

(3) Loan agreements shall be the subject of formal agreements between the contracting Parties and shall bind them under international law.

(4) Subsidiary arrangements and loan agreements shall make specific reference to this Agreement.

(5) It is understood that this Agreement applies only with respect to projects financed under concessional terms (grant or soft loan) by the Canadian International Development Agency.

ARTICLE III

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

ARTICLE IV

For the purpose of this Agreement:

- (a) "Canadian firms" means Canadian or other non-Egyptian firms or institutions engaged in any project under a subsidiary arrangement or a loan agreement;
- (b) "Canadian personnel" means Canadians or non-Egyptian or other non-permanent residents of Egypt working in that country on any project established under a subsidiary arrangement or a loan agreement; and
- (c) "dependants" means
 - (i) the spouse of a member of a Canadian personnel,
 - (ii) a child of the member of a Canadian personnel or his spouse who is
 - (A) under twenty-one years of age and dependent on the member of the Canadian personnel or his spouse for support, or
 - (B) twenty-one years of age or older and dependent on the member of the Canadian personnel or his spouse for support by reason of a mental or physical incapacity, or
 - (iii) any other person recognized as a dependant by the Government of Canada, but not including a child from a previous marriage who does not normally reside with the member of the Canadian personnel or his spouse.

ARTICLE V

The Government of Egypt shall indemnify and save harmless the Government of Canada, Canadian firms and Canadian personnel from civil liability for acts performed in the course of their duties except where it is legally established by an Egyptian court of law that such acts result from gross negligence or wilful misconduct on their part.