(i) The term "nuclear material recovered or produced as a by-product" means (i) nuclear material derived from nuclear material transferred pursuant to this Agreement, (ii) nuclear material derived by one or more processes from the use of material or equipment transferred pursuant to this Agreement and (iii) nuclear material which the Parties agree as derived from the use of technology transferred pursuant to this Agreement; and

(j) The term "unclassified information" means information not classified as restricted, confidential, secret or top secret by either of the Parties.

ARTICLE 2

Cooperation under this Agreement may be undertaken in the following areas:

(a) design, construction, operation, maintenance and decommissioning of light water reactors;

(b) nuclear safety including radiation protection and environmental monitoring;

(c) radioactive waste processing and management;

(d) study on and application of radio-isotopes and radiation;

(e) safeguards and physical protection;

(f) research and development on areas agreed upon by the Parties; and

(g) other areas as may be agreed upon by the Parties.

ARTICLE 3

Cooperation as specified in Article 2 may be undertaken in the following ways:

(a) exchange of experts;

(b) exchange of unclassified information, on such terms as may be agreed between the Parties, between authorized persons of the Parties, or between either Party and authorized persons of the other Party;

(c) supply from a Party or its authorized persons to the other Party or its authorized persons of nuclear material, material, equipment and technology on such terms as may be agreed between the supplier and the recipient;

(d) provision of services by a Party or its authorized persons and receipt of services by the other Party or its authorized persons on matters within the scope of this Agreement on such terms as may be agreed between the supplier and the recipient; and

(e) other ways as may be agreed upon by the Parties.

ARTICLE 4

1. Cooperation under this Agreement shall be carried out only for peaceful and non-explosive purposes.

2. Nuclear material, material, equipment and technology transferred pursuant to this Agreement, equipment which the Parties agree as derived with the help of technology transferred pursuant to this Agreement and nuclear material recovered or produced as a by-product shall not be used other than for peaceful purposes, nor shall they be used for any nuclear explosive device, for research on or for development of any such device.

ARTICLE 5

1. Cooperation as specified in Articles 2 and 3 of this Agreement shall be subject to the provisions of this Agreement, and laws and regulations in force in their respective States, and shall require, in the case of cooperation envisaged in paragraph (c) of Article 3, acceptance of the application of safeguards by the Agency:

with respect to all nuclear material in all nuclear activities within Japan, when the recipient is the Government of Japan or its authorized persons. Implementation of the Agreement between the Government of Japan and the International Atomic Energy Agency in Implementation of Article III. 1 and 4 of the Treaty on the Non-Proliferation of Nuclear Weapons, done on March 4, 1977 as supplemented by the Protocol Additional to the said Agreement, done on December 4, 1998 (hereinafter referred to as "the Safeguards Agreement for Japan") shall be considered as fulfilling this requirement; and