

2. Unless stated otherwise, subsidiary arrangements concerning contributions of the Government of CANADA shall be considered as administrative arrangements.

3. Loan agreements shall be the subject of formal agreements between the parties to this Agreement and shall bind them under international law.

4. Subsidiary arrangements shall make specific reference to this Agreement and the terms of this Agreement shall, unless stated otherwise, apply to such subsidiary arrangements.

ARTICLE III

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

ARTICLE IV

For the purposes of this Agreement:

- (a) "Canadian firm" means Canadian or other non-Malaysian firms or institutions engaged in any project established under a subsidiary arrangement;
- (b) "Canadian personnel" means Canadians or non-Malaysian or other non-permanent residents of MALAYSIA, who are working in MALAYSIA on any project established under a subsidiary arrangement; and
- (c) "dependant" means
 - (i) the spouse of a member of the Canadian personnel;
 - (ii) a child of the member of the Canadian personnel or his/her spouse who is under eighteen years of age and dependent on the member of the Canadian personnel or his/her spouse for support.

ARTICLE V

The Government of MALAYSIA shall indemnify and save harmless the Government of CANADA, Canadian firms and Canadian personnel from civil liability for acts or omissions occurring in the course of the performance of their duties in the execution of any specific project established under subsidiary arrangements except for acts arising from gross negligence or wilful misconduct of Canadian firms or Canadian personnel.