, following such continuation of coverage.

(c) Eligible Participants shall be entitled to reimbursement for outplacement assistance services through an outplacement provider retained by the Company or an outplacement provider selected by the Participant, for a period not to exceed six months after termination of employment, provided the cost shall not exceed \$15,000 and in no event will the Company provide cash in lieu of outplacement assistance services.

(d) The Severance Period shall be the two year period following Separation from Service, provided, however, that, effective January 1, 2015, the Severance Period shall be reduced to the one year period following Separation from Service, provided that the Participant has not experienced a Separation from Service prior to such date.

3.4 Payment. Subject to Section 3.5 below, the Participant's Prorated Performance Bonus, if any, shall be payable in a lump sum after the end of the performance period at such time as bonuses under the Annual Incentive Program or Quarterly Incentive Plan, as applicable, are paid to other executives of the Company but in any event no later than March 15th of the following calendar year. Subject to Section 3.5 below, all other Severance Pay shall be payable in a lump sum as soon as practicable after the Eligible Separation from Service, but in any event no later than March 15th of the calendar year after the year in which the Eligible Separation from Service occurs. Notwithstanding the preceding sentences, in the event Severance Pay or any other payment or distribution of a benefit under this Plan is deferred compensation subject to additional taxes or penalties under Section 409A of the Code if paid on or commencing on the date specified in this Plan, because the Participant is a Specified Employee within the meaning of the Section 409A regulations, such payment or distribution shall not be made or commence prior to the earliest date on which Section 409A permits such payment or commencement without additional taxes or penalties under Section 409A. In the event payment is deferred under the preceding sentence, any amount that would have been paid prior to the deferred payment date but for Section 409A shall be paid in a single lump sum on such earliest payment date, without interest.

3.5 Waiver and Release. In order to receive benefits under the Plan, a Participant must execute and deliver to the Company a valid Waiver and Release Agreement in a form tendered by the Company, which shall be substantially in the form of the Waiver and Release Agreement attached hereto as Exhibit A, with any changes thereto approved by the Company's General Counsel (or in the case of the General Counsel, the Chief Executive Officer) prior to execution. No benefits shall be paid under the Plan until the Participant has executed his or her Waiver and Release Agreement within the time period specified by the Company in the Waiver and Release Agreement (which shall not be more than 45 days after such agreement is tendered to the Participant unless otherwise required by law), and the period within which a Participant may revoke his or her Waiver and Release Agreement has expired without revocation. A Participant may revoke his or her signed Waiver and Release Agreement within seven (7) days (or such other period provided by law) after his or her signing the Waiver and Release Agreement. Any such revocation must be made in writing and must be received by the Company within such seven (7) day (or such other) period. A Participant who does not timely submit a signed Waiver and Release Agreement to the Company shall not be eligible to receive any Severance Benefits under the Plan. A Participant who timely revokes his or her Waiver and Release Agreement shall not be eligible to receive any Severance Benefits under the Plan. Notwithstanding the foregoing, if the expiration of the revocation period described above could occur in a calendar year later than the calendar year in which the Waiver and Release Agreement is tendered to the Participant for execution, then in no event will benefits under the Plan that are conditioned upon the effectiveness of the Waiver and Release Agreement be paid prior to the beginning of such later calendar year.

3.6 Restrictive Covenants. As a condition of participation in this Plan each Participant agrees as follows:

(a) **Confidentiality.** The Participant shall hold in a fiduciary capacity for the benefit of the Company all secret, proprietary, or confidential materials, knowledge, data or any other information relating to the Company or any of its affiliated companies, and their respective businesses ("Confidential Information"), which shall have been obtained by the Participant during the Participant's employment by the Company or any of its affiliated companies and that shall not have been or now or hereafter have become public knowledge (other than by acts by the Participant or representatives of the Participant in violation of this Section 3.6). While employed by the Company or an affiliated company and (a) for a period of five years thereafter with respect to Confidential Information that does not include trade secrets, and (b) any time thereafter with respect to Confidential Information that does include trade secrets, the Participant shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any Confidential Information to anyone other than the Company and those designated by it.

(b) **Non-Competition and Non-Solicitation.** The Participant shall not, at any time while employed by the Company and during the Severance Period, (i) engage or become interested as an owner or stockholder (other than as an owner or stockholder of less than five percent (5%) of the stock of a publicly owned company), partner, director, officer, employee (in an executive capacity), consultant or otherwise in any business that is competitive with the uranium enrichment business conducted by the Company or any of its affiliated companies during the term of the Plan or as of the date of the Participant's termination of employment, as applicable; (ii) engage in any activity in competition with or against the uranium enrichment business conducted by the Company or any of its affiliated companies during the term of the Plan or as of the date of the Participant's termination of employment, as applicable; or (iii) recruit, solicit for employment, hire or engage any employee or consultant of the Company or any of its affiliated companies or any person who was an employee or consultant of the Company or any of its affiliated companies within two (2) years prior to the date of the Participant's termination of employment. For purposes of this Section 3.6, a business that is competitive with the uranium enrichment business conducted by the Company or any of its affiliated companies shall include, but not be limited to, URENCO USA (f/k/a Louisiana Energy Services Inc. (LES)), AREVA SA, AREVA, Inc., Urenco Ltd., Urenco, Inc., Cogema, Enrichment Technology Company Limited, TENEX, GLE (Global Laser Enrichment), Cameco, and any subsidiary or affiliate thereof engaged in a business that is competitive with the uranium enrichment business conducted by the Company or any of its affiliated companies, and any contractor or subcontractor to any of these businesses (with respect to activities by such contractor or subcontractor that are competitive with the uranium enrichment business conducted by the Company or any of its affiliated companies). The Participant acknowledges that these

provisions are necessary for the Company's protection and are not unreasonable, since the Participant would be able to obtain employment with companies whose businesses are not competitive with the uranium enrichment business of the Company and its affiliated companies and would be able to recruit and hire personnel other than employees of the Company or any of its affiliated companies. The duration and scope of these restrictions on the Participant's activities are divisible, so that if any provision of this paragraph is held or deemed to be invalid, that provision shall be automatically modified to the extent necessary to make it valid.

(c) Non-Disparagement. The Participant agrees that, subject to Section 3.6(d) below, he or she will not, nor will he or she cause or assist any other person to, make any statement to a third party or take any action which is intended to or would reasonably have the effect of disparaging or harming the Company or the business reputation of the Company's present or former officers, directors, employees, or agents.

(d) Nuclear, Workplace, Public Safety and Sarbanes-Oxley Concerns. The Participant understands and acknowledges that nothing in the Plan prohibits, penalizes, or otherwise discourages the Participant from reporting, providing testimony regarding, or otherwise communicating any nuclear safety concern, workplace safety concern, public safety concern, or concern of any sort, to the U.S. Nuclear Regulatory Commission, the U.S. Department of Labor, or any federal or state government agency. The Participant further understands and acknowledges that nothing in this Plan conditions or restricts the Participant's communication with, or full cooperation in proceedings or investigations by, any federal or state agency. The Participant also understands and acknowledges that nothing in this Plan shall be construed to prohibit him or her from engaging in any activity protected by the Sarbanes-Oxley Act, 18 U.S.C. Section 1514A or Section 211 of the Energy Reorganization Act of 1974, as amended.

(e) No Effect on Other Restrictive Covenants. The provisions of this Section 3.6 shall not affect any restrictive covenants relating to confidentiality, non-competition, non-solicitation, non-disparagement or other matters contained in any individual change in control agreement, employment agreement or other agreement between the Participant and the Company, which restrictive covenants shall remain in full force and effect in accordance with their terms and may be for a period of time that exceeds the Severance Period.

3.7 Return of Consideration.

(a) If at any time a Participant breaches any provision of Section 3.6 or Section 3.10, then: (i) the Company shall cease to provide any further Severance Pay or other benefits under Section 3.2 or Section 3.3 (other than pursuant to COBRA) and the Participant shall repay to the Company all Severance Pay and other benefits previously received under Section 3.2 or Section 3.3; (ii) all unexercised Company stock options under any Designated Plan (as defined below) whether or not otherwise vested shall cease to be exercisable and shall immediately terminate; (iii) the Participant shall forfeit any outstanding restricted stock or other outstanding equity award made under any Designated Plan and not otherwise vested on the date of breach; and (iv) the Participant shall pay to the Company (A) for each share of common stock of the Company ("Common Share") acquired on exercise of an option under a Designated Plan within the 24 months prior to such breach, the excess of the fair market value of a Common Share (I) on the date of exercise or (II) on the date of such payment to the Company, over the exercise price paid for such Common Share, and (B) for each share of restricted stock that became vested under any Designated Plan within the 24 months prior to such breach, the greater of the fair market value of a Common Share (I) on the date of vesting, or (II) on the date of such payment to the Company. Any amount to be repaid pursuant to this Section 3.7 shall be held by the Participant in constructive trust for the benefit of the Company and shall be paid by the Participant to the Company with interest at the prime rate (as published in The Wall Street Journal) as of the date of breach plus two (2) percentage points; or, if less, then the maximum interest rate permitted by law, upon written notice from the Committee, within 10 days of such notice.

(b) The amount to be repaid pursuant to this Section 3.7 shall be determined on a gross basis, without reduction for any taxes incurred. The Company shall have the right to offset such amount against any amounts otherwise owed to the Participant by the Company (whether as wages, vacation pay, or pursuant to any benefit plan or other compensatory arrangement).

(c) For purposes of this Section 3.7, a "Designated Plan" is the Equity Incentive Plan and each other equity compensation or long-term incentive compensation plan, deferred compensation plan, or supplemental retirement plan, of the Company.

(d) The provisions of this Section 3.7 shall apply to awards described in clauses (i), (ii), (iii), and (iv) of Section 3.7(a) earned or made after the date the Executive becomes a Participant in this Plan.

3.8 Equitable Relief and Other Remedies. As a condition of participation in this Plan:

(a) The Participant acknowledges that each of the provisions of Section 3.6 and 3.7 of the Plan are reasonable and necessary to preserve the legitimate business interests of the Company, its present and potential business activities and the economic benefits derived therefrom; that they will not prevent him or her from earning a livelihood in the Participant's chosen business and are not an undue restraint on the trade of the Participant, or any of the public interests which may be involved.

(b) The Participant agrees that beyond the amounts otherwise to be provided under this Plan, the Company will be damaged by a violation of the terms of this Plan and the amount of such damage may be difficult to measure. The Participant agrees that if the Participant commits or threatens to commit a breach of any of the covenants and agreements contained in Sections 3.6 or 3.10, then the Company shall have the right to seek and obtain all appropriate injunctive and other equitable remedies, without posting bond therefor, except as required by law, in addition to any other rights and remedies that may be available at law or under this Plan, it being acknowledged and agreed that any such breach would cause irreparable injury to the Company and that money damages would not provide an adequate remedy.

(c) The parties agree that the covenants contained herein are severable. If an arbitrator or court shall hold that the duration, scope, area or activity restrictions stated herein are unreasonable under circumstances then existing, the parties agree that the maximum duration, scope, area or activity restrictions reasonable and enforceable under such circumstances shall be substituted for the stated duration, scope, area or activity restrictions to the maximum extent permitted by law. The parties further agree that the Company's rights under Section 3.7 should be enforced to the fullest extent permitted by law irrespective of whether the Company seeks equitable relief in addition to relief provided therein or if the arbitrator or court deems equitable relief to be inappropriate.

3.9 Survival of Provisions. The obligations contained in Sections 3.6, 3.7, 3.8 and Section 3.10 below shall survive the Participant's employment with the Company and shall be fully enforceable thereafter.

3.10 Cooperation. Upon the receipt of reasonable notice from the Company (including from outside counsel to the Company), the Participant agrees that while employed by the Company and for two years (or, if longer, for so long as any claim referred to in this Section remains pending) after the

termination of Participant's employment for any reason, the Participant will respond and provide information with regard to matters in which the Participant has knowledge as a result of the Participant's employment with the Company, and will provide reasonable assistance to the Company and its representatives in defense of any claims that may be made against the Company, and will assist the Company in the prosecution of any claims that may be made by the Company to the extent that such claims may relate to the period of the Participant's employment with the Company (or any predecessor); provided, that with respect to periods after the termination of the Participant's employment, the Company shall reimburse the Participant for any out-of-pocket expenses incurred in providing such assistance and if the Participant is required to provide more than ten (10) hours of assistance per week after his or her termination of employment then the Company shall pay the Participant a reasonable amount of money for his or her services at a rate agreed to between the Company and the Participant; and provided further that after the Participant's termination of employment with the Company such assistance shall not unreasonably interfere with the Participant's business or personal obligations. The Participant agrees to promptly inform the Company if the Participant becomes aware of any lawsuits involving such claims that may be filed or threatened against the Company. Subject to Section 3.6(d), the Participant also agrees to promptly inform the Company (to the extent the Participant is legally permitted to do so) if the Participant is asked to assist in any investigation of the Company (or its actions), regardless of whether a lawsuit or other proceeding has then been filed against the Company with respect to such investigation, and shall not do so unless legally required.

ARTICLE 4

CLAIMS

4.1 Competition Determinations. Any Participant may apply to the Committee for written confirmation that specified activities proposed to be undertaken by the Participant will not violate Section 3.6 of the Plan. The Committee shall confirm or deny in writing that specified activities proposed to be undertaken by the Participant will not violate Section 3.6 of the Plan within 21 days of receipt of any such application unless the Committee determines that it has insufficient facts on which to make that determination, in which event the Committee shall advise the Participant of information necessary for the Committee to make such determination. Any confirmation that specified activities to be undertaken by the Participant will not violate Section 3.6 of the Plan shall be binding on the Company provided that all material facts have been disclosed to the Committee and there is no change in the material facts.

4.2 Claims Procedure. If any Participant has (a) a claim for compensation or benefits which are not being paid under the Plan, (b) another claim for benefits under the Plan, (c) a claim for clarification of his or her rights under the Plan (to the extent not provided for in Section 4.1), then the Participant (or his or her designee) (a "Claimant") may file with the Committee a written claim setting forth the amount and nature of the claim, supporting facts, and the Claimant's address. A claim shall be filed within six (6) months of (i) the date on which the claim first arises or (ii) if later, the earliest date on which the Participant knows or should know of the facts giving rise to a claim. The Committee shall notify each Claimant of its decision in writing by registered or certified mail within 90 days after its receipt of a claim, unless otherwise agreed by the Claimant. In special circumstances the Committee may extend for a further 90 days the deadline for its decision, provided the Committee notifies the Claimant of the need for the extension within 90 days after its receipt of a claim. If a claim is denied, the written notice of denial shall set forth the reasons for such denial, refer to pertinent provisions of the Plan on which the denial is based, describe any additional material or information necessary for the Claimant to realize the claim, and explain the claim review procedure under the Plan.

4.3 Claims Review Procedure. A Claimant whose claim has been denied or such Claimant's duly authorized representative may file, within 60 days after notice of such denial is received by the Claimant, a written request for review of such claim by the Committee. If a request is so filed, the Committee shall review the claim and notify the Claimant in writing of its decision within 60 days after receipt of such request, unless otherwise agreed by the Claimant. In special circumstances, the Committee may extend for up to 60 additional days the deadline for its decision, provided the Committee notifies the Claimant of the need for the extension within 60 days after its receipt of the request for review. The notice of the final decision of the Committee shall include the reasons for its decision and specific references to the Plan on which the decision is based. The decision of the Committee shall be final and binding on all parties in accordance with but subject to Section 4.4(a) below.

4.4 Arbitration.

(a) In the event of any dispute arising out of or relating to this Plan, the determinations of fact and the construction of this Plan or any other determination by the Committee in its sole and absolute discretion pursuant to Section 5.3 of the Plan shall be final and binding on all persons and may not be overturned in any arbitration or any other proceeding unless the party challenging the Committee's determination can demonstrate by clear and convincing evidence that a determination of fact is clearly erroneous or any other determination by the Committee is arbitrary and capricious.

(b) Any dispute arising out of or relating to this Plan shall first be presented to the Committee pursuant to the claims procedure set forth in Section 4.2 of the Plan and the claims review procedure of Section 4.3 of the Plan within the times therein provided. In the event of any failure timely to use and exhaust such claims procedure and the claims review procedures, the decision of the Committee on any matter respecting the Plan shall be final and binding and may not be challenged by further arbitration, or any other proceeding.

(c) Any dispute arising out of or relating to this Plan which has not been resolved as provided in Section 4.4(b) shall be finally resolved by arbitration in accordance with the CPR Rules for Non-Administered Arbitration then currently in effect, by a sole arbitrator. The Company shall be initially responsible for the payment of any filing fee and advance in costs required by CPR or the arbitrator, provided, however, if the Participant initiates the claim, the Participant will contribute an amount not to exceed \$250.00 for these purposes. During the arbitration, each party shall pay for its own costs and attorneys fees, if any. Attorneys fees and costs shall be awarded by the arbitrator to the prevailing party pursuant to Section 4.4(h) below.

(d) The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16 and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The arbitrator shall not have the right to award speculative damages or punitive damages to either party except as expressly permitted by statute (notwithstanding this provision by which both parties hereto waive the right to such damages) and shall not have the power to amend this Plan. The arbitrator shall be required to follow applicable law. The place of arbitration shall be Bethesda, Maryland. Any application to enforce or set aside the arbitration award shall be filed in a state or federal court located in Maryland.

(e) Any demand for arbitration must be made or any other proceeding filed within six (6) months after the date of the Committee's decision on review pursuant to Section 4.3.

(f) Notwithstanding the foregoing provisions of this Section, an action to enforce the Plan shall be filed within eighteen (18) months after the party seeking relief had actual or constructive knowledge of the alleged violation of the Plan in question or any party shall be able to seek immediate,

temporary, or preliminary injunctive or equitable relief from a court of law or equity if, in its judgment, such relief is necessary to avoid irreparable damage. To the extent that any party wishes to seek such relief from a court, the parties agree to the following with respect to the location of such actions. Such actions brought by the Participant shall be brought in a state or federal court located in Maryland. Such actions brought by the Company shall be brought in a state or federal court located in Maryland; the Participant's state of residency; or any other forum in which the Participant is subject to personal jurisdiction. The Participant specifically consents to personal jurisdiction in the State of Maryland for such purposes.

(g) IF FOR ANY REASON THIS ARBITRATION CLAUSE BECOMES NOT APPLICABLE, THEN EACH PARTY, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY AS TO ANY ISSUE RELATING HERETO IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS PLAN OR ANY OTHER MATTER INVOLVING THE PARTIES HERETO.

(h) In the event of any contest arising under or in connection with this Plan, the arbitrator or court, as applicable, shall award the prevailing party attorneys' fees and costs to the extent permitted by applicable law.

ARTICLE 5

ADMINISTRATION

5.1 Committee. The Committee shall administer this Plan. Members of the Committee may but need not be employees of the Company and may but need not be Participants in the Plan, but a member of the Committee who is a Participant shall not vote or act upon any matter which relates solely to such member as a Participant. All decisions of the Committee shall be by a vote or written evidence of intention of the majority of its members and all decisions of the Committee shall be final and binding except as provided in Section 4.4(a).

5.2 Duties. The Committee shall have the power and duty in its sole and absolute discretion to do all things necessary or convenient to effect the intent and purposes of the Plan, whether or not such powers and duties are specifically set forth herein, and, by way of amplification and not limitation of the foregoing, the Committee shall have the power in its sole and absolute discretion to:

- (a) provide rules for the management, operation and administration of the Plan, and, from time to time, amend or supplement such rules;
- (b) construe the Plan in its sole and absolute discretion to the fullest extent permitted by law, which construction shall be final and conclusive upon all persons except as provided in Section 4.4(a);
- (c) correct any defect, supply any omission, or reconcile any inconsistency in the Plan in such manner and to such extent as it shall deem appropriate in its sole discretion to carry the same into effect;
- (d) make all determinations relevant to a Participant's eligibility for benefits under the Plan, including determinations as to Separation from Service, Cause, and the Participant's compliance or not with Sections 3.6, 3.7, 3.8 and 3.10 of the Plan;
- (e) to enforce the Plan in accordance with its terms and the Committee's construction of the Plan as provided in Section 5.2(b) above;
- (f) do all other acts and things necessary or proper in its judgment to carry out the purposes of the Plan in accordance with its terms and intent.

5.3 Binding Authority. The decisions of the Committee or its duly authorized delegate within the powers conferred by the Plan shall be final and conclusive for all purposes of the Plan, and shall not be subject to any appeal or review other than pursuant to Article 4.

5.4 Exculpation. No member of the Committee nor any delegate of the Committee serving as Plan Administrator nor any other officer or employee of the Company acting on behalf of the Company with respect to this Plan shall be directly or indirectly responsible or otherwise liable by reason of any action or default as a member of that Committee, Plan Administrator or other officer or employee of the Company acting on behalf of the Company with respect to this Plan, or by reason of the exercise of or failure to exercise any power or discretion as such person, except for any action, default, exercise or failure to exercise resulting from such person's gross negligence or willful misconduct. No member of the Committee shall be liable in any way for the acts or defaults of any other member of the Committee, or any of its advisors, agents or representatives.

5.5 Indemnification. The Company shall indemnify and hold harmless each member of the Committee, any delegate of the Committee serving as Plan Administrator, and each other officer or employee of the Company acting on behalf of the Company with respect to this Plan, against any and all expenses and liabilities arising out of his or her own membership on the Committee, service as Plan Administrator, or other actions respecting this Plan on behalf of the Company, except for expenses and liabilities arising out of such person's gross negligence or willful misconduct. A person indemnified under this Section who seeks indemnification hereunder ("Indemnitee") shall tender to the Company a request that the Company defend any claim with respect to which the Indemnitee seeks indemnification under this Section and shall fully cooperate with the Company in the defense of such claim. If the Company shall fail to timely assume the defense of such claim then the Indemnitee may control the defense of such claim. However, no settlement of any claim otherwise indemnified under this Section shall be subject to indemnity hereunder unless the Company consents in writing to such settlement.

ARTICLE 6

GENERAL PROVISIONS

6.1 No Property Interest. The Plan is unfunded. Severance pay shall be paid exclusively from the general assets of the Company and any liability of the Company to any person with respect to benefits payable under the Plan shall give rise solely to a claim as an unsecured creditor against the general assets of the Company. Any Participant who may have or claim any interest in or right to any compensation, payment or benefit payable hereunder, shall rely solely upon the unsecured promise of the Company for the payment thereof, and nothing herein contained shall be construed to give to or vest in the Participant or any other person now or at any time in the future, any right, title, interest or claim in or to any specific asset, fund, reserve, account, insurance or annuity policy or contract, or other property of any kind whatsoever owned by the Company, or in which the Company may have any right, title or interest

now or at any time in the future.

6.2 Other Rights. Except as provided in Sections 3.2(a), 3.7 and 6.8, the Plan shall not affect or impair the rights or obligations of the Company or a Participant under any other written plan, contract, arrangement, or pension, profit sharing or other compensation plan, including, but not limited to, any acceleration of vesting of any stock options, restricted stock or other equity awards under the Equity Incentive Plan upon termination of employment in accordance with the terms of the applicable award agreements governing such awards.

6.3 Amendment or Termination. The Board of Directors or the Compensation Committee of the Board of Directors may unilaterally amend, alter, suspend, discontinue or terminate the Plan at any time; provided, however, that no such amendment, alteration, suspension, discontinuance, or termination shall adversely affect the rights of any Participant who has incurred an Eligible Separation from Service on or prior to the date of the amendment or termination unless: (i) the affected Participant approves such amendment in writing, or (ii) the amendment is required (as determined by the Committee) by law (including any provision of the Code) whether such requirement impacts the Company or any Participant. Amendment or termination of the Plan shall not accelerate (or defer) the time of any payment under the Plan that is deferred compensation subject to Section 409A of the Code if such acceleration (or deferral) would subject such deferred compensation to additional tax or penalties under Section 409A.

6.4 Severability. If any term or condition of the Plan shall be invalid or unenforceable to any extent or in any application, then the remainder of the Plan, with the exception of such invalid or unenforceable provision, shall not be affected thereby and shall continue in effect and application to its fullest extent. If, however, the Committee determines in its sole discretion that any term or condition of the Plan which is invalid or unenforceable is material to the interests of the Company, the Committee may declare the Plan null and void in its entirety.

6.5 No Employment Rights. Neither the establishment of the Plan, any provisions of the Plan, nor any action of the Committee shall be held or construed to confer upon any employee the right to a continuation of employment by the Company. The Company reserves the right to dismiss any employee, or otherwise deal with any employee to the same extent as though the Plan had not been adopted.

6.6 Transferability of Rights. The Company shall have the right to transfer all of its obligations under the Plan with respect to one or more Participants without the consent of any Participant. No Participant or spouse of a Participant shall have any right to commute, encumber, transfer or otherwise dispose of or alienate any present or future right or expectancy which the Participant or such spouse may have at any time to receive payments of benefits hereunder, which benefits and the right thereto are expressly declared to be non-assignable and nontransferable, except to the extent required by law. Any attempt to transfer or assign a benefit, or any rights granted hereunder, by a Participant or the spouse of a Participant shall, in the sole discretion of the Committee (after consideration of such facts as it deems pertinent), be grounds for terminating any rights of the Participant or his or her spouse to any portion of the Plan benefits not previously paid.

6.7 Beneficiary. Any payment due under this Plan after the death of the Participant shall be paid to such person or persons, jointly or successively, as the Participant may designate, in writing filed by Participant with the Committee during the Participant's lifetime in a form acceptable to the Committee, which the Participant may change without the consent of any beneficiary by filing a new designation of beneficiary in like manner. If no designation of beneficiary is on file with the Committee or no designated beneficiary is living or in existence upon the death of the Participant, such payments shall be made to the surviving spouse of the Participant, if any, or if none to the Participant's estate. Any Severance Pay payable after the death of a Participant shall be accelerated and paid in a single lump sum to the Participant's designated beneficiary.

6.8 Entire Document. The Plan as set forth herein, supersedes any and all prior practices, understandings, agreements, descriptions or other non-written arrangements respecting severance, except for written employment or severance contracts signed by the Company with individuals other than Participants.

6.9 Plan Year. The fiscal records of the Plan shall be kept on the basis of a plan year which is the calendar year.

6.10 Governing Law. This is an employee benefit plan subject to ERISA and shall be governed by and construed in accordance with ERISA and, to the extent applicable and not preempted by ERISA, the law of the State of Maryland applicable to contracts made and to be performed entirely within that State, without regard to its conflict of law principal.

6.11 In-Kind Benefits and Reimbursements. In-kind benefits and reimbursements provided under this Plan during any tax year of the Participant shall not affect in-kind benefits or reimbursements to be provided in any other tax year of the Participant and are not subject to liquidation or exchange for another benefit. Notwithstanding any other provision of this Plan, reimbursements must be made on or before the last day of the Participant's taxable year following the taxable year in which the expense was incurred.

6.12 Interpretation and Construction. This Plan is intended to be written, and shall be construed and operated in a manner that complies with Section 409A, such that no amounts payable hereunder shall become subject to income inclusion, additional taxes or interest under Section 409A of the Code (collectively "409A Penalties"). In no event shall the Company be required to provide any Participant a tax gross-up payment with respect to, or to pay, any 409A Penalties.

ARTICLE 7

DEFINITIONS

7.1 Definitions. The following words and phrases as used herein shall have the following meanings, unless a different meaning is required by the context:

7.1.1 "Annual Incentive Program" means the USEC Inc. Annual Incentive Program under the Equity Incentive Plan, as may be amended from time to time or any successor plan or program.

7.1.2 "Board of Directors" means the Board of Directors of the Company.

7.1.3 "Cause", unless otherwise defined for purposes of termination of employment in a written employment agreement between the Company and the Participant, shall mean any act or failure to act on the part of the Participant which constitutes:

- (i) fraud, embezzlement, theft or dishonesty against the Company;
- (ii) material violation of law in connection with or in the course of the Participant's duties or employment with the Company,
- (iii) commission of any felony or crime involving moral turpitude;
- (iv) any violation of Section 3.6 of the Plan;
- (v) any other material breach of the terms and conditions of employment;
- (vi) material breach of any written employment policy of the Company;
- (vii) conduct which tends to bring the Company into substantial public disgrace or disrepute; or
- (viii) the Participant's failure to promptly and adequately perform the duties assigned to the Participant by the Company, such performance to be judged in good faith at the discretion of the Company.

7.1.4 "Code" means the Internal Revenue Code of 1986, as amended from time to time.

7.1.5 "Committee" means the USEC Inc. Benefit Plan Administrative Committee.

7.1.6 "Disability" means a mental or physical condition which renders the Participant unable or incompetent, with reasonable accommodation, to carry out the material job responsibilities which such Participant held or the material duties to which the Participant was assigned at the time the Disability was incurred, which has continued for at least six months.

7.1.7 "Equity Incentive Plan" means the USEC Inc. 2009 Equity Incentive Plan, as such plan may be amended from time to time or any successor plan.

7.1.8 "Executive" means the Chief Executive Officer and any officer employed by the Company in a position of Senior Vice President or Vice President, and any other key executive of the Company whom the Chief Executive Officer of the Company expressly determines shall be eligible to be a Participant in this Plan.

7.1.9 "Final Average Bonus" means the Participant's target annualized Part A award opportunity under the Quarterly Incentive Plan for the year of termination or, if higher, the average of the three most recent annual bonuses paid to the Participant prior to the date of termination, whether such annual bonuses are paid in the form of cash or in grants of restricted common stock of the Company or other awards under the Annual Incentive Program; provided, however, that (i) any annual bonus paid to the Participant that was pro-rated or otherwise adjusted because the Participant was not employed by the Company during the entire period to which such bonus related shall be annualized for purposes of the calculation of the Participant's Final Average Bonus; (ii) if the Participant has experienced a change in position that has increased the Participant's annual bonus opportunity (whether or not such change in position is accompanied by a change in title), any annual bonus paid to the Participant with respect to a period prior to such change in position shall not be included in the calculation of the Participant's Final Average Bonus; (iii) if the Participant shall not have been paid at least three annual bonuses prior to the date of termination that are includable in the calculation of the Participant's Final Average Bonus, then the Participant's Final Average Bonus shall be an amount equal to the average of such lesser number of annual bonuses (or, if just one annual bonus, an amount equal to such bonus); and (iv) if the Participant shall not have been paid at least one annual bonus prior to the date of termination that is includable in the calculation of the Participant's Final Average Bonus, the Participant's Final Average Bonus shall be an amount equal to the Participant's annual target bonus as in effect on the date of termination. Final Average Bonus shall not include any amount of cash or equity paid or granted as part of any long term incentive plan or program that the Company in its sole discretion may elect to maintain from time to time. Except as set forth above, Final Average Bonus shall also not include the amount of any quarterly incentive awards paid or granted under the Quarterly Incentive Plan or any other quarterly incentive plan or program that the Company in its sole discretion may elect to maintain from time to time, or the amount of any other award which is intended to represent a portion of an executive's historical long-term incentive compensation opportunity.

7.1.10 "Final Eligible Compensation" means the sum of the Participant's Final Salary and Final Average Bonus.

7.1.11 "Final Salary" means the Participant's annual base salary as in effect on the date of termination.

7.1.12 "Participant" means any Executive who is eligible to participate in the Plan and has become a Participant in accordance with Section 2.1, and has not had such participation terminated pursuant to Section 2.2.

7.1.13 "Prorated Performance Bonus" means the award to which the Participant would have been entitled under the Annual Incentive Program, if any, at the end of the then current performance period based on actual performance during the performance period, prorated by multiplying such award by a fraction, the numerator of which is the number of days during the performance period that the Participant is employed by the Company and the denominator of which is 365. In addition, Prorated Performance Bonus shall include any amounts to which the Participant is entitled under the Quarterly Incentive Plan upon termination of employment in accordance with the terms of such plan.

7.1.14 "Quarterly Incentive Plan" means the USEC Inc. Quarterly Incentive Plan under the Equity Incentive Plan, as may be amended from time to time or any successor plan or program.

7.1.15 "Separation from Service" means a termination of the Participant's employment with the Company which constitutes a "separation from service" within the meaning of Section 409A(a)(2)(A)(i) of the Code. Notwithstanding the preceding sentence a Separation from Service shall not include the disposition by the Company of the subsidiary or affiliate which employs the Participant if such employing subsidiary or affiliate adopts this Plan and continues (by assignment or otherwise) to be the employer of the Participant.

2013.

USEC INC.

By: /s/ Richard V. Rowland
Name: Richard V. Rowland
Title: Vice President, Human Resources

WAIVER AND RELEASE

This is a Waiver and Release ("Release") between _____ ("Executive") and USEC Inc. (the "Company"). The Company and the Executive agree that they have entered into this Release voluntarily, and that it is intended to be a legally binding commitment between them.

1. In consideration for the promises made herein by the Executive, the Company agrees as follows:

(a) **Severance Pay.** The Company will pay to the Executive severance payments in the amount set forth in the USEC Inc. Executive Severance Plan (the "Severance Plan"). The Company will also pay Executive accrued but unused vacation pay in the amount of \$ _____ representing ____ days of accrued but unused vacation.

(b) **Other Benefits.** The Executive will be eligible to receive other benefits as described in the Severance Plan.

(c) **Unemployment Compensation.** The Company will not contest the decision of the appropriate regulatory commission regarding unemployment compensation that may be due to the Executive.

2. In consideration for and contingent upon the Executive's right to receive the severance pay and other benefits described in the Severance Plan and this Release, Executive hereby agrees as follows:

(a) **General Waiver and Release.** Except as provided in Paragraph 2.(f) below, Executive and any person acting through or under the Executive hereby release, waive and forever discharge the Company, its past subsidiaries and its past and present affiliates, and their respective successors and assigns, and their respective present or past officers, trustees, directors, shareholders, executives and agents of each of them, from any and all claims, demands, actions, liabilities and other claims for relief and remuneration whatsoever (including without limitation attorneys' fees and expenses), whether known or unknown, absolute, contingent or otherwise (each, a "Claim"), arising or which could have arisen up to and including the date of his execution of this Release, including without limitation those arising out of or relating to Executive's employment or cessation and termination of employment, or any other written or oral agreement, any change in Executive's employment status, any benefits or compensation, any tortious injury, breach of contract, wrongful discharge (including any Claim for constructive discharge), infliction of emotional distress, slander, libel or defamation of character, and any Claims arising under the United States Constitution, the Maryland Constitution, Title VII of the Civil Rights Act of 1964 (as amended by the Civil Rights Act of 1991), the Americans With Disabilities Act, the Rehabilitation Act of 1973, the Fair Labor Standards Act, the Family and Medical Leave Act, the National Labor Relations Act, the Labor-Management Relations Act, the Equal Pay Act, the Older Workers Benefits Protection Act, the Workers Retraining and Notification Act, the Age Discrimination in Employment Act, the Employee Retirement Income Security Act of 1974, Section 211 of the Energy Reorganization Act of 1974, the Maryland Human Rights Act, or any other federal, state or local statute, law, ordinance, regulation, rule or executive order, any tort or contract claims, and any of the claims, matters and issues which could have been asserted by Executive against the Company or its subsidiaries and affiliates in any legal, administrative or other proceeding. Executive agrees that if any action is brought in his or her name before any court or administrative body, Executive will not accept any payment of monies in connection therewith.

(b) **Miscellaneous.** Executive agrees that this Release specifies payment from the Company to himself or herself, the total of which meets or exceeds any and all funds due him or her by the Company, and that he or she will not seek to obtain any additional funds from the Company with the exception of non-reimbursed business expenses. (This covenant does not preclude the Executive from seeking workers compensation, unemployment compensation, or benefit payments from Company's insurance carriers that could be due him or her.)

(c) **Non-Competition, Non-Solicitation and Confidential Information.** Executive warrants that Executive has, and will continue to comply fully with the requirements of the Severance Plan.

(d) THE COMPANY AND THE EXECUTIVE AGREE THAT THE SEVERANCE PAY AND BENEFITS DESCRIBED IN THIS RELEASE AND THE SEVERANCE PLAN ARE CONTINGENT UPON THE EXECUTIVE SIGNING THIS RELEASE. THE EXECUTIVE FURTHER UNDERSTANDS AND AGREES THAT IN SIGNING THIS RELEASE, EXECUTIVE IS RELEASING POTENTIAL LEGAL CLAIMS AGAINST THE COMPANY. THE EXECUTIVE UNDERSTANDS AND AGREES THAT IF HE OR SHE DECIDES NOT TO SIGN THIS RELEASE, OR IF HE OR SHE REVOKES THIS RELEASE, THAT HE OR SHE WILL IMMEDIATELY REFUND TO THE COMPANY ANY AND ALL SEVERANCE PAYMENTS AND OTHER BENEFITS HE OR SHE MAY HAVE ALREADY RECEIVED.

(e) The waiver contained in Section 2(a) above does not apply to any Claims with respect to:

(i) Any claims under employee benefit plans subject to the Employee Retirement Income Security Act of 1974 ("ERISA") in accordance with the terms of the applicable employee benefit plan,

(ii) Any Claim under or based on a breach of this Release,

(iii) Rights or Claims that may arise under the Age Discrimination in Employment Act after the date that Executive signs this Release,

(iv) Any right to indemnification or directors and officers liability insurance coverage to which the Executive is otherwise entitled in accordance with the Company's certificate of incorporation or by-laws or an individual indemnification agreement.

(f) EXECUTIVE ACKNOWLEDGES THAT HE OR SHE HAS READ AND IS VOLUNTARILY SIGNING THIS RELEASE. EXECUTIVE ALSO ACKNOWLEDGES THAT HE OR SHE IS HEREBY ADVISED TO CONSULT WITH AN ATTORNEY, HE OR SHE HAS BEEN GIVEN AT LEAST [45 DAYS - if group layoff] [21 DAYS - if individual termination] TO CONSIDER THIS RELEASE BEFORE THE DEADLINE FOR SIGNING IT, AND HE OR SHE UNDERSTANDS THAT HE OR SHE MAY REVOKE THE RELEASE WITHIN SEVEN (7) DAYS AFTER SIGNING IT. IF NOT REVOKED WITHIN SUCH PERIOD, THIS RELEASE WILL BECOME EFFECTIVE ON THE EIGHTH (8) DAY AFTER IT IS SIGNED BY EXECUTIVE.

BY SIGNING BELOW, BOTH THE COMPANY AND EXECUTIVE AGREE THAT THEY UNDERSTAND AND ACCEPT EACH PART OF THIS RELEASE.

(Executive)

DATE

USEC INC.

By: _____
DATE

DATE

CHANGE IN CONTROL AGREEMENT

AGREEMENT (this "Agreement") by and between USEC Inc., a Delaware corporation (the "Company") and _____ (the "Executive") dated and effective as of _____.

WHEREAS, the Executive is currently an employee of the Company;

WHEREAS, the Board of Directors of the Company has determined that it is essential to the best interests of the Company and its shareholders to foster the continued employment of the Executive, notwithstanding the possibility, threat or occurrence of a Change in Control (as defined in Section 1 hereof) of the Company;

WHEREAS, the Board of Directors of the Company has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of the Executive in the Executive's assigned duties without distraction in the face of potentially disturbing circumstances arising from any possible Change in Control of the Company; and

WHEREAS, the Board of Directors of the Company has concluded that the interests of the Company described above can be best satisfied by agreeing to make certain payments to the Executive if the Executive's employment is terminated during a protected period prior to or following a Change in Control;

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

"Affiliate" shall mean (i) any entity that, directly or indirectly, is controlled by the Company, (ii) any entity in which the Company has a significant equity interest and (iii) an affiliate of the Company, as defined in Rule 12b-2 promulgated under Section 12 of the Exchange Act, in each case as determined by the Committee.

"Board" shall mean the Board of Directors of the Company or, in the case of any subsidiary of the Company, the board of directors, board of control, board of managers or other governing body of such subsidiary.

"Cause" shall mean any of the following:

- (i) the engaging by the Executive in willful misconduct that is injurious to the Company or its Affiliates;
- (ii) the embezzlement or misappropriation of funds or material property of the Company or its Affiliates by the Executive, or the conviction of the Executive of a felony or the entrance of a plea of guilty or nolo contendere by the Executive to a felony; or
- (iii) the willful failure or refusal by the Executive to substantially perform his or her duties or responsibilities that continues after demand for substantial performance is delivered by the Company to the Executive that specifically identifies the manner in which the Company believes the Executive has not substantially performed his or her duties (other than (a) any such failure resulting from the Executive's incapacity due to Disability, or (b) any such actual or anticipated failure after the issuance of a Notice of Termination by the Executive for Good Reason).

For purposes of this definition, no act, or failure to act, on the Executive's part shall be considered "willful" unless done, or omitted to be done, by him or her not in good faith and without reasonable belief that his or her action or omission was in the best interest of the Company. Notwithstanding the foregoing, the Executive's employment shall not be deemed to have been terminated for Cause unless (A) a reasonable notice shall have been given to him or her setting forth in reasonable detail the reasons for the Company's intentions to terminate for Cause, and if such termination is pursuant to clause (i) or (iii) above and the damage to the Company or its Affiliates is curable, only if the Executive has been provided a period of ten business days from receipt of such notice to cease the actions or inactions, and he or she has not done so; (B) an opportunity shall have been provided for the Executive together with his or her counsel, to be heard before the Board; and (C) if such termination is pursuant to clause (i) or (iii) above, delivery shall have been made to the Executive of a Notice of Termination from the Company finding that in the good faith opinion of a majority of the non-management members of the Board he or she was guilty of conduct set forth in clause (i) or (iii) above, and specifying the particulars thereof in reasonable detail. Any determination of Cause made by the Company in accordance with the foregoing procedure shall be made by the Company, in its sole discretion. Any such determination shall be final and binding on the Executive.

"Change in Control" shall mean the following and shall be deemed to have occurred if any of the following events shall have occurred:

- (i) any "Person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act or Persons acting as a group (other than (A) the Company, (B) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (C) any corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of Shares), is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company by reason of having acquired such securities during the 12-month period ending on the date of the most recent acquisition (not including any securities acquired directly from the Company or its Affiliates) representing thirty percent (30%) or more of the total voting power of the Company's then outstanding voting securities; provided, however, that a restructuring of the Company's balance sheet that is approved by a majority of the Company's Board prior to the consummation of such restructuring transaction (a "Restructuring") shall not be a Change in Control;
- (ii) the majority of members of the Company's Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Company's Board before the date of the appointment; it being understood that any change in the Board in connection with a Restructuring shall not be a Change in Control;
- (iii) there is consummated a merger or consolidation of the Company or any subsidiary of the Company with any other corporation or other entity, resulting in a change described in clauses (i), (ii), (iv), (v), or (vi) of this definition, other than (A) a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by

being converted into voting securities of the surviving or parent entity) more than sixty percent (60%) of the total voting power of the voting securities of the Company or such surviving or parent entity outstanding immediately after such merger or consolidation or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person, directly or indirectly, acquired forty percent (40%) or more of the total voting power of the Company's then outstanding securities (not including any securities acquired directly from the Company or its Affiliates);

(iv) a liquidation of the Company involving the sale to any Person or Persons acting as a group of at least forty percent (40%) of the total gross fair market value of all of the assets of the Company immediately before the liquidation;

(v) the sale or disposition by the Company or any direct or indirect subsidiary of the Company to any Person or Persons acting as a group (other than any subsidiary of the Company) of assets that have a total fair market value equal to forty percent (40%) or more of the total gross fair market value of all of the assets of the Company and its subsidiaries (taken as a whole) immediately before such sale or disposition (or any transaction or related series of transactions having a similar effect), other than a sale or disposition by the Company or any direct or indirect subsidiary of the Company to an entity, at least sixty percent (60%) of the total voting power of the voting securities of which is beneficially owned by shareholders of the Company in substantially the same proportions as their beneficial ownership of the Company immediately prior to such sale;

(vi) the sale or disposition by the Company or any direct or indirect subsidiary of the Company to any Person or Persons acting as a group (other than any subsidiary of the Company) of a subsidiary or subsidiaries of the Company credited under GAAP with forty percent (40%) or more of the total revenues of the Company and its subsidiaries (taken as a whole) in the current fiscal year or in any of the two most recently completed fiscal years (or any transaction or related series of transactions having a similar effect), other than a sale or disposition by the Company or any direct or indirect subsidiary of the Company to an entity, at least sixty percent (60%) of the total voting power of the voting securities of which is beneficially owned by shareholders of the Company in substantially the same proportions as their beneficial ownership of the Company immediately prior to such sale; or

(vii) a change of the kind described in clauses (i), (ii), (iii), or (iv) of this definition with respect to any Material Subsidiary (with such determination made by replacing "Company" with "Material Subsidiary" in each instance in such clauses); provided, however, that for purposes of applying this provision to clause (i) of this definition, a "Change in Control" shall not be deemed to occur solely as a result of a Person or Persons acting as a group becoming the beneficial owner (as determined under clause (i) of this definition) of less than fifty percent (50%) of the ownership interests of a Material Subsidiary, but shall be deemed to occur if such Person or Persons acting as a group thereafter become the beneficial owner (as determined under clause (i) of this definition) of fifty percent (50%) or more of the ownership interests of such Material Subsidiary.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Committee" shall mean the Compensation Committee of the Company's Board of Directors.

"Disability" shall mean that the Executive has become totally and permanently disabled as defined or described in the Company's long term disability benefit plan applicable to executive officers as in effect at the time the Executive's disability is incurred.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Good Reason" shall mean, without the Executive's express written consent, any of the following, unless such act or failure to act is corrected prior to the Date of Termination specified in the Notice of Termination given in respect thereof:

(i) the Executive is removed from the Executive's position (with the Company or any Material Subsidiary) as in effect immediately prior to the start of the Protected Period for any reason other than (A) by reason of death, Disability or Retirement or (B) for Cause; provided that such action results in a material diminution of Executive's authority, duties or responsibilities with the Company and its subsidiaries, taken as a whole;

(ii) the Executive is assigned any duties inconsistent in a material respect with the Executive's position (including status, offices, and reporting relationships with the Company or any Material Subsidiary), authority, duties or responsibilities as in effect immediately prior to the start of the Protected Period (or thereafter if increased) if such assignment results in a material diminution of such Executive's authority, duties or responsibilities with the Company and its subsidiaries, taken as a whole;

(iii) the Company materially breaches the agreement under which the Executive provides services;

(iv) the Executive's annual base salary or annual bonus opportunity (determined on an aggregate basis for the Company and its subsidiaries) as in effect immediately prior to the start of the Protected Period (or thereafter if higher) is materially reduced (except for across-the-board reductions similarly affecting all senior executives of the Company and of any Material Subsidiary and all senior executives of any Person in control of the Company);

(v) the failure of the Company to obtain an agreement that materially satisfies Section 9 hereof;

(vi) any relocation of the Executive's principal place of business from its location as of the date immediately preceding the start of the Protected Period, by more than fifty (50) miles; or

(vii) any purported termination of the Executive's employment that is not effected pursuant to a Notice of Termination satisfying the requirements of Section 3(b) hereof, which termination for purposes of this Agreement shall be ineffective.

Notwithstanding the foregoing, a termination shall not be treated as a termination for Good Reason unless the Executive shall have delivered a Notice of Termination stating that the Executive intends to terminate employment for Good Reason within ninety (90) days, and such Termination must occur within two years, of the Executive's having actual knowledge of the initial occurrence of one or more of such events, provided, in each such event, the Company fails to cure within thirty (30) days of receipt of such Notice of Termination. For purposes of this Agreement, any good faith determination of "Good Reason" or good faith determination of the Company's failure to cure within the thirty (30) day period made by the Executive shall be conclusive.

"Material Subsidiary" shall mean any subsidiary of the Company (a) whose total assets represent forty percent (40%) or more of the total gross fair

market value of all of the assets of the Company and its subsidiaries (taken as a whole) at any time in the current fiscal year or in any of the two most recently completed fiscal years or (b) credited under GAAP with forty percent (40%) or more of the total revenues of the Company and its subsidiaries (taken as a whole) in the current fiscal year or in any of the two most recently completed fiscal years.

“Protected Period” shall mean the period that begins upon the earlier of (i) three months before the date of any (and each) Change in Control or (ii) the date the Company or any Material Subsidiary enters into a binding agreement with respect to a Change in Control (subject to customary closing conditions), and ends three years after the date of such Change in Control.

“Retirement” shall mean the Executive’s Separation from Service initiated by the Executive after attainment by the Executive of age sixty-five (65).

“Section 409A Penalties” shall have the meaning set forth in Section 14 of this Agreement.

“Specified Employee” shall mean any person described in Section 409A(a)(2)(B)(i) of the Code and Treasury Regulation Section 1.409A-1(i) as determined from time to time by the Committee in its discretion.

“Shares” shall mean shares of common stock, \$0.10 par value, of the Company, or such other securities of the Company as may be designated by the Committee from time to time.

“subsidiary” shall mean, with respect to any Person (the “parent”) at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than fifty percent (50%) of the equity or more than fifty percent (50%) of the ordinary voting power or, in the case of a partnership, more than fifty percent (50%) of the general partnership interests are, as of such date, or were, prior to a Change of Control, owned, controlled or held, or (b) that is, or was prior to a Change of Control, otherwise Controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent. For purposes of this paragraph, “Controlled” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract, or otherwise.

“Termination of Employment” shall mean and be interpreted in a manner consistent with the definition of “separation from service” within the meaning of Section 409A(a)(2)(A)(i) of the Code and Treasury Regulation Section 1.409A-1(h). The Company retains the right and discretion to specify, and may specify, whether a Termination of Employment occurs for individuals providing services to the Company immediately prior to an asset purchase transaction in which the Company is the seller, who provide services to a buyer after and in connection with such asset purchase transaction; provided, such specification is made in accordance with the requirements of Treasury Regulation Section 1.409A-1(h)(4).

2. Term of Agreement. The term of this Agreement will commence as of the date hereof (the “Effective Date”) and shall continue in effect until the third anniversary of the Effective Date, unless further extended or sooner terminated as hereinafter provided. Commencing on the first anniversary of the Effective Date, and on each anniversary of such date thereafter (each, an “Anniversary Date”), the term shall automatically be extended for one additional year unless the Company gives notice to the Executive, at least two months prior to such Anniversary Date, that it does not wish to extend the term. Notwithstanding the foregoing, upon the occurrence of a Change in Control during the term of this Agreement, this Agreement shall continue in effect for a period of three years from the date of such Change in Control, unless sooner terminated as hereinafter provided.

3. Termination During a Protected Period.

(a) Upon a Termination of Employment during any Protected Period by the Company without Cause, or by the Executive for Good Reason, the Executive shall be entitled to the benefits provided in Section 4 hereof.

(b) Notice of Termination. Following a Change in Control (and prior thereto if reasonably anticipated to be within a Protected Period), any purported Termination of Employment by the Company or by the Executive shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 10 hereof. For purposes of this Agreement, a “Notice of Termination” shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon, shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive’s employment under the provision so indicated, and shall specify the Date of Termination. The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance that contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company under this Agreement or preclude the Executive or the Company from asserting such fact or circumstance in enforcing the Executive’s or the Company’s rights under this Agreement.

(c) Date of Termination. Following a Change in Control (and prior thereto if reasonably anticipated to be within a Protected Period), “Date of Termination” shall mean the date within the term of the Agreement specified in the Notice of Termination, which shall not be less than thirty (30) nor more than sixty (60) days from the date such Notice of Termination is given (except for a termination pursuant to paragraph (v) of the definition of Good Reason, in which event the date upon which any succession referred to therein becomes effective shall be deemed the Date of Termination, or a Termination of Employment by the Company for Cause, in which event the date such notice is received shall be the Date of Termination).

4. Compensation upon Termination without Cause or for Good Reason. Upon any Termination of Employment of the Executive by the Company without Cause (other than because of death, Disability or Retirement), or any Termination of Employment by the Executive for Good Reason, in any case, during any Protected Period, in lieu of any severance benefits Executive would otherwise be eligible to receive under any employment agreement with the Company or any subsidiary or under the Company’s or any subsidiary’s severance plan, if any, as in effect immediately prior to the earlier of the Change in Control or the Executive’s Termination of Employment, the Executive shall be entitled to the following benefits and payments:

(a) A cash lump sum payment (payable within ten days of the Date of Termination) of full base salary through the Date of Termination at the rate in effect at the time the Notice of Termination is given or, if higher, at the rate in effect immediately prior to the reduction giving rise (pursuant to clause (iv) of the definition of Good Reason) to such termination, plus all other amounts to which the Executive is entitled under any compensation or benefit plan of the Company or any subsidiary at the time such payments are due under the terms of such plans;

(b) A cash lump sum payment (payable within ten (10) days of the Date of Termination) equal to two (2) times the sum of the Final Salary and the Final Average Bonus. “Final Salary” means the Executive’s annual base salary as in effect on the Date of Termination or, if higher, the Executive’s annual base salary in effect immediately prior to the reduction giving rise (pursuant to clause (iv) of the definition of Good Reason) to such

termination. "Final Average Bonus" means the Executive's target annualized Part A award opportunity under the USEC Inc. Quarterly Incentive Plan, as may be amended from time to time or any successor plan or program (the "Quarterly Incentive Plan"), for the year of termination or, if higher, the average of the three most recent annual bonuses paid to Executive prior to the Date of Termination, whether such annual bonuses are paid in the form of cash or in grants of restricted common stock of the Company or other awards under the Annual Incentive Program under the USEC Inc. 2009 Equity Incentive Plan, as may be amended from time to time or any successor plan or program; provided, however, that (i) any annual bonus paid to Executive that was pro-rated or otherwise adjusted because Executive was not employed by the Company or any subsidiary during the entire period to which such bonus related shall be annualized for purposes of the calculation of the Executive's Final Average Bonus; (ii) if Executive has experienced a change in position that has increased Executive's annual bonus opportunity (whether or not such change in position is accompanied by a change in title), any annual bonus paid to Executive with respect to a period prior to such change in position shall not be included in the calculation of the Executive's Final Average Bonus; (iii) if Executive shall not have been paid at least three annual bonuses prior to the Date of Termination that are includable in the calculation of Executive's Final Average Bonus, then Executive's Final Average Bonus shall be an amount equal to the average of such lesser number of annual bonuses (or, if just one annual bonus, an amount equal to such bonus); and (iv) if Executive shall not have been paid at least one annual bonus prior to the Date of Termination that is includable in the calculation of Executive's Final Average Bonus, Executive's Final Average Bonus shall be an amount equal to Executive's annual target bonus as in effect on the Date of Termination or, if higher, the Executive's annual target bonus in effect immediately prior to the reduction giving rise (pursuant to clause (iv) of the definition of Good Reason) to such termination. Final Average Bonus shall not include any amount of cash or equity paid or granted as part of any long term incentive plan or program that the Company in its sole discretion may elect to maintain from time to time. Except as set forth above, Final Average Bonus shall also not include the amount of any quarterly incentive awards paid or granted under the Quarterly Incentive Plan or any other quarterly incentive plan or program that the Company in its sole discretion may elect to maintain from time to time, or the amount of any other award which is intended to represent a portion of an executive's historical long-term incentive compensation opportunity;

(c) Subject to the Executive's continued compliance with Section 7 hereof, life and health insurance benefits substantially similar to those that the Executive was receiving immediately prior to the Change in Control (or thereafter, if higher) until the earlier to occur of (i) the two year anniversary of the Date of Termination or (ii) such time as the Executive is covered by comparable programs of a subsequent employer. The continuation of group health coverage pursuant to this Section 4(c) shall be applied toward the Company's obligation to make continuation coverage available under Section 601 et seq. of ERISA ("COBRA"), and the Executive and the Executive's eligible dependents shall be entitled to maintain such COBRA coverage, at their expense, for the balance of the period required by COBRA, if any, following such continuation of coverage.

(d) In addition to all other amounts payable under this Section 4, the Executive shall be entitled to receive all benefits payable under any other plan or agreement relating to retirement benefits (including plans or agreements of any successor following a Change in Control) in accordance with the terms of such plan or agreement.

(e) Executive's entitlement to benefits or payments payable under this Section 4 is subject to the Executive's compliance with Section 7 of this Agreement and subject to the execution and delivery by Executive of a valid and unrevoked Waiver and Release Agreement as required by Section 19. In addition, all benefits and payments under this Section 4 are also subject to Sections 6, 11, 12 and 14 of this Agreement.

5 . Full Settlement; Mitigation. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action that the Company may have against the Executive or others. The Executive shall not be required to mitigate the amount of any payment or benefit provided for in Section 4 hereof by seeking other employment or otherwise, nor (except as specifically provided in Section 4 hereof) shall the amount of any payment or benefit provided for in Section 4 hereof be reduced by any compensation earned by the Executive as the result of employment by another employer or by retirement benefits after the Date of Termination, or otherwise.

6 . Certain Tax Consequences. The payments or benefits received or to be received by the Executive in connection with a change in ownership or control of the Company (as defined in section 280G of the Code (a "Statutory Change in Control")) or the Executive's Termination of Employment (whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement with the Company, any person whose actions result in a Statutory Change in Control or any person affiliated with the Company or such person) (collectively, the "Severance Benefits") shall be reduced to the extent necessary so that no portion of such Severance Benefits shall be subject to any excise tax imposed under section 4999 of the Code. However, such reduction shall not be made if, after payment of all required federal, state and local taxes on the unreduced amount of Severance Benefits, the Executive retains more than if the Severance Benefits were reduced. Any reduction pursuant to this Section 6 shall be made by agreement of the parties first from payments and benefits that are exempt from Code Section 409A, and only thereafter from benefits that are subject to Code Section 409A. To the extent any reduction of Severance Benefits pursuant to this Section 6 is to be made from payments and benefits that are subject to Code Section 409A, such reduction shall first apply to in-kind benefits (or reimbursements) beginning with the benefits (or reimbursements) to be paid latest in time; second, to payments in the form of Shares, beginning with Shares to be delivered latest in time; third, with respect to cash payments, beginning with the cash payments to be made latest in time; provided that if two or more payments or benefits in the same category (in-kind benefits (or reimbursements), Shares, or cash) would be payable at the same time, the parties shall agree on the order in which the reduction shall occur.

7 . Confidential Information; Non-Solicitation; Non-Competition. The Executive shall hold in a fiduciary capacity for the benefit of the Company all secret, proprietary, or confidential materials, knowledge, data or any other information relating to the Company or any of its Affiliates, and their respective businesses ("Confidential Information"), which shall have been obtained by the Executive during the Executive's employment by the Company or any of its Affiliates and that shall not have been or now or hereafter have become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement). During the term of this Agreement and (a) for a period of five years thereafter with respect to Confidential Information that does not include trade secrets, and (b) any time thereafter with respect to Confidential Information that does include trade secrets, the Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any Confidential Information to anyone other than the Company and those designated by it.

In addition, the Executive shall not, at any time during the term of this Agreement and for a period of two years thereafter (the "Restriction Period"), (a) engage or become interested as an owner or stockholder (other than as an owner or stockholder of less than five percent (5%) of the stock of a publicly owned company), partner, director, officer, employee (in an executive capacity), consultant or otherwise in any business that is competitive with the uranium enrichment business conducted by the Company or any of its Affiliates during the term of this Agreement or as of the Date of Termination, as applicable, (b) engage in any activity in competition with or against the uranium enrichment business conducted by the Company or any of its Affiliates during the term of this Agreement or as of the Date of Termination, as applicable, or (c) recruit, solicit for employment, hire or engage any employee or consultant of the Company or any of its Affiliates or any person who was an employee or consultant of the Company or any of its Affiliates within two (2) years prior to the Date of Termination. For purposes of this Section 7, a business that is competitive with the uranium enrichment business conducted by the Company or any of its Affiliates shall include, but not be limited to, URENCO USA (f/k/a Louisiana Energy Services Inc. (LES)), AREVA SA, AREVA, Inc., Urenco Ltd., Urenco, Inc., Cogema, Enrichment Technology Company Limited, TENEX, GLE (Global Laser Enrichment), Cameco, and any subsidiary or affiliates thereof

engaged in a business that is competitive with the uranium enrichment business conducted by the Company or any of its Affiliates, and any contractor or subcontractor to any of these businesses (with respect to activities by such contractor or subcontractor that are competitive with the uranium enrichment business conducted by the Company or any of its Affiliates). The Executive acknowledges that these provisions are necessary for the Company's protection and are not unreasonable, since the Executive would be able to obtain employment with companies whose businesses are not competitive with the uranium enrichment business of the Company and its Affiliates and would be able to recruit and hire personnel other than employees of the Company or any of its Affiliates. The Executive further acknowledges that these provisions apply even in the absence of a Change in Control. Notwithstanding the foregoing, in the event of a Termination of Employment by the Company without Cause that does not occur following a Change in Control or otherwise during a Protected Period, the restrictions in (a) and (b) above shall apply for the equivalent period of time for which the Executive is offered full salary severance benefits from the Company (e.g., if the Executive is offered severance benefits equal to one times Executive's annual base salary, the period of time shall be one year); it being understood that under all other circumstances, including a voluntary termination by the Executive that does not occur following a Change in Control or otherwise during a Protected Period, the restrictions in (a) and (b) above shall apply for the full Restriction Period. The duration and the scope of these restrictions on the Executive's activities are divisible, so that if any provision of this paragraph is held or deemed to be invalid, that provision shall be automatically modified to the extent necessary to make it valid.

8. Remedies. The Executive acknowledges that a violation or attempted violation on the Executive's part of Section 7 will cause irreparable damage to the Company, and the Executive therefore agrees that the Company shall be entitled as a matter of right to an injunction, out of any court of competent jurisdiction, restraining any violation or further violation of such promises by the Executive or the Executive's employees, partners or agents. The Executive agrees that such right to an injunction is cumulative and in addition to whatever other remedies the Company may have under law or equity.

9. Successors: Binding Agreement.

(a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company and its subsidiaries to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "Company" shall mean the Company as defined above and any successor to the business and/or assets of the Company and its subsidiaries that assumes and agrees to perform this Agreement by operation of law, or otherwise. Prior to a Change in Control, the term "Company" shall also mean any Affiliate of the Company to which the Executive may be transferred and the Company shall cause such successor employer to be considered the "Company" and to be bound by the terms of this Agreement and this Agreement shall be amended to so provide. Following a Change in Control the term "Company" shall not mean any Affiliate of the Company to which Executive may be transferred unless Executive shall have previously approved of such transfer in writing, in which case the Company shall cause such successor employer to be considered the "Company" and to be bound by the terms of this Agreement and this Agreement shall be amended to so provide. Failure of the Company to obtain an assumption and agreement as described in this Section 9(a) prior to the effective date of a succession shall be a breach of this Agreement and shall entitle the Executive to compensation from the Company in the same amount and on the same terms as the Executive would be entitled to under this Agreement if the Executive were to terminate the Executive's employment for Good Reason during a Protected Period, except that, for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination.

(b) This Agreement shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amount would still be payable hereunder if the Executive had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the Executive's devisee, legatee or other designee or, if there is no such designee, to the Executive's estate.

10. Notices. Any notice, request, instruction or other document given under this Agreement shall be in writing and shall be addressed and delivered, in the case of the Company, to the Secretary of the Company at the principal office of the Company and, in the case of the Executive, to the Executive's address as shown in the records of the Company or to such other address as may be designated in writing by either party.

11. Withholding Taxes. The Company may withhold from any amounts payable under this Agreement such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

12. In-Kind Benefits and Reimbursements. In-kind benefits and reimbursements provided under this Agreement during any tax year of the Executive shall not affect in-kind benefits or reimbursements to be provided in any other tax year of the Executive and are not subject to liquidation or exchange for another benefit. Notwithstanding any other provision of this Agreement, reimbursements must be made on or before the last day of the Executive's taxable year following the taxable year in which the expense was incurred.

13. Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and such officer as may be specifically designated by the Board of Directors of the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement.

14. Governing Law; Avoidance of Section 409A Penalty. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflict of laws provisions thereof. Notwithstanding any other provision of this Agreement, in the event of a payment to be made, or a benefit to be provided, pursuant to this Agreement based upon Executive's Termination of Employment at a time when the Executive is determined to be a Specified Employee by the Committee in its sole discretion and such payment or provision of such benefit is not exempt or otherwise permitted under Section 409A of the Code without the imposition of Section 409A Penalties, such payment shall not be made, and such benefit shall not be provided, before the date which is six (6) months and one day after the Executive's Termination of Employment. All payments or benefits delayed pursuant to this Section 14 (i) shall be aggregated into one lump sum payment that shall be due and paid on the first day of the seventh month after Executive's Termination of Employment in accordance with the Company's normal payroll practices, and (ii) shall not affect any other payments or benefits due under this Agreement.

This Agreement is intended to be written, administered, interpreted and construed in a manner such that no payment or benefits provided under the Agreement become subject to (a) the gross income inclusion set forth within Code Section 409A(a)(1)(A) or (b) the interest and additional tax set forth within Code Section 409A(a)(1)(B) (together, referred to herein as the "Section 409A Penalties"), including, where appropriate, the construction of defined terms to have meanings that would not cause the imposition of Section 409A Penalties. In no event shall the Company be required to provide a tax gross-up payment to Executive with respect to Section 409A Penalties.

15. Validity. If any provision of this Agreement shall be declared to be invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

16. Counterparts. This Agreement may be signed in several counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

17. Arbitration. Except as otherwise provided in Section 8 hereof, the parties agree that any dispute, claim, or controversy based on common law, equity, or any federal, state, or local statute, ordinance, or regulation (other than workers' compensation claims) arising out of or relating in any way to this Agreement, its termination or any Termination of Employment, including whether such dispute is arbitrable, shall be settled by arbitration. This agreement to arbitrate includes but is not limited to all claims for any form of illegal discrimination, improper or unfair treatment or dismissal, and all tort claims. The Executive shall still have a right to file a discrimination charge with a federal or state agency, but the final resolution of any discrimination claim shall be submitted to arbitration instead of a court or jury. The arbitration proceeding shall be conducted under the employment dispute resolution arbitration rules of the American Arbitration Association in effect at the time a demand for arbitration under the rules is made. The decision of the arbitrator(s), including determination of the amount of any damages suffered, shall be exclusive, final, and binding on all parties, their heirs, executors, administrators, successors and assigns.

18. Status Prior to Change in Control. Nothing contained in this Agreement shall impair or interfere in any way with the Executive's right to terminate employment or the right of the Company to terminate the Executive's employment with or without Cause prior to a Change in Control. Nothing contained in this Agreement shall be construed as a contract of employment between the Company and the Executive.

19. Legal Fees. The Company shall pay the Executive's reasonable legal fees and expenses that may be incurred by the Executive in contesting or disputing any Termination of Employment that occurs during a Protected Period or in seeking to obtain or enforce any right or benefit provided by this Agreement, if the Executive is the prevailing party (through settlement, arbitration, judicial decision or otherwise) on any material claim in connection with any such dispute.

20. Waiver and Release. In order to receive benefits or payments under this Agreement, the Executive must execute and deliver to the Company a valid Waiver and Release Agreement in a form tendered by the Company, which shall be substantially in the form of the Waiver and Release Agreement attached hereto as Exhibit A and which shall be tendered to the Executive no later than 15 days following the Executive's Termination of Employment, with any changes thereto approved by the Company's General Counsel (or in the case of the General Counsel, the Chief Executive Officer) prior to execution. No benefits or payments shall be paid under this Agreement until Executive has executed his or her Waiver and Release Agreement within the time period specified by the Company in the Waiver and Release Agreement (which shall not be more than 45 days after such agreement is tendered to Executive unless otherwise required by law), and the period within which Executive may revoke his or her Waiver and Release Agreement has expired without revocation. Executive may revoke his or her signed Waiver and Release Agreement within seven (7) days (or such other period provided by law) after his or her signing the Waiver and Release Agreement. Any such revocation must be made in writing and must be received by the Company within such seven (7) day (or such other) period. If Executive timely revokes his or her Waiver and Release Agreement, he shall not be eligible to receive any benefits or payments under this Agreement. Notwithstanding the foregoing, if the expiration of the revocation period described above could occur in a calendar year later than the calendar year in which the Waiver and Release Agreement is tendered to the Executive for execution, then in no event will benefits or payments under this Agreement that are conditioned upon the effectiveness of the Waiver and Release Agreement be paid prior to the beginning of such later calendar year.

21. Entire Agreement; Amendment. This Agreement contains the entire understanding of the parties with respect to the subject matter herein and supersedes any prior agreements between the Company and the Executive, including the Change in Control Agreement between the Executive and the Company dated _____, _____. There are no restrictions, agreements, promises, warranties, covenants or undertakings between the parties with respect to the subject matter herein other than those expressly set forth herein. This Agreement may be modified or amended only through a writing signed by both parties. Amendment or termination of this Agreement shall not accelerate (or defer) the time of any payment under this Agreement that is deferred compensation subject to Section 409A of the Code if such acceleration (or deferral) would subject such deferred compensation to additional tax or penalties under Section 409A.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

USEC INC.

By: _____
Richard V. Rowland
Vice President, Human Resources

WAIVER AND RELEASE

This is a Waiver and Release ("Release") between _____ ("Executive") and USEC Inc. (the "Company"). The Company and the Executive agree that they have entered into this Release voluntarily, and that it is intended to be a legally binding commitment between them.

1. In consideration for the promises made herein by the Executive, the Company agrees as follows:

(a) Change in Control Payment. The Company will pay to the Executive payments in the amount set forth in the Change in Control Agreement dated as of _____, ____ by and between the Company and Executive (the "Change in Control Agreement"). The Company will also pay Executive accrued but unused vacation pay in the amount of \$ _____ representing ____ days of accrued but unused vacation.

(b) Other Benefits. The Executive will be eligible to receive other benefits as described in the Change in Control Agreement.

(c) Unemployment Compensation. The Company will not contest the decision of the appropriate regulatory commission regarding unemployment compensation that may be due to the Executive.

2. In consideration for and contingent upon the Executive's right to receive the change in control payment and other benefits described in the Change in Control Agreement and this Release, Executive hereby agrees as follows:

(a) General Waiver and Release. Except as provided in Paragraph 2.(f) below, Executive and any person acting through or under the Executive hereby release, waive and forever discharge the Company, its past and present subsidiaries and affiliates, and their respective successors and assigns, and their respective present or past officers, trustees, directors, shareholders, executives and agents of each of them, from any and all claims, demands, actions, liabilities and other claims for relief and remuneration whatsoever (including without limitation attorneys' fees and expenses), whether known or unknown, absolute, contingent or otherwise (each, a "Claim"), arising or which could have arisen up to and including the date of his execution of this Release, including without limitation those arising out of or relating to Executive's employment or cessation and termination of employment, or any other written or oral agreement, any change in Executive's employment status, any benefits or compensation, any tortious injury, breach of contract, wrongful discharge (including any Claim for constructive discharge), infliction of emotional distress, slander, libel or defamation of character, and any Claims arising under the United States Constitution, the Maryland Constitution, Title VII of the Civil Rights Act of 1964 (as amended by the Civil Rights Act of 1991), the Americans With Disabilities Act, the Rehabilitation Act of 1973, the Fair Labor Standards Act, the Family and Medical Leave Act, the National Labor Relations Act, the Labor-Management Relations Act, the Equal Pay Act, the Older Workers Benefits Protection Act, the Workers Retraining and Notification Act, the Age Discrimination in Employment Act, the Employee Retirement Income Security Act of 1974, Section 211 of the Energy Reorganization Act of 1974, the Maryland Human Rights Act, or any other federal, state or local statute, law, ordinance, regulation, rule or executive order, any tort or contract claims, and any of the claims, matters and issues which could have been asserted by Executive against the Company or its subsidiaries and affiliates in any legal, administrative or other proceeding. Executive agrees that if any action is brought in his or her name before any court or administrative body, Executive will not accept any payment of monies in connection therewith.

(b) Miscellaneous. Executive agrees that this Release specifies payment from the Company to himself or herself, the total of which meets or exceeds any and all funds due him or her by the Company, and that he or she will not seek to obtain any additional funds from the Company with the exception of non-reimbursed business expenses. (This covenant does not preclude the Executive from seeking workers compensation, unemployment compensation, or benefit payments from Company's insurance carriers that could be due him or her.)

(c) Non-Competition, Non-Solicitation and Confidential Information. Executive warrants that Executive has, and will continue to comply fully with the requirements of the Change in Control Agreement.

(d) THE COMPANY AND THE EXECUTIVE AGREE THAT THE CHANGE IN CONTROL PAYMENT AND BENEFITS DESCRIBED IN THIS RELEASE AND THE CHANGE IN CONTROL AGREEMENT ARE CONTINGENT UPON THE EXECUTIVE SIGNING THIS RELEASE. THE EXECUTIVE FURTHER UNDERSTANDS AND AGREES THAT IN SIGNING THIS RELEASE, EXECUTIVE IS RELEASING POTENTIAL LEGAL CLAIMS AGAINST THE COMPANY. THE EXECUTIVE UNDERSTANDS AND AGREES THAT IF HE OR SHE DECIDES NOT TO SIGN THIS RELEASE, OR IF HE OR SHE REVOKES THIS RELEASE, THAT HE OR SHE WILL IMMEDIATELY REFUND TO THE COMPANY ANY AND ALL PAYMENTS AND OTHER BENEFITS HE OR SHE MAY HAVE ALREADY RECEIVED PURSUANT TO THE CHANGE IN CONTROL AGREEMENT.

(e) The waiver contained in Section 2(a) above does not apply to any Claims with respect to:

(i) Any claims under employee benefit plans subject to the Employee Retirement Income Security Act of 1974 ("ERISA") in accordance with the terms of the applicable employee benefit plan,

(ii) Any Claim under or based on a breach of this Release,

(iii) Rights or Claims that may arise under the Age Discrimination in Employment Act after the date that Executive signs this Release,

(iv) Any right to indemnification or directors and officers liability insurance coverage to which the Executive is otherwise entitled in accordance with the Company's certificate of incorporation or by-laws or an individual indemnification agreement.

(f) EXECUTIVE ACKNOWLEDGES THAT HE OR SHE HAS READ AND IS VOLUNTARILY SIGNING THIS RELEASE. EXECUTIVE ALSO ACKNOWLEDGES THAT HE OR SHE IS HEREBY ADVISED TO CONSULT WITH AN ATTORNEY, HE OR SHE HAS BEEN GIVEN AT LEAST [45 DAYS - if group layoff] [21 DAYS - if individual termination] TO CONSIDER THIS RELEASE BEFORE THE DEADLINE FOR SIGNING IT, AND HE OR SHE UNDERSTANDS THAT HE OR SHE MAY REVOKE THE RELEASE WITHIN SEVEN (7) DAYS AFTER SIGNING IT. IF NOT REVOKED WITHIN SUCH PERIOD, THIS RELEASE WILL BECOME

EFFECTIVE ON THE EIGHTH (8) DAY AFTER IT IS SIGNED BY EXECUTIVE.

BY SIGNING BELOW, BOTH THE COMPANY AND EXECUTIVE AGREE THAT THEY UNDERSTAND AND ACCEPT EACH PART OF THIS RELEASE.

(Executive)

DATE

USEC INC.

By: _____

DATE