



## ASSESSMENT OF CONTRIBUTIONS TO CLAIMS FUNDS

### Note by the Director

<b>Summary:</b>	The need for contributions to Claims Funds is examined. Since there have been no incidents which will or may require the Supplementary Fund to pay compensation, there is no need for contributions to be levied to any such Fund.
<b>Action to be taken:</b>	Information to be noted.

### 1 The issue

- 1.1 Article 11 of the Supplementary Fund Protocol provides that the Assembly shall decide the amount of contributions to be levied, if any. For this purpose the Assembly shall make an estimate in the form of a budget of the Supplementary Fund's expenditure and income for each calendar year, taking into account the necessity to maintain sufficient liquid funds.
- 1.2 The Supplementary Fund's expenditure consists of:
  - (a) costs and expenses of the administration of the Supplementary Fund in the relevant year and any deficit from operations in preceding years;
  - (b) payments to be made by the Supplementary Fund of claims and claims related expenditure;
- 1.3 Expenses mentioned in sub-paragraph (a) of paragraph 1.2 above have to be met from the General Fund (Financial Regulation 7.1(c)) and expenses with respect to claims and claims related expenditure as defined in sub-paragraph (b) above have to be met from Claims Funds (Financial Regulation 7.2(d)).
- 1.4 As at 22 August 2005 there have been no incidents which will or may require the Supplementary Fund to pay compensation or claims related expenses. There is therefore no need to make any levy of contributions to any Claims Funds.

### 2 Action to be taken by the Assembly

The Assembly is invited:

- (a) to take note of the information contained in this document; and
  - (b) to take a decision as to the levy of contributions to Claims Funds.
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