

4. The submarine, together with its available on-board spares and allowances, including consumable stores and fuel, will be delivered to the Government of Canada at such place and time as may be mutually agreed upon. The delivery shall be evidenced by a delivery certificate. The Government of Canada shall have the use of all outfitting equipment, appliances, fuel, consumable stores, spares, and replacement parts on board the submarine at the time of its delivery.
5. The Government of Canada agrees to pay the Government of the United States the cost of rehabilitating and outfitting the submarine, agrees to pay the Government of the United States the fair value and installation costs of any equipment or material which is placed on board at the request of the Government of Canada and which is additional to or substituted for normal allowances, and agrees to pay the Government of the United States the cost of training Canadian personnel in courses of instruction requested by the Government of Canada in connection herewith. Such payments shall be in accordance with the Mutual Security Act of 1954, Acts amendatory and supplementary thereto and appropriation Acts thereunder.
6. Title to the submarine and to the items and appurtenances referred to in paragraph 4, except fuel, consumable stores, spares, and replacement parts, shall remain in the Government of the United States. The Government of Canada may, however, place the submarine under its flag and designate and name the submarine in accordance with Royal Canadian Navy custom and tradition.
7. The Government of Canada renounces all claims against the Government of the United States arising from the transfer, use, or operation of the submarine and will save the Government of the United States harmless from any such claims asserted by third parties.
8. Upon the expiration or termination of the loan, the submarine, together with its outfitting equipment, appliances, and its available on-board spares and allowances, including consumable stores, replacement parts and fuel, will be returned to the Government of the United States at a place and a time specified by the Government of the United States, in substantially the same condition, reasonable wear and tear excepted, as when transferred. Any items and appurtenances on board the submarine at the time of redelivery shall, if they are not already the property of the Government of the United States, become the property of the Government of the United States without compensation. If the submarine is returned to the Government of the United States at its request prior to the expiration of the initial five-year period, the Government of the United States will consult with the Government of Canada with respect to such compensation on a pro rata basis to the Government of Canada for rehabilitation or outfitting costs or any additional material or altered fittings placed on board in accordance with the provisions of paragraph 5 of this Note as may be authorized by the laws of the United States in effect at that time.
9. The Government of Canada will pay the Government of the United States just and reasonable compensation for damages to, or loss of, the submarine. The Government of Canada shall not, however, be liable for damage to, or loss of, the submarine arising out of enemy action sustained while in use in accordance with the provisions of paragraph 2 of this Note. Should the submarine sustain damages from any cause, such as in the opinion of the Government of Canada renders