

Where either Government wishes from time to time to exercise this right of recapture, such Government will give reasonable notice of its intention and, without limiting the right of recapture, will provide full opportunity to the other Government for discussion of that Government's need for the articles in question.

(b) The Government of New Zealand may, except as provided in paragraph 8 hereof, divert any such lend-lease articles covered by paragraph 5 (a) hereof to any uses it, or outside of New Zealand or its territories, but will not without the prior consent of the Government of the United States and without payment of any proceeds to the Government of the United States, transfer to any third country any such lend-lease articles in the categories of arms, ammunition, and other lethal weapons.

(c) The Government of the United States may divert any such reciprocal aid articles covered by paragraph 5 (a) hereof to any uses in or outside of the United States, its territories or possessions, but will not, without prior consent of the Government of New Zealand and without payment of any proceeds to the Government of New Zealand, transfer to any third country any such reciprocal aid articles in the categories of arms, ammunition, and other lethal weapons.

(d) The Government of the United States, with respect to vessels transferred to the United States Navy under reciprocal aid, and the Government of New Zealand, with respect to vessels transferred by the United States Navy under lend-lease, will, unless otherwise agreed, each return to the other Government any such vessels in the possession of the recipient Government on the date when the request for return is communicated to such Government.

6. Both Governments agree that, when they dispose of articles acquired pursuant to paragraphs 3 and 4 hereof, they will use their best endeavours to avoid discrimination against the legitimate interests of the manufacturers or producers of such articles, or their agents or distributors, in each country.

II

Surplus War Property

7. The Government of New Zealand, in consideration of the value of surplus non-combat lend-lease aircraft and related spares diverted to civilian use, and of the other surplus property