

CHAPTER 3**BENEFITS UNDER THE LEGISLATION OF THE CZECH REPUBLIC****ARTICLE 16****Calculating the Amount of Benefit Payable**

1. If, under the legislation of the Czech Republic, the conditions for eligibility for a benefit are met without the need to take into account creditable periods accumulated under the legislation of Canada, the competent institution of the Czech Republic shall determine the amount of that benefit exclusively on the basis of the creditable periods accumulated under its legislation.
2. If, under the legislation of the Czech Republic, eligibility for a benefit can be established only through the application of the totalizing provisions of Chapter 1, the competent institution of the Czech Republic:
 - (a) shall calculate the theoretical amount of the benefit which would be paid if the totalized creditable periods had been accumulated under the legislation of the Czech Republic alone; and
 - (b) on the basis of the theoretical amount calculated in accordance with sub-paragraph (a), shall determine the amount of benefit payable by applying the ratio of the length of the creditable periods accumulated under the legislation of the Czech Republic to the totalized creditable periods.
3. For purposes of determining the assessment base used in calculating the amount of a benefit, creditable periods under the legislation of Canada shall be excluded.
4. A supplement due to infirmity which is payable to a person whose eligibility for a pension has been determined through the application of the totalizing provisions of Chapter 1 shall be calculated in accordance with the formula specified in paragraph (2)(b).

ARTICLE 17**Restrictions**

1. The provisions of the legislation of the Czech Republic concerning the reduction, suspension or cancellation of benefits when these overlap with other benefits or when the beneficiary derives other income or pursues gainful employment shall also be applied to a person who receives a benefit under the legislation of Canada or who derives other income or pursues gainful employment outside the Czech Republic. The preceding sentence, however, shall not apply in instances involving overlapping of benefits of the same kind for invalidity, old age and survivorship which have been granted by the competent institutions of both Parties.