

Costs of supplies to be furnished in accordance with Article II of this Agreement will be reimbursed at the prices at which such supplies are regularly made available for use within the naval service of the host Government, plus auxiliary charges covering costs of such items as packing, crating, handling and transportation.

(b) The Royal Canadian Navy now makes a standard charge of 10% for services and materials sold to certain foreign Governments except where special handling or packaging is required, in which case actual costs are determined and added to the cost of materials. The United States Navy, on the other hand, determines individual charges associated with the sale of material or services. For the purposes of this Agreement the Royal Canadian Navy's method of determining charges for materials and services provided under the terms of this Agreement shall apply to ships of the United States Navy visiting Canadian ports, and the United States Navy's method of determining charges for such materials and services shall apply to ships of the Royal Canadian Navy visiting United States ports.

ARTICLE VI

Prior to the departure of a visiting naval vessel from a port or naval establishment of the host Government, the Commanding Officer of each such visiting naval vessel shall be presented with one bill covering the total value of all services and supplies furnished by the port or naval establishment. This bill will be either paid in cash or appropriately certified by such Commanding Officer as to the receipt and acceptance of the services and supplies listed thereon. The bill so certified will be returned to the appropriate naval representative at the port or naval establishment who will forward it in such manner as may be prescribed by regulation of his naval service for ultimate presentation to the appropriate representative of the benefiting Government. The bill will be due and payable within a period of thirty (30) days from the time of presentation to such representative.

ARTICLE VII

In the case of an extended visit, intermittent billings for the supplies and services furnished in accordance with this Agreement shall be presented to the Commanding Officer of the visiting naval vessel or vessels at such intervals as may be mutually agreed upon between such Commanding Officer and the authorized naval representative of the host Government. Such billings shall be certified and processed for payment in the same manner as provided in Article VI hereof.

ARTICLE VIII

All payments for services and supplies covered by this Agreement shall be made in currency acceptable to the host Government.