ANNEX

CONDITIONS TO GOVERN THE ESTABLISHMENT AND OPERATION OF GAP FILLER RADAR STATIONS IN THE NEWFOUNDLAND-LABRADOR AREA

(In this Statement of Conditions, unless the context otherwise requires, "Canada" means the Government of Canada, and "United States" means the Government of the United States of America.)

1. Sites

The location and size of all airstrips and location of all sites, roads, wharves and jetties, required in Canada shall be a matter for mutual agreement by the appropriate agencies of the two Governments. Canada shall acquire and retain title to all lands required for the stations. Canada grants and assures to the United States, without charge, such rights of access, use and occupancy as may be required for the construction, equipment and operation of the stations.

2. Liaison Arrangements and the state of the

Construction will be the responsibility of the United States. The United States Air Force or its designated agent will consult fully at all stages with appropriate agencies of the Canadian Government through the Royal Canadian Air Force.

3. Plans

Plans of the buildings, airstrips, roads (including access roads) and similar facilities, information concerning use of local materials, such as rock fill, sand and gravel, and information concerning other arrangements, related to construction and major items of equipment, shall, if requested, be supplied to the appropriate Canadian authorities in sufficient detail to give an adequate idea of the scope of the proposed construction. Canadian officials shall have the right of inspection during construction. Proposals for subsequent construction, or major alterations, shall be discussed with the appropriate Canadian authorities.

4. Provision of Electronic Equipment

The Canadian Government reaffirms the principle that electronic equipment at installations on Canadian territory should, as far as practicable, be manufactured in Canada. The question of practicability must, in each case, be a matter for consultation between the appropriate Canadian and United States agencies to determine the application of the principle. The factors to be taken into account shall include availability at the time period required, cost and performance. For the purpose of carrying out these principles, consultation shall take place between representatives of the United States Air Force, and the Royal Canadian Air Force and the Canadian Department of Defence Production.

5. Construction and Procurement (other than Electronic Equipment)

(a) Canadian contractors shall be extended equal consideration with United States contractors in the awarding of construction contracts,