Regulation on Nuclear Risk Cover

CSN

Regulation on Nuclear Risk Cover

Decree 2177/1967, of the 22nd of July, which approves the Regulation on Nuclear Risk Cover

Published in the Spanish Official State Gazette (BOE) nº 223, of the 18th of September 1967

CSN CONSEJO DE SEGURIDAD NUCLEAR

Preliminary note

This Regulation has been affected by norms that are posterior to its approval:

• Royal Decree 557/2000 of the 27th of April (BOE of the 28th of April) on the Restructuration of Ministerial Departments, article 4, paragraph 1, letter b), "the competencies until now attributed to the Ministry of Industry and Energy... correspond to the Ministry of the Economy... through the Directorate-General of Energy".

• Royal Decree 689/2000, of the 12th of May (BOE of the 13th of May) that establishes the basic organic structure of the Ministry of the Economy, Single Additional Provision, paragraph 4, "... the Directorate-General of Energy and the Directorate-General of Mines are abolished, and their functions assumed by the Directorate-General of Energy Policy and Mining".

Decree 2177/1967, of the 22nd of July, which approves the Regulation on Nuclear Risk Cover

Published in the Spanish Official State Gazette (BOE) nº 223, of the 18th of September 1967.

Following the proposal of the Minister of Finance, and with the substantial agreement of the Council of State, and the prior deliberation of the Council of Ministers, in its meeting of the 21st of July 1967,

I PROCLAIM:

Single Article. The attached Regulation, concerning the Nuclear Risk Cover, is approved, and all those provisions that are contrary to the contents of this Regulation are repealed.
I proclaim this in this present Decree, signed in Madrid on the 22nd of July 1967.

FRANCISCO FRANCO

The Minister of Finance,
JUAN JOSÉ ESPINOSA SAN MARTÍN

Regulation on Nuclear Risk Cover

Title I. On civil responsibility for nuclear damage

Chapter One
General provisions

Article 1
The civil responsibility as defined in Article 45, of the Law on Nuclear Energy, of the 29th of April 1964, shall be governed according to the precepts of this aforementioned Law and by this Regulation, and can only be claimed in the manner and with the limits and conditions established within them.

The obligation to indemnify nuclear damages, imposed upon the operator of a nuclear installation, or whatever other installation that produces or operates with radioactive materials or which incorporates equipment that may produce ionising radiations shall subsist, independently of the declaration of responsibility of a third party.

Are excluded from the precepts of this provision those that use, manipulate, or store radioactive materials, or who have at their disposal installations and equipment apt for the emission of ionising radiations, and that given the intensity of the irradiation field do not suppose a risk, according to the standards that are established accordingly.

Article 2
The obligation to respond for nuclear damages cannot be the object of private agreements that modify or restrict, against the interests of a third party, the rights recognised by the Law, in this Regulation and in the complementary provisions.

In any case the pacts that alter the nature or the scope of the operator's responsibility, or that are contrary to whatever provisions are established regarding insurance and other methods of guaranteeing the responsibility contained in Title II and III of this Regulation shall neither be valid nor effective.

What is contained in the previous paragraph shall be understood, without prejudice to the contractual obligations contracted by third parties, in the case of accidents, before the responsible operator.

Chapter Two
On nuclear damage

Article 3
Shall be considered as nuclear damages those contained in point 16 of Article 2 of the Law, be

they immediate of deferred, and be they caused by an accident in a nuclear installation or by the development of activities that employ radioactive materials or devices that may generate ionising radiations.

Article 4

The following, shall not be be liable for indemnity in the manner foreseen in the Law and in this Regulation:

1º. The damages due to nuclear accidents that are directly related to armed conflict, hostilities, civil war, insurrection or natural catastrophes of an exceptional nature.

2º. The natural damages that may result from the application of radioactive substances to persons subject to therapeutic treatment.

3º. The damages that may be suffered in their person by the employees or dependants of the exploiter, qualified as occupational accidents or professional illness, according to articles 84 and 85 of the text, comprising various articles, of the Law on Social Security.

4º. Those damages caused in the installation itself or in the devices that produce ionising radiations, as a result of an accident in the means of transportation, and in general in the real estate elements, whoever the title-holder may be in the service of the exploiter or of the installation.

Article 5

When given a nuclear accident, nuclear events that are liable to indemnity, according to this provision, concur together with others due to different causes, the proof that the demanded indemnity is not contemplated in the Law on Nuclear Energy or in this Regulation, shall be the responsibility of the exploiter, the insurer or the title-holder of any other guarantee against which the claim is presented.

Non-nuclear damage, and nuclear damage that is not liable to indemnity, according to what is established in the previous article, shall be regulated according to the provisions of ordinary law, or special law, as applicable.

Chapter Three
On the responsible party

Section 1. On the identification of the responsible party

Article 6

The obligation of reparation for nuclear damages according to what is established in Article 45 of the Law, and in this present Regulation, falls, exclusively, upon the exploiting title-holder of the administrative authorisation, for the exercise of the activity, without prejudice to what is established in the following article.

The lack of an administrative authorisation, of insurance or of any other financial guarantee or its insufficiency, in terms of covering the civil responsibility of the exploiter, shall not alter the obligation in case of a nuclear accident.

Article 7

The person who transports nuclear substances through waterways, by land, sea or air, and the person who although not fully qualified as an exploiter, according to number 14 of Article 2 of the Law, handles radioactive waste, may be considered as an exploiter in the cases foreseen in this provision and with the conditions required under Article 50 of the Law, if in the exercise of the activity nuclear damages should arise, from which the obligation to indemnify should be born, that originate in the transported substances or the radioactive waste that is manipulated.

All those who participate as contractors of a specific operation, or as transportation and carriage brokers, as referred to in Article 379 of

the Commerce Code, shall be understood to be included in the previous paragraph.

Article 8
The exploiter shall be responsible for the nuclear damages that are liable for indemnity, in case of accident, whether the nuclear substances are located in their exploitation site or beyond it, according to what is established in the following article.

The exploitation site shall be understood to mean the area that a nuclear installation occupies.

Article 9
When the nuclear substances are situated outside the exploitation site, the responsibility of the exploiter, whose installation is based on national territory, shall subsist if the accident takes place in Spain, even if these substances have been abandoned or lost, or if the exploiter has handed them over, whatever the object of the transference, to a third party to whom responsibility can not be demanded, according to the norms of this provision.

Robbery or theft of nuclear substances does not exonerate the exploiter of the responsibility for personal or material damages originated by the stolen or robbed substances, on persons that did not participate in their subtraction, without prejudice to the rights that may correspond to the exploiter according to ordinary law.

In cases of abandonment or loss, and in those of robbery or theft the responsibility established in this article shall subsist for ten years, starting from the date in which such events are communicated to the competent authorities.

Article 10
The transfer of nuclear substances from one installation to another, within national territory, or its transfer outside national territory, shall only exempt the party that is obliged as an exploiter of the installation that issued the merchandise from responsibility in case of accident if this party is capable of proving, irrefutably, that another exploiter has assumed the aforementioned responsibility.

Article 11
If the nuclear substances are dispatched, from another country, to one or various nuclear installations based on national territory, the exploiter or exploiters who are to receive these consignments shall respond for all accidents that may take place in Spain, before they reach their final destination, from the moment that they take charge of the aforementioned substances.

The nuclear substances sent to one single exploiter within the same consignment, shall be assumed to be destined to one sole installation.

What is established in this article is understood without prejudice to whatever may be agreed on in international covenants signed and ratified by Spain or in validly celebrated pacts that substitute responsibility.

Article 12
The exploiter exempted from the obligation to indemnify nuclear damages, when the responsibility falls upon the carrier, according to Article 50 of the Law, shall only be considered to be free from this obligation before third parties if there is a pact of substitution, recorded in a public deed, a charter-party audited by a ship broker or a document authorised by a Spanish diplomatic or consular civil servant serving abroad and with the condition required in the first paragraph of Article 15 of this provision.

Article 13
The pact that substitutes responsibility, celebrated between the exploiter and the carrier of nuclear substances, shall be considered valid

from the date in which the document referred to in the previous article is extended.

If the date and time that the substitution shall take effect is omitted, the responsibility of the carrier shall be considered as assumed from the moment the merchandise is received without complaint, for the performance of the carrier commission. The carrier's responsibility shall terminate, unless otherwise agreed on, from the moment the merchandise is handed over to the addressee in the conditions agreed upon with the carrier, or when applicable, with the consignee upon whom the obligation to indemnify for nuclear damages falls on.

Article 14
The condition of exploiter, proceeding from a substitutionary pact that frees another exploiter from the responsibility that has been acquired by the person who manipulates radioactive waste, according to Article 50 of the Law, and in the conditions that this precept establishes, shall start to count from the date freely agreed upon by the parties, recorded and certified before a notary, and for the agreed length of time.

Article 15
The consequences of the pacts referred to in the previous articles shall only negatively affect third parties if they have been celebrated, with the Ministry of Finance's prior authorisation, before the accident.

Nonetheless, these pacts shall be beneficial to third parties, although no mention be made of them in any of the documents referred to in Article 12, if in the bill of lading, or the consignment paper, the carrier recognises or assumes responsibility.

Section 2. On the scope of responsibility

Article 16
The exploiter of a nuclear installation shall respond for the nuclear damages that are liable to indemnity, derived from any accident, in the manner established in the Law and in this Regulation.

The exploiter's obligation shall be understood to be limited to 300 million pesetas per accident for every operational installation, whatever the number of persons affected and the type of nuclear damages suffered by them.

Article 17
The national, or foreign, exploiter of a nuclear ship or aircraft, shall respond for the nuclear damages caused by these during their transit through Spanish territorial waters, or in their over flight over national territory, up to the amount that shall be established by Decree, following the proposal of the Ministry of Finance, taking into account the international conventions ratified by Spain.

The exploiter that produces radioactive materials, who works with them or who owns devices that may produce ionising radiations shall respond to the nuclear damages caused by a nuclear accident, with a minimum amount of one million pesetas.

Article 18
The limit for responsibility, as mentioned in Article 16, shall be increased automatically to the level established in the international conventions endorsed by Spain, from the moment that the instrument of ratification is exchanged or the deposit of adhesion made, when applicable for accidents that take place on national territory.

This limit shall also be considered as modified in the case of transit of nuclear substances through national territory when the foreign responsible party belongs to a country whose legislation establishes greater responsibility for the Spanish exploiters, except as is established in the

international conventions endorsed and ratified by Spain.

Article 19

The civil responsibility for the exploiter of a nuclear installation or of whatever other installation that produces or works with radioactive materials, or which includes devices that may produce ionising radiations, for non-nuclear damages, or nuclear damages that are not liable to indemnity, shall be determined according to the corresponding legal norms, and not to the precepts of the Law on Nuclear Energy, that relate to nuclear damages, as they are defined in paragraph 16 of Article 2 of the aforementioned Law.

Section 3. On the concurrence of responsibilities

Article 20

The responsibility for damages caused in one single accident by nuclear substances of various installations, be they owned by one or several title- holders, shall comprise the sum that corresponds for every one of these installations.

If the amount of damage caused by the nuclear substances of each installation cannot be determined precisely, it shall be assumed that the respective exploiters concurred in them equally. In this case every one of the exploiters shall respond jointly for the totality of the nuclear damages caused, up to the limit of their respective responsibility.

Chapter Four
On the victim

Article 21

Shall be considered victims, with the right to indemnity, all those who as a result of a nuclear accident suffer in their person or property damages that fulfil the criteria for indemnity according to Chapter Two, Title I of this Regulation.

Article 22

The immediate damages, as defined in Article 46 of the Law, caused on persons, shall be totally indemnified, whatever the number of victims in each accident, or the extent of the damage suffered by them.

For the total indemnity of the personal deferred damages, the last paragraph of Article 66 of this Regulation shall be applicable.

Article 23

If the sum of the indemnity payments that must be satisfied for personal and material damages, exceeds the amount of the responsibility attributable to the obliged exploiter or exploiters, the difference shall be settled effectively through the legal means that the State may arbitrate to this effect.

Article 24

When damages on persons and property concur, the latter shall only be indemnified in those cases where the amount attributable to the personal damages suffered in the accident does not reach the established limits regarding the responsibility of the exploiter by this provision.

Article 25

When the damages caused relate exclusively to material goods, whose amount exceeds the extent of responsibility, or when given their concurrence with personal damages, they cannot be fully compensated for, the injured parties shall receive a proportional part depending on the importance of the damages on each of the material goods.

This same rule of proportionality shall be applicable, where appropriate, for the payment in advance of the total indemnity for damages caused on persons when they are not totally

indemnified according to the methods referred to in Article 23 of this Regulation.

Article 26
In no case can the indemnity for personal damages be inferior to that for occupational accidents, which would have corresponded to a victim, subject to labour law.

Article 27
Shall not be included within the concept of damages that are liable to indemnification, to the effects of the limits on the responsibility of the exploiter, the interests of the indemnity as such, or the legal costs that may arise from the accident.

Article 28
The indemnities that shall be perceived by the victims of a nuclear accident must never exceed the total amount of the damages and injuries really suffered.

The right of the victim to be indemnity shall subsist even if the damages were to be the object of coverage through a different insurance policy than that regulated in this Regulation.

Article 29
The action of claiming the indemnity for nuclear damages shall correspond to the victim itself, or its trustees, who can exercise it personally, or by legal or voluntary representation. All those third persons entitled by a transfer or by the subrogation of the rights of the victim, shall also be able to promote this action.

Article 30
The action shall expire after ten years, for claims regarding indemnity for immediate damages. For claims regarding indemnity for deferred damages, the expiration deadline shall be of twenty years, according to what is established in Article 67 of the Law.

Title II. On the form for the responsibility guarantee

Chapter One
General provisions

Article 31
All those who as a result of their activity may be declared responsible for nuclear damages, according to what is established in the Law on Nuclear Energy, and by this Regulation, is required to constitute a sufficient guarantee to be able to respond within the extent and in the terms laid out in this Title, regarding the payment of the indemnities that in case of an accident can be demanded of them.

The State shall be exempted from this obligation when it acts as an exploiter.

Article 32
The person obliged to constitute the guarantee must do so according to one of the methods foreseen in Article 56 of the Law. The guarantee can also be constituted by using several of them jointly, as long as the sum of the guarantees is not inferior to the total amount of the required cover, and with the prior express authorisation of the Ministry of Finance.

Article 33
The necessary cover to guarantee responsibility for immediate nuclear damages deriving from a nuclear installation or the transportation of nuclear substances shall be the one indicated in Article 57 of the Law, and in Article 16 of this present Regulation.

That of the exploiter of a nuclear ship or aircraft shall be that which corresponds to what is established in paragraph 1 of Article 17 of this Regulation.

That of the exploiter of radioactive installations, of those that handle waste of this nature or those

derived from the transportation of radioactive materials shall have the corresponding reach, as provided for in paragraph 2 of the aforementioned Article 17 of this provision.

Article 34
The cover for the exploiter's civil responsibility in each accident shall be applied in its entirety to respond to the obligations for whose security it was constituted.

Chapter Two
On the civil responsibility insurance for nuclear damages

Section 1. On the insurance contract

Article 35
The contract for Civil Responsibility Insurance for Nuclear Damages shall be regulated according to the legal pacts established in each insurance policy or document.

Those stipulations that are contrary to the norms set forth in this Regulation, or in their defect, to those that regulate private insurance in general, as well as to those that are dictated in this regard by the Ministry of Finance, in matters of its competence, shall not be valid.

Article 36
The provisions included in this section do not affect the insurance contracts that have as their object the damages that may occur in the nuclear or radioactive installation themselves, in the means of transportation of substances of this type or that refer to different responsibilities than those that according to Article 45 of the Law fall upon the exploiter.

Article 37
The obligation of indemnifying nuclear risk guaranteed by means of an insurance policy may not be carried out in a manner different to that foreseen in this provision.

The existence of the insurance shall be accredited with the insurance policy, adjusted to the conditions that the Ministry of Finance determines.

In the transportation of nuclear or radioactive substances, it must be justified by means of a certificate issued by the insured party in the terms that the department, itself, shall determine.

The certificates issued to foreign carriers by insurance entities that are not authorised to operate in Spain must identify the person or persons who reside in the country, who with an authorisation from the aforementioned Ministry shall assume the obligations deriving from all accidents that may take place on Spanish territory.

Article 38
The exploiter shall concert the contract for Civil Responsibility Insurance for Nuclear Damages separately, for each of the installations that the exploiter may be, or will be the title-holder of.

Any other person, who may have an interest in insuring the responsibility, may also arrange it. This situation shall be mentioned expressly in the contract.

Article 39
The contract shall have a limited duration, or it may be indefinite.

If it is established for a determined time period, this may not exceed three years.

Any contract celebrated without a specific time constraint, shall oblige its contractors over the period of a year, after which it shall be understood to have been extended for successive one year periods, counting from the date the policy expires, if one of the parties does not inform the other by certified mail at least two months in advance of the aforementioned date of

the intention to consider the termination of the contract.

When the contract relates to the transportation of nuclear or radioactive substances, its duration shall be the same as that of the transport that is being carried out.

Article 40
The insurer shall be obliged, on the basis of the insurance policy for nuclear risk, before the victim and its trustees, in the same cases and terms as the exploiter.

Article 41
The insurance premium shall be paid in advance before the day it expires and shall be indivisible during the period of time that is established in the contract.

The insurer shall be able to fraction the collection of the corresponding premium, for contracts whose duration exceeds one year, in several annual periods.

Article 42
Any delay in the payment of the premium or the premium's fractions does not authorise the insurer to suspend the cover, although it does give the insurer the right to resolve the contract.

The resolution shall only be effective if the insured party, having been requested by certified mail, or other certified instrument, to pay the premiums, does not make these payments in the thirty days that follow the date of the claim, and without prejudice to what is established in paragraph 1 of Article 50.

Article 43
In the case foreseen in the previous article, the right of the insurer to demand that the insured party pays the premium or premiums in arrears, and the premium's pro rata, corresponding to the period of risk that may have elapsed as a result of what has been established in the previous articles, shall prevail in the terms established by the Code of Commerce.

Article 44
Any delay in the payment of the premium, or its fractions, shall oblige the insured party to satisfy the interests from the date it was due.

The right of the insurer to demand the payment of the premium or premiums in arrears shall be preserved, in the terms established by the Code of Commerce.

Article 45
The insured party or the party that wishes to be insured must provide the insurer with all the data that is requested from it, and that may be necessary to understand the risk, and must also allow for the required verifications be carried out.

Furthermore, the insured party must inform the insurer, with the least possible delay, of any events or circumstances that may modify the insured risk, throughout the life of the contract.

Article 46
Any changes in the circumstances of the risk, by accident or by the actions of a third party, shall allow the insurer, exclusively, to demand from the insured party the corresponding supplement to the premium.

If the modification were to be attributable to the will of the insured party, it must report this event, in advance, to the insurer in order for it to adjust the premium to this new risk, according to the conditions expressed in the rate approved by the Ministry of Finance for the insuring Entity.

If the insured party should refuse, without any justification, to readjust the conditions of the policy, in those cases where the risk has

increased, the insurer may rescind the contract informing the insured party, by certified mail, of this decision.

Article 47
The insured party must inform the insurer of all nuclear accidents, if they may give rise to its obligation to indemnify, in the five days that follow its occurrence, or the knowledge of its occurrence, and must adopt, in all cases, the necessary emergency measures required to limit the effects of the accident.

Article 48
The insurer, within the fifteen days that follow the accident, may be able to rescind the contract, by restoring, to the insured party, the proportional part of the received premium, which corresponds for the period of time that is not covered.

This rescission shall not produce any effects until two months have elapsed since the date in which the right referred to in the previous paragraph has been exercised.

Within the policy, it may be agreed that the contract shall be considered to be resolved when the amount of the satisfied quantities, or awaiting payment, in name of the insured exploiter, added to the amount expected from those awaiting settlement, where applicable, determined according to the norms that the Ministry of Finance may dictate, should exceed the sum freely agreed to by the parties.

The aforementioned sum shall in no case be inferior to twice the amount of the responsibility that may be demanded from the exploiter for each accident.

Article 49
What is established in the previous article, shall not apply in the case of transportation of nuclear or radioactive substances, whose contract cannot be rescinded during the period of time that is referred to in the last paragraph of Article 39 of this present Regulation.

Article 50
The insurer may not suspend the coverage, until two months have elapsed since the date in which the Ministry of Finance is informed of the desire to consider the cover terminated, expressing the reasons for its decision and the date in which it is to be effective.

The insurer must also inform the Ministry of Finance, within a maximum delay of ten days, of any event or circumstance that may determine a reduction in the cover, beneath the limits established for the exploiter's responsibility.

Article 51
The franchise that corresponds to the ensured exploiter, as established in Article 63 of the Law, shall be of 5% of the indemnities that may correspond for each nuclear accident. The insurer must, nonetheless, make those indemnities that may correspond to the injured parties effective, without deducting the amount of the franchise, but it shall maintain the right to reimburse itself on account of the insured party for the quantities, that in this concept, it may have satisfied.

The Ministry of Finance is authorised to modify the percentage, established in this article, when the circumstances should make it advisable.

Article 52
The risk cover for the exploiter's responsibility regarding the transportation of nuclear substances, as well as that derived from accidents due to nuclear substances or radioactive materials that may have been stolen or robbed, or that may have been the object of

abandonment or loss, may be convened through an independent policy.

Section 2. On the insurer

Article 53

The coverage of nuclear risk, by means of an insurance policy, constitutes an independent branch, and for its exercise the insuring entities must obtain an authorisation from the Ministry of Finance and be inscribed in the Special Register that is kept in the Directorate-General of Insurance.

The capital stock and the inscription deposit to be entitled to operate in this branch shall be those established in Article 6 c), and in Article 7 c) of the Law for the Organisation of Private Insurance, of the 16th of December 1954.

Notwithstanding, what is established in the previous paragraph, the insurance entities, inscribed in the Special Register for civil responsibility insurance on the date of the entry in force of Law 25/1964, of the 29th of April, on Nuclear Energy, shall be able to function within this branch of insurance by adjusting themselves to the conditions established in paragraph 1 of this Article, and in Article 58 of the aforementioned Law on Nuclear Energy, within the capitals and deposits regime that they may have on this date.

Article 54

The insurance entities shall submit for approval by the Ministry of Finance the models for the policies that they propose to use in their operations in this branch, the technical notes and the premium rates, without whose agreement they may not be used, as well as the reserve regime, the co-insurance framework, and the contracts for reinsurance.

The Ministry of Finance may determine the limits and percentages of the different concepts that are incorporated in commercial premiums, as well as the surcharges that may be charged on these.

Shall also be submitted for this aforementioned approval, any modifications whose introduction is contemplated, for these matters.

Article 55

The insurance entities authorised to operate in this Branch, may join together for the purposes foreseen in this Regulation.

The legally constituted groups or groupings, once the statutes have been approved by the Ministry of Finance, shall have their own legal status, regarding the judicial and extra judicial representation of the collective and individual interests of their components, without prejudice to the compliance, by its components, of those obligations that the existing law may impose on them, regarding the insurance operations in which they intervene.

Article 56

The pacts that govern the established groupings must be submitted for the Ministry of Finance's prior agreement, which must also be informed by these groupings of the names of the entities that compose them, and the percentage of the participation that corresponds to each one of them in terms of the total covered risks.

Article 57

The group or groupings that are created in this manner, shall be able to, in representation of all the entities that compose each one, accept the risks whose coverage constitutes the object of this provision and to transfer as reinsurance, the part of the risk that they considered adequate, without prejudice to what is established in Article 54 of this Regulation.

These groupings shall be subject to the control of the Directorate-General of Insurance in the terms that are established for insurance entities, in the existing law on private insurance.

Article 58
The insurance entities that operate in this Branch, be they grouped or not, to cover the risk, are obliged to constitute, beyond the reserves foreseen in Article 21 of the Law on Private Insurance, of the 6th of December 1954, a special technical reserve, whose quantity, investment and application shall be determined by the Ministry of Finance, who, considering the experience in this Branch, may alter the established annual percentage, or suspend, when necessary, the amount of this reserve, which shall be linked exclusively to the obligations of the entity towards the victims of nuclear accidents.

Chapter Three
On other financial guarantees

Section 1. On the constitution of the deposit

Article 59
The obligation imposed in Article 55 of the Law on Nuclear Energy, on the exploiter of a nuclear installation or any other installation that produces or works with radioactive materials or which incorporates devices that may produce ionising radiations can be fulfilled through the constitution in the Spanish Government Depositary, at the disposal of the Ministry of Finance, of a deposit in cash and in Spanish legal tender, attached to the payment for immediate damages that the aforementioned exploiter may be responsible for in the context of a nuclear accident.

This deposit can also be constituted by means of public assets of the Spanish State, domiciled in Spain, or in industrial or commercial assets whose trade is authorised in the Spanish Stock Exchanges, that offer, according to the Ministry of Finance, sufficient guarantees, in each case, for the end to which they are destined.

Article 60
The amount of the deposit mentioned in the previous article, shall not be inferior to the limit of responsibility that can be demanded from the exploiter for a nuclear accident.

When it is composed of stocks and shares, these shall be calculated at the maximum of their last official quote in the previous financial exercise.

In no case, can amortized value be admitted above par.

Article 61
This deposit shall be destined exclusively for the payment of the indemnities that may correspond to the victims of nuclear accidents and which can be demanded from the exploiter, in whose name the deposit is constituted, and it cannot be disposed of without an order from the Ministry of Finance.

Section 2. On other types of guarantee

Article 62
The exploiter of a nuclear installation or any other installation that produces or works with radioactive materials or which incorporates devices that may produce ionising radiations may comply with the obligation imposed in Article 55 of the Law on Nuclear Energy, of the 29th of April 1964, by means of a joint warranty granted by an official, or private, bank inscribed in the General Register of Banks and Bankers, and for an amount equivalent to the amount of the requested cover.

This cover shall be of an exceptional character, and may be admitted or refused freely by the Ministry of Finance, taking the circumstances that may exist in each case. The existence of this warranty shall be accredited by means of a

document issued according to the terms that the aforementioned Department shall determine.

The obligation imposed upon the insurer in Article 50 of this Regulation shall not be applicable to the warrantor who is referred to in the first paragraph of this present article.

Chapter Four
On the replenishment of guarantees

Article 63
The guarantees for the civil responsibility of the exploiter in its different forms must be replenished by the title-holder when as a result of a nuclear accident, or due to other circumstances, they are insufficient to respond to the obligation for whose security they have been constituted.

The Ministry of Finance, shall determine the form and the conditions in which this replenishment shall take place.

Title III. On the State's intervention in the reparation for nuclear damages

Chapter One
General provisions

Article 64
The State shall participate in the reparation of nuclear damages in the terms foreseen in this title, and within the limits and with the conditions established in it, except for what is established in the following article.

Article 65
The State's obligations in case of a nuclear accident due to the risks derived from its nuclear installations, ships and aircraft and in those activities that produce ionising radiations shall be identical to those of any other exploiter. The payment of the indemnities that it may be obliged to award in this sense shall be substantiated according to the procedures established in Article 40, and following, in the Law on the Legal Status of the State Administration.

Chapter Two
On the participatory systems

Article 66
The State shall indemnify, in the manner foreseen in the previous article, the nuclear damages occurred as a result of accidents, when it has the consideration of exploiter, according to Article 54 of the Law on Nuclear Energy. Similarly, it shall arbitrate the necessary measures to indemnify the immediate personal injuries that result from a nuclear accident, if they exceed the limits for the exploiter's responsibility.

"The State may only repeat according to what has been satisfied in previous cases, in those where the exploiter or insurer who is obliged to indemnify is allowed to perform such repetition, and only as regards those persons against whom such faculties can be exercised"(*).

Through the Government the necessary measures shall be adopted for the indemnification of the deferred damages contemplated in Article 46 of the aforementioned Law.

Article 67
The Ministry of Finance shall arbitrate those systems or procedures that it considers opportune for the satisfaction of the amounts that the State must pay in concept of reparations for nuclear damages, independently from the

(*) New wording given by Decree 742/1968, of the 28th of March.

civil responsibility in those cases foreseen in the Law on Nuclear Energy, and in the International Conventions ratified by Spain.

Chapter Three
On the Directorate-General of Insurance

Article 68

The Directorate-General of Insurance, without prejudice to the performance of its own functions, shall manage those attributed to the Ministry of Finance by the Law of Nuclear Energy, in this Regulation, and in all those other provisions that deal with nuclear risk cover.

Article 69

The Directorate-General of Insurance shall supervise the compliance with the norms included in this present Regulation, and in those other provisions that are related to this matter.

This function shall be carried out through the Technical Inspection of Insurance and Savings of the Ministry of Finance.

Chapter Four
On the Consortium for Insurance Compensation

Article 70

The Consortium for Insurance Compensation, a body that depends on the Directorate-General of Insurance, shall perform the following functions:

a) Participate in the nuclear risk cover assumed by the insurance entities in those cases where the combination of these does not reach the minimum limit of civil responsibility foreseen in the Law on Nuclear Energy.

b) To make the payments that it is responsible for, for those obligations that correspond to it, in compliance with the previous paragraph, and to demand the payments that may be relevant.

c) To perform all those functions that are assigned to it in Articles 60 and 61 of the Law, subjecting itself to the norms that the Ministry of Finance establishes.

d) To carry out reinsurance operations, in the manner that the aforementioned Ministry, may determine.

Article 71

The Department created in the Consortium for Insurance Compensation, according to Article 62 of the Law on Nuclear Energy, shall be named the Special Department for Nuclear Risks, and shall enjoy full financial independence, as well as in its assets, statistics and accountancy, with regards to the rest of the departments that compose this Body. The compensation of balances among the different sections will not be allowed.

Article 72(*)

Article 73(*)

Article 74

Shall be competences of the Plenary:

a) To interpret, within the scope of its functions, and to apply those provisions relative to nuclear risk cover.

b) To agree on the alienation of goods and assets assigned to the Special Department for Nuclear Risks.

(*) Article expressly repealed by the Repeal Provision of Royal Decree 731/1987, of the 15th of May.

Note: The current organisation of the Consortium for Insurance Compensation, is regulated in Articles 12 to 20 of its Regulation, approved by Royal Decree 731/1987, of the 15th of June, and in Royal Decree 958/1986, of the 25th of April.

c) To agree on the acquisition of goods and assets, with funds from the Department for amounts greater than 1.000.000 pesetas.

d) To agree on the costs of a general, and extraordinary, nature that may be necessary for the control of operations from the moment they are contracted until their settlement, in case of accident, including their processing, settlement, and recovery.

e) To accept the risk cover, following its study, and at the request of the Body's Direction.

This faculty can be delegated, in the conditions that the Board itself establishes, to the Consortium's Direction.

f) To resolve the accident claims whose amount exceeds 1,000,000 pesetas.

g) To authorise the reinsurance and reassignment contracts.

h) To exercise the veto faculty established in Article 61 of the Law on Nuclear Energy.

i) To issue circulars and norms of a general character.

j) To be informed of all issues that are attributed to it especially through this present Regulation, as well as those that are remitted to it directly by the Directorate-General of Insurance.

k) To agree for their presentation before the Minister of Finance on all the policy models that the Consortium expects to use, as well as the technical notes and the premium rates.

The duties of the Permanent Commission shall comprise:

a) To agree on those acquisitions of goods and assets that must be carried out through the Special Department for Nuclear Risks, up to the sum of 1,000,000 pesetas.

b) To resolve the accident claims whose amount does not exceed 1,000,000 pesetas.

c) To perform in delegated functions the faculties that are of the Plenary's competence.

d) To assist the Director of the Consortium in matters, that although within its sphere of competence, are considered, because of their importance, as worthy of being submitted for its consideration.

Article 75

For the fulfilment of its objectives, the Special Department for Nuclear Risks shall dispose of the following financial resources:

a) The premiums that correspond to the risks covered directly by the Consortium, as well as those of reinsurance, where applicable.

b) The recoveries for accidents, the commissions and patrimonial incomes of the goods assigned to this Department.

c) The assignments that are annually allocated to it in the General State Budgets.

In cases where the previously mentioned financial resources were to prove insufficient to face the assumed obligations, the Ministry of Finance, shall be specially capacitated to authorise the opening of credit accounts by the Consortium for Insurance Compensation, in the Bank of Spain, for the amounts and duration that it considers necessary.

Article 76

According to what is established in Article 12 of the Law of the 16th of December 1954, on the Consortium for Insurance Compensation and

under what is foreseen in paragraph 2 of Article 230 of the Law on the Reform of the Tax System, 41/1964, of the 11th of June, shall be exempted from all types of tax those premiums that are perceived by the Consortium, the operations that it may perform and the documents that may be subscribed by this Body and the Bank of Spain, according to which credits are formalised in favour of the Consortium, its renewals, the express or tacit extensions and whatever actions and contracts that are reflected in the aforementioned documents and policies.

Article 77

Against the agreements of the Board of Governors of the Special Department for Nuclear Risks, in all those cases that are not included in Article 66, and following, of the Law on Nuclear Energy, a reposition appeal may be presented before the Consortium for Insurance Compensation, in the month following the notification or handing over of the documents by the Mail Service or other similar service.

The resolution of the aforementioned Body that puts an end to the reposition appeal can be appealed before the Insurance Arbitration Court within an, un-extendable, period of sixty natural days, starting from the date of notification, and carried out in the same form indicated in the previous paragraph, this appeal shall be substantiated by the procedures established in Chapter Two of the Regulations of the aforementioned Court, approved by a Ministerial Order of the 10th of August 1953.

The reposition appeal, shall in any case, be an indispensable process before moving on to the Insurance Arbitration Court.

Once sixty natural days have elapsed, after the presentation of the filing in which the reposition appeal is presented, without any notification regarding the resolution on this appeal, it shall be understood to have been denied, and this will initiate the time period for the presentation of an appeal before the Insurance Arbitration Court.

Final Provisions

1º. The Government shall be competent, following the proposal of the Minister of Finance, and with the prior report from the Ministry of Industry, to qualify as a natural catastrophe, of an exceptional character, to the effects of what is established in paragraph 1 of Article 4 of this present Regulation, any nuclear accidents that occur, which due to their circumstances merit this qualification.

2º. The Ministry of Finance is authorised to dictate the necessary provisions for the development and implementation of what is established in this present Regulation.

CSN CONSEJO DE SEGURIDAD NUCLEAR