

million (3,000,000) rounds as aforesaid then the Company may during the last six months of such notice (but no longer) reduce the quantity of such materials it has so to keep in stock to an amount sufficient to manufacture Two million (2,000,000) rounds PROVIDED FURTHER that after the expiration of the said last six months the quantity of materials to be kept in stock shall be as hereinbefore provided and shall apply to material for the cartridges of the new pattern. It is further provided that in the event of a national emergency and on the request of the Governor-General the Company agrees to order whatever extra material other than the explosives over and above the quantities named in this clause which the Governor-General may consider necessary for increasing and continuing the manufacture and output of service ball ammunition PROVIDED that the Governor-General shall pay to the Company from time to time as the material so ordered arrives in New Zealand the full landed cost thereof as delivered in the Company's Works at Auckland. Such sums shall be paid to the Company as soon as the bill of lading and invoices reach the Company at Auckland or if no documents arrive as soon as the goods reach Auckland and the Company shall use up the material so imported from time to time before purchasing further normal supplies of material for the manufacture of ammunition and the material so imported shall be used in the manufacture of ammunition for the Governor-General and the Company shall refund to the Governor-General from time to time the full landed cost of each shipment as used each month. For the purpose of such refund the Company shall so long as any such material so imported is held in stock make a return on the first day of each month of the amount used during the previous month and in any event the Company shall refund to the Governor-General the full landed cost of all such material within twelve months from such date as the Governor-General may declare that a state of national emergency no longer exists.

23. The Company shall at its Works in New Zealand maintain a plant and machinery in good order sufficient to manufacture double the minimum ordinary supply of service ammunition per annum as specified in clause 4 during the term of this contract.

24. Upon giving six calendar months' previous notice to the Company of his intention so to do the Governor-General may at any time during the term of this contract purchase as a going concern the whole of the works plant and stock-in-trade of the Company in New Zealand including also the Company's estate and interest in the land on which the Factory or Works are erected (all of which are hereinafter referred to as "the Company's Works") at the fair value thereof to be ascertained by arbitration under the provisions of the Arbitration Act 1908 PROVIDED ALWAYS that the reference shall be deemed to be to two Arbitrators (one to be appointed by the Governor-General and the other by the Company) and an Umpire to be appointed by the Arbitrators before proceeding with the reference and PROVIDED FURTHER that if in the course of arbitration proceedings any question arises as to what is or is not included in the Company's Works either party may require the same to be settled by the Supreme Court. In ascertaining the value as aforesaid of the Company's Works the value of the Company's buildings and erections shall be included but not the value of any leasehold interest then held by the Company from the Crown in the land in which such buildings and erections stand.

25. If the aforesaid right of purchase is exercised the Company shall also sell and the Governor-General shall buy at a fair value to be fixed by arbitration as aforesaid the whole stock of ammunition and raw materials and all materials in process of manufacture then on the Company's Works or actually at sea or in transit thereto and belonging to the Company.

26. If the aforesaid right of purchase is exercised then on the completion of the purchase this contract shall be deemed to be determined and in the meantime the Company shall at all times keep and maintain its buildings machinery plant and appliances in good and substantial order repair and condition and carry on its manufactory works and business in a proper and businesslike manner as a going concern.