

Annex 22.16

Inflation Adjustment Formula for Monetary Assessments

1. An annual monetary assessment imposed before December 31, 2004 shall not exceed 15 million dollars (U.S.).
2. Beginning January 1, 2005, the 15 million dollar (U.S.) annual cap shall be adjusted for inflation in accordance with paragraphs 3 through 5.
3. The period used for the accumulated inflation adjustment shall be calendar year 2003 through the most recent calendar year preceding the one in which the assessment is owed.
4. The relevant inflation rate shall be the U.S. inflation rate as measured by the Producer Price Index for Finished Goods published by the U.S. Bureau of Labor Statistics.
5. The inflation adjustment shall be estimated according to the following formula:

$$\$15 \text{ million} \times (1 + Pi) = A$$

Pi = accumulated U.S. inflation rate from calendar year 2003 through the most recent calendar year preceding the one in which the assessment is owed.

A
= cap for the assessment for the year in question.