

3. The amount of the contributions specified in Paragraphs 1 and 2 were determined by an allocation of construction costs based on the proportionate use of the Rafferty Dam and Alameda Dam for flood control in the United States of America and water supply in Canada. Such contributions shall be subject to adjustment for cost changes by the United States of America pursuant to Section 902(2) of Public Law 99-662 and shall fluctuate to reflect changes in the rate of exchange for currency between the United States of America and Canada that occurred between October 1985 and the time such contributions are made.
4. At the end of each calendar month, the Government of Canada shall issue a progress billing to the Government of the United States of America for its share of project construction costs, which shall be determined by an allocation of joint construction costs to flood control and water supply purposes. The Government of the United States of America shall review such billing and, if not disputed, make payment of the amount billed within thirty days of receipt of the bill for the amount due. If the Government of the United States of America disputes any billing or portion of such billing, it shall specify its reasons for disputing the billing and pay any undisputed amount. Disputed billings or disputed portions of billings shall be discussed by the Parties. Disputes concerning amounts billed that are not resolved by discussion may be settled in accordance with Article XIII.
5. Records shall be established and maintained to permit identification of the exact nature and amounts of costs of the Rafferty Dam and Alameda Dam. The records established and maintained pursuant to this paragraph shall be subject to audit at the request of the Government of the United States of America at any reasonable time during the construction of the dams and for five years thereafter, following reasonable notice to the Government of Canada.
6. The Government of Canada shall furnish quarterly status reports to the Government of the United States of America on the progress of construction on the Rafferty Dam and Alameda Dam, the total amount of funds expended on the dams at the time of the report, and the anticipated costs to be billed to the United States for the remainder of the United States of America Government fiscal year, which ends on September 30, and for each following United States of America Government fiscal year.

#### ARTICLE V

1. The Parties shall cooperate and consult on the matters addressed in this Agreement. The Parties shall exchange such information as is appropriate to ensure timely and beneficial fulfillment of obligations under this Agreement.