

(b) The Charterer and the Owners will share equally the Canadian Steamship Inspection fee and the Canadian Steamship Inspection charges for the examination of each vessel.

(c) the Charterer will assume the full cost of all repairs required by the Canadian Steamship Inspection to enable said Canadian Steamship Inspection to issue their usual certificate.

(4) However, if at the time of redelivery, the quadrennial classification survey falls due, the cost of such survey shall be borne by the Charterer and the Owners proportionately to the time each of them has had the use of the vessel since the delivery thereof under the original Agreement, or in the case of the substituted vessels, since the delivery thereof under this Agreement, or since the last such survey, as the case may be.

DONE in duplicate at Ottawa this 31st day of December, 1946.

*For the Government of Canada:*

C. D. HOWE.

*For the Government of the United Kingdom:*

A. CLUTTERBUCK.

(1) It having been agreed separately between the Owners and the Charterer that the Charterer should purchase ten of the vessels for his use upon purchase of the United Kingdom registered vessel, the Charterer has designated by the Charterparty the North Sea coal burning steamships (under this Agreement) to be substituted for the vessels not previously mentioned in the Charterparty. The Charterer shall be entitled to substitute any other vessels for the vessels mentioned in the Charterparty, provided that such substitution is made at least 30 days before the date of delivery of the vessel.

(a) On or before 1st January, 1948, the Charterer shall give notice in writing to the Owners designating twenty of the vessels for redelivery between 1st May, 1947, and 1st November, 1947. Eight of these vessels shall be redelivered between 1st May and 30th June, 1947, six between 1st July and 30th September, 1947, and six between 1st October and 1st November, 1947, or as otherwise may be mutually agreed.

(b) On or before 1st September, 1949, the Charterer shall give notice in writing to the Owners designating the balance of the vessels not previously lost for redelivery during 1950. Of these, half of those on service on 1st January, 1950, shall (unless lost) be redelivered at intervals of six months between that date and 30th June, 1950, and the remainder not later than 31st December, 1950.

(2) Each vessel covered by this Agreement shall be redelivered at such port as may be mutually agreed or falling agreement at the port at which such vessel was delivered to the Charterer, unless such port was a non-Canadian port in which event the redelivery shall be at a Canadian port designated by the Owners in the same order and condition (ordinary wear and tear excepted) and with the same standing as regards Classification and Canadian Steamship Inspection as when delivered to the Charterer, subject to the conditions stated above. But if the Owners so require, such vessels shall be redelivered at the port then fixed so far as any removal, alterations and additions made by the Charterer pursuant to Article 5 of the original Agreement or Clause 5 of this Agreement are concerned. Each vessel shall be surveyed before redelivery in order to determine the vessel's condition.

(3) On redelivery of each vessel, the Charterer will assume all Classification Society charges and the cost of repairs required by the Classification Society to put the vessel in class.