the purposes of paragraph 1 of Article VIII, an employee of the Government of Canada or the Government of the Italian Republic assigned to duty with the Canadian Forces or the Italian Armed Forces for the purpose of working under this Agreement shall be deemed to an employee of the Canadian Forces or of the Italian Armed Forces respectively. Employees, and agents of contractors shall not be deemed to be members of a civilian component or employees of the Canadian Forces or of the Italian Armed Forces for this purpose.

Implementing arrangements between the Ministry of Defence of the Government 10. of the Italian Republic and the Department of National Defence of Canada shall be made by means of Memoranda of Understanding which shall be consistent with the intent of this Agreement. The Memoranda of Understanding may be amended as provided therein. The applicable multi-national Memorandum of Understanding for all foreign forces exercising at Goose Bay, and which the Italian Armed Forces would also sign once amended as appropriate, is currently due to expire on 31 March 2006.

This Agreement will, subject to para 12, remain in effect for a period of ten years, 11. and may be renewed, unless terminated in whole or in part by either Government by giving twelve months notice in writing to the other.

This Agreement may be suspended at any time, in whole or in part, by either of 12. the two Governments, without notice to the other, if the Government suspending this Agreement considers such action necessary for reasons of extreme emergency such as war, invasion or insurrection, real or apprehended. The effective date of such suspension shall be confirmed by a subsequent exchange of notes between the two governments.

In the event of termination or suspension of this Agreement, or any part thereof, 13. financial consequences resulting therefrom shall be settled by negotiations regarding, inter alia, residual values of investments, termination costs associated with civilian employees rendered redundant, and penalties and cancellation costs associated with the termination of leases, agreements and contracts. To this effect, the military or economic value of these investments to the Government of Canada, as well as the proceeds of any sales made of these investments, shall be given due consideration.

Upon termination or suspension of this Agreement, or any part thereof, the 14. Government of the Italian Republic shall not be obliged to remove any facilities, buildings or improvements thereto which have been constructed with its own funds, unless such an obligation was stipulated by Canada at the time of construction.

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