

nationals) employed for German activities or in connection therewith on the CRR and their dependents. This shall not, however, include Canadian citizens or persons ordinarily resident in Canada, nor the personnel charged by the Canadian side with operating and maintaining the CRR.

(2) The Contracting Parties shall as far as possible in accordance with national law facilitate the entry and stay of personnel to be employed in their territory within the framework of the present Agreement. Each Party agrees at the request of the other Party to assist the departure of its personnel from the territory of the other Party without expense to the Party making the request.

(3) The entry and stay of German personnel in Canada, as far as the implementation of the present Agreement is concerned, shall not be regarded as immigration to Canada, but shall be in accordance with Canadian procedures for the entry of non-immigrants.

(4) With regard to the taxation of the income of any person resident in the territory of either Contracting Party who enters the territory of the other Contracting Party by virtue of the present Agreement, the provisions of the Convention of 4 June 1956<sup>(1)</sup> between the Federal Republic of Germany and Canada for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, or the provisions of any convention amending or superseding that Convention shall apply.

(5) Personal property of German personnel which is situated in Canada solely because such personnel are in Canada for the purposes of the present Agreement shall be exempt from federal estate tax and federal gift tax.

#### ARTICLE 11

(1) In implementing the present Agreement Canada shall exempt from customs duties as well as from Canadian federal sales and excise taxes goods imported by or on behalf of the Federal Republic of Germany for use at the CRR; Canada shall also exempt from Canadian federal sales and excise taxes goods bought by or on behalf of the Federal Republic of Germany in Canada for use by the Federal Republic of Germany at the CRR.

(2) Personal effects of German personnel may be imported into Canada at the time of arrival free of federal import duties and taxes on condition that such personal effects are not sold, made a gift of, or disposed of in any other way, unless with the approval of the competent Canadian authorities.

#### ARTICLE 12

(1) In this Article the term "personnel" of a contracting party or agency means those persons who are at the time concerned involved in activities under this Agreement at the direction of that contracting party or agency regardless of residence or nationality.

(2) In the event of a claim by a third party against a contracting party or an agency designated in accordance with Article 14 of this Agreement, for damages arising from activities under this Agreement, any compensation paid in respect of such claim, shall be borne by the contracting party whose personnel, including personnel of an agency designated by it, have culpably caused the

<sup>(1)</sup> Treaty Series 1957 No. 12.