## CHAPTER II
COMPENSATION

### Article III
Undertaking

1. Compensation in respect of nuclear damage per nuclear incident shall be ensured by the following means:

(a) (i) the Installation State shall ensure the availability of 300 million SDRs or a greater amount that it may have specified to the Depositary at any time prior to the nuclear incident, or a transitional amount pursuant to sub-paragraph (ii);

(ii) a Contracting Party may establish for the maximum of 10 years from the date of the opening for signature of this Convention, a transitional amount of at least 150 million SDRs in respect of a nuclear incident occurring within that period.

(b) beyond the amount made available under sub-paragraph (a), the Contracting Parties shall make available public funds according to the formula specified in Article IV.

2. (a) Compensation for nuclear damage in accordance with paragraph 1(a) shall be distributed equitably without discrimination on the basis of nationality, domicile or residence, provided that the law of the Installation State may, subject to obligations of that State under other conventions on nuclear liability, exclude nuclear damage suffered in a non-Contracting State.

(b) Compensation for nuclear damage in accordance with paragraph 1(b), shall, subject to Articles V and XI.1(b), be distributed equitably without discrimination on the basis of nationality, domicile or residence.

3. If the nuclear damage to be compensated does not require the total amount under paragraph 1(b), the contributions shall be reduced proportionally.

4. The interest and costs awarded by a court in actions for compensation of nuclear damage are payable in addition to the amounts awarded pursuant to paragraphs 1(a) and (b) and shall be proportionate to the actual contributions made pursuant to paragraphs 1(a) and (b), respectively, by the operator liable, the Contracting Party in whose territory the nuclear installation of that operator is situated, and the Contracting Parties together.

### Article IV
Calculation of Contributions

1. The formula for contributions according to which the Contracting Parties shall make available the public funds referred to in Article III.1(b) shall be determined as follows:

(a) (i) the amount which shall be the product of the installed nuclear capacity of that Contracting Party multiplied by 300 SDRs per unit of installed capacity; and

(ii) the amount determined by applying the ratio between the United Nations rate of assessment for that Contracting Party as assessed for the year preceding the year in which the nuclear incident occurs, and the total of such rates for all Contracting Parties to 10% of the sum of the amounts calculated for all Contracting Parties under sub-paragraph (i).

(b) Subject to sub-paragraph (c), the contribution of each Contracting Party shall be the sum of the amounts referred to in sub-paragraphs (a)(i) and (ii), provided that States on the minimum United Nations rate of assessment with no nuclear reactors shall not be required to make contributions.