

7. The Newfoundland Government agrees to lease to the Canadian Government the lands at the Newfoundland Airport occupied by the hangars, works and buildings which have been constructed for the RCAF or which shall be constructed with the consent of the Newfoundland Government for the R.C.A.F at any of the air bases, for a period of fifty (50) years, provided that on or after the cessation of hostilities the Newfoundland Government shall have the right, notwithstanding any such leases to resume possession of all of the area of land situated on the North Side of No.1 Runway and between the said Runway and the Main Line of the Newfoundland Railway, but on the exercise of such rights the Newfoundland Government shall pay to the Canadian Government such reasonable compensation for buildings and erections thereon the property of the Canadian Government as shall be agreed, it was further agreed that the continued use of the air bases by the Canadian Forces after the cessation of hostilities shall be the subject of separate consultation between the Canadian and Newfoundland Governments. The Canadian Government agrees to maintain and repair the buildings now owned by the Newfoundland Government, possession of which is being transferred to the Canadian Government, and to return possession to the Newfoundland Government at the cessation of hostilities. Part two ends. Part three begins.

9. The Newfoundland Government understands that practice bombing ranges and air-firing ranges will be required by the Royal Canadian Air Force in the vicinity of the air bases and agrees to facilitate the establishment of such ranges.

9A. The Newfoundland Government agrees to permit the construction of bomb storage facilities in the V between the south side of No.3 Runway and the west side of No.4 Runway and in an area southeast of the southern end of No.2 Runway together with necessary roads and spur trackage. Final plans therefore to be made on consultation with the Newfoundland Government. (NOT TO BE PUBLISHED).

10. The Newfoundland Government agrees to transfer to the Canadian Government for the duration of the war its equipment at the three bases including surplus equipment (but not including the small power boat