- (a) the aircraft being ferried are aircraft owned by the Government of the Kingdom of the Netherlands and used by its air armed services within the meaning of paragraph 1 of Article VIII;
- (b) the aircraft while being ferried, are deemed to be used in connection with the operation of the North Atlantic Treaty within the meaning of paragraph 1 (ii) of Article VIII;
- (c) the nationality of the aircraft will prevail over the nationality of the pilot in the determination of liability for damage, injury or death arising from the use of the aircraft in connection with the ferrying operation.

If, notwithstanding the foregoing, third parties who suffer damage, injury or death in connection with ferrying operation, claim against the Canadian Government or any of its officers or servants under Article VIII in a NATO country, or under any other agreement or law in a non-NATO country, the Government of the Kingdom of the Netherlands shall, to the extent the amounts awarded or adjudged in respect of such claims are not chargeable to Canada as the receiving state under the terms of Article VIII, and provided that the Government of the Kingdom of the Netherlands would have been liable for the damage, injury or death had the aircraft concerned at the time of the occurrence which gave rise to such claims been piloted by a pilot of the Royal Netherlands Air Force, indemnify and hold harmless the Canadian Government and its officers and servants in respect of such claims.

## IV

The appropriate authorities of the Canadian Forces and of the Royal Netherlands Air Force may enter into subsidiary arrangements not inconsistent herewith as are necessary for the implementation of the terms and conditions contained in this note.

## V

Except as otherwise provided herein, the NATO status of Forces Agreement shall apply.

If the above-mentioned terms and conditions are acceptable to the Government of the Kingdom of the Netherlands I propose that this note in both the English and the French language and Your Excellency's reply concurring therein shall constitute an agreement between the Government of Canada and the Government of the Kingdom of the Netherlands which will enter into force on the date of your Excellency's reply and shall expire one year after the said date.

Accept, Excellency, the renewed assurances of my highest consideration.

MITCHELL SHARP Secretary of State for External Affairs.

His Excellency Theo. H. Bot, Ambassador of the Netherlands, Ottawa.