

## PLAN HIGHLIGHTS

- Through **Stock Up!** you invest in your future by owning a piece of USEC Inc. The Employee Stock Purchase Plan (“ESPP”) offers the following advantages:
- You purchase USEC common stock at a 15% discount
- You can invest up to 10% of your compensation to buy stock through convenient payroll deductions
- You can change (increase, decrease, or end) your payroll deductions once each offer period
- You do not pay any brokerage fees when you purchase stock through the ESPP
- You receive regular statements showing the activity in your **Stock Up!** account
- You become a shareholder, receive any dividends declared, and have the right to vote on important company issues
- You share in the success of our business — success that you help create!
- You can elect to have paid dividends reinvested in the purchase of additional shares through the automatic dividend reinvestment feature.



## WHAT IS COMMON STOCK?

Common stock is basic ownership in a corporation. When you own common stock, you have the right to vote on certain issues and to attend shareholders’ meetings. You also receive dividends paid on shares of stock you own. Bottom line, you share directly in the success of a company. If the Company succeeds, the common stock may increase in value. If the Company does not prosper, the common stock may decrease in value.

## WHEN YOU’RE ELIGIBLE

As a regular employee of the Company who is scheduled to work at least 20 hours per week (or at least 5 months per year), you are eligible to join the ESPP once you complete six months of employment. Entry dates are January 1 and July 1.

## HOW TO STOCK UP! ON USEC SHARES

When you join the ESPP, you buy shares of USEC Common Stock at a discounted price through regular payroll deductions.

### Payroll Deductions

You can elect to have from 1% to 10% of your compensation automatically deducted from your paycheck. In this case, compensation means your base salary plus overtime and bonus.

## HOW STOCK UP! WORKS

There are Two Offer Periods:

- January 1 – June 30
- July 1 – December 31

Prior to each offer period, you decide the percentage of your pay that you want to contribute to the ESPP. That amount is deducted from your paycheck and set aside in an account. At the end of the offer period, your account balance will be used to purchase shares of USEC common stock. The price you pay for the stock is 85% of the price on the last day of the offer period.

For example, let's assume the following:

- The offer period is January 1 – June 30
- The fair market value of USEC common stock on June 30 is \$5 per share.

In this example, you would pay \$4.25 per share purchased in the offer period (\$5 per share less a 15% discount). Note: If the last day of the offer period falls on a weekend or holiday, the previous business day will be used to determine the fair market value.

You should consider Stock Up! as a long term investment in your future. However, you can decide to change your contributions or stop participating in the ESPP. After you have joined the ESPP, you can:

- Change (increase or decrease) your payroll deduction amount one time during the offer period
- or*
- Stop your participation in the ESPP at any time. When you stop participating, all of the cash in your account is returned to you through your payroll check. No stock will be purchased for you during that offer period. You can rejoin the ESPP again at the beginning of any subsequent offer period.

To change your contributions or stop your participation, you must contact BNY Mellon. All changes will be effective as soon as administratively possible.

## IRS LIMITS

The Internal Revenue Service limits the amount of stock you can buy through the ESPP each calendar year to \$25,000 of stock at fair market value. Keep in mind that because you are buying stock at a 15% discount from the fair market value, the money you need to buy that amount of stock is less than \$25,000. For purposes of this limit, the value of the stock you buy is determined by its fair market value on the first day of the offer period in which you buy it.

## KEEPING TRACK OF YOUR STOCK

You can follow the progress of USEC stock by looking it up on the USEC website at [www.usec.com](http://www.usec.com) in the Investor Relations section.

## WHAT HAPPENS AFTER YOU PURCHASE SHARES

The administrator of the ESPP holds the shares of stock that you purchase under the ESPP in an account in your name. Holding shares in your ESPP account gives you the same ownership rights as holding stock certificates. Twice a year you will receive a statement of your Stock Up! account.

The statement will show:

- Your account balance
- Your payroll deductions (dollar amount)
- The number of shares purchased
- The purchase price
- The number of shares in your account
- The fair market value of your shares on the date of purchase.

## RECEIVING STOCK CERTIFICATES

The shares you purchase each offer period are held in your Stock Up! account for a minimum of one year. If you want, you can request in writing to have a stock certificate issued for all or any number of the whole shares, or to have such shares transferred to a brokerage account (those shares will no longer be listed on your statement). You must observe the one year holding period before requesting stock certificates be mailed to you or request a transfer of your shares to a brokerage account.

## SELLING YOUR STOCK

You can sell your stock two ways:

- Through the Plan's Administrator
- or*
- Through a broker once you receive the stock certificates.

Shares purchased through Stock Up! must be held for a minimum of one year before selling them. Sales of USEC securities are subject to USEC's Securities Trading Policy. Consult with the Office of General Counsel if you have questions about selling shares.

To sell your stock through the Plan's Administrator, simply call the number provided in the "Contact Information" section of *Your USEC Book of Benefits*. A service fee and brokerage commission for selling your stock will be deducted from the cash you receive.

To sell through a broker, you must request in writing that the shares in your account be transferred to your brokerage account for all or any number of the whole shares in your account. You must observe the one year holding period before requesting shares be transferred to another brokerage account.

## YOUR SHAREHOLDER RIGHTS

When you purchase USEC stock, you become a shareholder in our company. You have the same rights as any other shareholder. These rights include voting on important corporate issues such as electing the Board of Directors. You'll also receive any dividends that are declared.

## ONLY YOU CAN STOCK UP!

Your participation in Stock Up! is nontransferable. That means that only you can purchase stock through the ESPP — you cannot give your right to purchase stock at a discount to any one else.

## IF YOU LEAVE THE COMPANY

If you leave the Company, the cash in your Stock Up! account will be returned to you. No stock will be purchased for you during the offer period in which your employment ends. A stock certificate for any shares you have already purchased (during previous offer periods) can be requested after the one year holding period has expired. The one year holding period is waived if your employment ends due to layoff, elimination of your job, permanent disability or death.

If your employment ends because of your death, no stock will be purchased for you during the offer period and the cash in your account, plus any accumulated shares, will be distributed to your designated beneficiary or estate. The one year holding period is waived and your beneficiary would be free to sell your shares immediately.

## TAX ISSUES

There are tax issues to consider when you participate in the ESPP. Here are some of the basics:

- Your payroll deductions to the ESPP are taxable and are reported as regular wages on your W-2 form. Any dividends paid on the shares in your account are also taxable in the year they are paid, even if those dividends are automatically reinvested to purchase additional shares.
- The 15% discount you receive on the purchase of the stock generally is treated as ordinary taxable income, but is deferred until the year the stock is sold.
- Any gain you make as a result of the stock purchase is not taxable until you sell the shares. The way in which your sale of the shares is taxed will depend on how long you have held the shares.
- State and local taxes vary, and all taxes are subject to change.

Tax rules are complicated and subject to change. You should seek tax advice for your particular situation.

IRS rules require that, if you sell the stock within two years of the beginning of the offer period in which you purchase it, you must notify the Company. The stock discount is considered to be compensation and subject to ordinary income tax, so you must also pay any income taxes that may be due on the 15% stock discount in addition to any taxes due on stock appreciation. This is true whether you are employed by the Company or not.

## YOUR OVERALL INVESTMENT STRATEGY: HOW STOCK UP! FITS IN

**Stock Up!** is an investment that should fit in with your overall investment strategy, including your personal investment goals, financial situation, and other savings and investment plans you have. If you own stock in other companies, **Stock Up!** can help you diversify your investments by adding a new company — USEC — to your stock portfolio.

You can use **Stock Up!** as a long term investment, such as retirement savings, or as investment for more immediate short term needs. It all depends on your individual needs.

## JOINING THE ESPP

Participation in **Stock Up!** is voluntary. To join, simply contact the Plan's Administrator, Bank of New York Mellon (BNY Mellon), at least 15 days before the beginning of the offer period to designate the percentage of your compensation that you want to contribute.

Call BNY Mellon at 1-888-485-2938 or enroll online at <http://bnymellon.com/shareowner/equityaccess>. To enroll online, you must have your Access ID (USU00+5 digit badge number) and a Password/PIN. If you do not have a Password/PIN or you have lost your Password/PIN, you can contact BNY Mellon to obtain your Password/PIN or to have your Password/PIN reset.

Designate a beneficiary at the time you enroll to receive any shares that may become payable to your named beneficiary in the event of your death, otherwise, shares will be paid to your estate.



### When You Retire . . .

At retirement, eligibility to purchase additional USEC common stock through the Employee Stock Purchase Plan ends.

This summary gives you highlights of the **Stock Up!** Employee Stock Purchase Plan, which is governed by the official Plan Document. You can find additional details in the Plan and the related Plan prospectus on the USEC Info Exchange Portal or obtain a paper version of these documents from Human Resources.

A copy of USEC's most recent annual report to stockholders is available on USEC Inc.'s website - [www.usec.com](http://www.usec.com) under Investor Relations. Open Financial Reports and the most recent Annual Report. Copies may also be obtained upon request from Investor Relations. Upon request, USEC will also provide without charge to participants all other stockholder communications and other reports furnished to stockholders of USEC on a continuing basis. Requests should be made to: USEC Inc., Two Democracy Center, 6903 Rockledge Drive, Bethesda, Maryland 20817, Attention: Investor Relations (301) 564-3238.

*Please note: This is not an offer to sell nor is it a solicitation of an offer to buy any security. Any offer to buy or sell USEC common stock is pursuant to the **Stock Up!** Employee Stock Purchase Plan and the Prospectus.*