

- (b) The United States reporting agencies will on the report of excess transfer all right, title and interest in the property to CADC, which will accept the transfer of such right, title and interest subject to physical inspection. The CADC may, at any time and at its discretion, refuse or defer the sale of any article or any class or kind of article of excess property reported to it if the sale thereof is deemed by it not to be in the Canadian public interest or is in a condition which would make economic disposal impracticable. Prior to exercising this right, CADC shall consult with the United States reporting agency or agencies concerned. Due consideration shall be given by CADC to sale or disposal of the property in question on the condition that it will be exported from Canada. If, after such consultation, it is decided by the CADC not to proceed with the sale, right, title and interest in the article or articles in question shall be returned to the United States reporting agency or agencies concerned which may dispose of such property by abandonment under conditions to be mutually agreed upon, return to the United States, or under arrangements to be agreed upon between CADC and the United States reporting agency or agencies concerned.
- (c) After the property has been accepted for sale by CADC and subject to the provisions of sub-paragraph (b) above, reports of excess shall not be modified, cancelled or withdrawn except by mutual consent of the United States reporting agency and CADC.
- (d) The United States reporting agency shall at its expense assemble excess property at locations to be decided by mutual agreement.
- (e) The United States reporting agencies shall advise CADC of the names of the signing officers entitled to issue reports of excess.
- (f) The United States Government agencies shall retain and be responsible for excess property until they surrender the custody and control thereof to purchasers pursuant to the release order of CADC. In the event that excess property should be lost, stolen, destroyed or become deteriorated after being reported to CADC and prior to its being sold by CADC or being removed by a purchaser under CADC, the United States waives all claims to compensation from CADC for any resulting loss and CADC agrees, through its contracting arrangements with its purchasers, to hold the United States free from liability arising from such eventualities.
- (g) Sales prices shall be determined by CADC after calling for bids and shall normally be deemed to include duties and taxes payable by the purchaser to the Canadian Government. The Canadian Government, however, reserves the right to apply the normal provisions of the Customs Tariff, the Customs Act and the Excise Tax Act to the sale of any article.
- (h) The acceptability of sales prices and the modification of the Equipment and Material Codes under which excess property has been declared by the United States, shall be at the discretion of CADC.