

2. Unless stated otherwise, subsidiary arrangements concerning grants or contributions from the Government of Canada shall be considered as administrative arrangements.

3. Subsidiary arrangements shall make specific reference to this Agreement.

ARTICLE III

Unless otherwise indicated, the Government of Canada shall assume the responsibilities described in Annex "A" and the Government of the Kingdom of Thailand shall assume the responsibilities described in Annex "B" in respect of any specific project established under a subsidiary arrangement. Annexes "A" and "B" shall be integral parts of this Agreement.

ARTICLE IV

For the purposes of this Agreement:

- (a) "Canadian firms" means Canadian firms or institutions engaged in any project established under a subsidiary arrangement;
- (b) "Canadian personnel" means Canadians or persons who are not Thai nationals or permanent residents of Thailand, who are working in Thailand on any project established under a subsidiary arrangement; and
- (c) "dependant" means the spouse of a member of the Canadian personnel or any other person recognized as dependant by the Government of Canada and by the Government of the Kingdom of Thailand.

ARTICLE V

The Government of the Kingdom of Thailand shall indemnify Canadian firms and Canadian personnel against civil liability for acts or omissions occurring in the performance of their functions in Thailand except where it is legally established under Thai law that such acts or omissions result from or are attributable to gross negligence or wilful misconduct on their part.

ARTICLE VI

The Government of the Kingdom of Thailand shall exempt Canadian firms and Canadian personnel from income taxes or other similar types of taxes on income, profits, salaries, wages and other similar remuneration derived from activities performed or assignment in Thailand under this Agreement or any subsidiary arrangement. Furthermore, Canadian firms and Canadian personnel will be exempt from income taxes on all other income arising from activities or business carried on outside of Thailand which is not transferred into Thailand.