

2. The Government of the Republic of Senegal recognizes the absolute right of the Government of Canada, in their respective capacities as sovereign States and in accordance with international practice, to assert claims and to pursue any action compatible with international law, in the event that the Government of Canada (the EDC), as a result of any act involving the responsibility of the Government of the Republic of Senegal, is prevented for physical or moral reasons from exercising its rights recognized herein or derived from the subrogation.

ARTICLE IV

Should the Government of Canada lawfully acquire, under any investment insurance contract, legal currency of Senegal, the Government of the Republic of Senegal shall grant to the Government of Canada the same guarantees as those which may be granted to the investor in that respect. Moreover, such funds may be freely used by the Government of Canada to meet its expenses within the national territory of Senegal.

ARTICLE V

This Agreement shall apply only with respect to investments insured by the Government of Canada (the EDC) after their approval by the Government of the Republic of Senegal.

ARTICLE VI

1. Differences between the two Governments concerning the interpretation and application of provisions of this Agreement, or any claim arising out of investments insured in accordance with this Agreement, shall be settled, insofar as possible, through negotiations between the two Governments. If such differences cannot be resolved within a period of three months following the request for such negotiations, they shall be submitted, at the request of either Government, to an *ad hoc* arbitral tribunal for settlement in accordance with applicable principles and rules of public international law. The arbitral tribunal shall consist of three members and shall be established in the following manner:

2. Each Government shall appoint one arbitrator; in turn, the arbitrators so appointed shall choose a third member, who shall act as chairman. The chairman shall not be a national of either country involved in the dispute. The arbitrators shall be appointed within two months and the chairman within three months of the date of receipt of either Government's request for arbitration. If the foregoing time limits are not met, either Party may, in the absence of agreement, request the President of the International Court of Justice to make the necessary appointment or appointments, and both Governments agree to accept such appointment or appointments. In the event that the President of the Court is a national of either of the two countries involved in the dispute, the appointment or appointments shall be made by the most senior judge of the Court who is not a national of either Government.

3. The tribunal shall decide by majority vote. Its decision shall be final and binding.