

matériel on behalf of any such government; and to communicate to any such government plans, specifications, or other information relating to such matériel and ammunition as may be sold to any such government.

**(b) Vessels of war; armament, artillery, equipment, and ammunition**

The President may, in his discretion, authorize the Secretary of the Navy to construct vessels of war on behalf of the government of any American republic in shipyards under his jurisdiction; to manufacture armament and equipment for such vessels on behalf of any such government in arsenals under his jurisdiction; to sell armament and equipment for such vessels to any such government; to manufacture anti-aircraft artillery and ammunition therefor, on behalf of any such government in factories and arsenals under his jurisdiction; to sell anti-aircraft artillery and ammunition therefor to any such government; to test or prove such vessels, armament, artillery, ammunition, or equipment prior to sale or delivery to any such government; to repair such vessels, armament, artillery, or equipment on behalf of any such government; and to communicate to any such government plans, specifications, and other information relating to such vessels of war and their armament and equipment or anti-aircraft artillery and ammunition therefor, as may be sold to any such government or relating to any vessels of war which any such government may propose to construct or manufacture within its own jurisdiction: *Provided*, That nothing contained herein shall be construed as authorizing the violation of any of the provisions of any treaty to which the United States is or may become a party or of any established principles or precedents of international law: *And provided further*, That no transaction authorized herein shall result in expense to the United States, nor involve the extension of credits by the United States: *And provided further*, That no contract shall be entered into under the terms of this subchapter which shall interfere with or delay the United States in the full use of its shipyards, arsenals, munition plants, and other equipment for its own purposes.

(June 15, 1940, ch. 365, §1, 54 Stat. 396; July 26, 1947, ch. 343, title II, §205(a), 61 Stat. 501.)

CHANGE OF NAME

Department of War designated Department of the Army and title of Secretary of War changed to Secretary of the Army by section 205(a) of act July 26, 1947, ch. 343, title II, 61 Stat. 501. Section 205(a) of act July 26, 1947, was repealed by section 53 of act Aug. 10, 1956, ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted "Title 10, Armed Forces" which in sections 3010 to 3013 continued Department of the Army under administrative supervision of Secretary of the Army.

SECRETARY OF THE AIR FORCE

For transfer of certain procurement and related functions and property, insofar as they pertain to Air Force, from Secretary of the Army and Department of the Army to Secretary of the Air Force and Department of the Air Force, see Secretary of Defense Transfer Order Nos. 6 [§1(a)(41)], eff. Jan. 15, 1948; 39 [§2zz], May 18, 1949.

**§ 522. Transmission of information pertaining to implements of war, vessels, etc.**

In carrying out transactions authorized by section 521 of this title, the Secretary of the Army and the Secretary of the Navy are authorized, in their discretion and provided that it be not inconsistent with any defense requirements of the United States or of its possessions, to communicate or transmit to the government of any American republic or to any duly authorized person for the use of such government information pertaining to the arms, ammunition, or implements of war sold under the terms of that section or to any vessels of war constructed within the jurisdiction of any such government, and to export for the use of any such government coast defense and anti-aircraft matériel and ammunition therefor, and vessels of war and their armament and equipment involving such information: *Provided*, That any information thus communicated or transmitted or involved in any such arms, ammunition, implements of war, or equipment when exported shall cease to be considered restricted after one year from the date that such communication or transmission has been authorized or such exportation made.

(June 15, 1940, ch. 365, §2, 54 Stat. 396; July 26, 1947, ch. 343, title II, §205(a), 61 Stat. 501.)

CHANGE OF NAME

Department of War designated Department of the Army and title of Secretary of War changed to Secretary of the Army by section 205(a) of act July 26, 1947, ch. 343, title II, 61 Stat. 510. Section 205(a) of act July 26, 1947, was repealed by section 53 of act Aug. 10, 1956, ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted "Title 10, Armed Forces" which in sections 3010 to 3013 continued Department of the Army under administrative supervision of Secretary of the Army.

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**§ 523. Restriction in contracts against disposal of implements of war, vessels, etc., or information**

All contracts or agreements made by the Secretary of the Army or the Secretary of the Navy for the sale to the government of any American republic of any of the arms, ammunition, or implements of war, the sale of which is authorized by this subchapter, shall contain a clause by which the purchaser undertakes not to dispose of such arms, ammunition, or implements of war, or any plans, specifications, or information pertaining thereto, by gift, sale, or any mode of transfer in such manner that such arms, ammunition, implements of war, or plans, specifications, or information pertaining thereto, may become a part of the armament of any state other than an American republic.

(June 15, 1940, ch. 365, §3, 54 Stat. 397; July 26, 1947, ch. 343, title II, §205(a), 61 Stat. 501.)

CHANGE OF NAME

Department of War designated Department of the Army and title of Secretary of War changed to Sec-

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#### § 524. Information on shipments to be given Chairman of National Munitions Control Board

The Secretary of the Army or the Secretary of the Navy, as the case may be, shall, when any arms, ammunition, implements of war, or equipment are exported pursuant to the provisions of this subchapter, immediately inform the Secretary of State, Chairman of the National Munitions Control Board, of the quantities, character, value, terms of sale, and destination of the arms, ammunition, implements of war, or equipment so exported. Such information shall be included in the annual report of the Board.

(June 15, 1940, ch. 365, §4, 54 Stat. 397; July 26, 1947, ch. 343, title II, §205(a), 61 Stat. 501.)

#### REFERENCES IN TEXT

National Munitions Control Board, referred to in text, was established under section 452 of this title, which was repealed by act Aug. 26, 1954, ch. 937, title V, §542(a)(12), 68 Stat. 861. See section 2778 of this title.

#### CHANGE OF NAME

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#### § 525. Appropriations and disposition of receipts

(a) There is hereby authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions and accomplish the purposes of this subchapter.

(b) All moneys which may be received from the government of any American republic, in payment for any article delivered or service rendered in compliance with the provisions of this subchapter, shall revert to the respective appropriation or appropriations out of which funds were expended in carrying out the transaction

for which money is received, and such moneys shall be available for expenditure for the purpose for which such expended funds were appropriated by law, during the fiscal year in which such funds are received and the ensuing fiscal year.

(June 15, 1940, ch. 365, §5, 54 Stat. 397.)

#### § 526. Protection of patent rights

The Secretary of the Army and the Secretary of the Navy shall in all contracts or agreements for the sale of such matériel fully protect the rights of all citizens of the United States who have patent rights in and to any such matériel which is authorized to be sold and the funds collected for royalties on such patents shall be paid to the owners and holders of such patents.

(June 15, 1940, ch. 365, §6, 54 Stat. 397; July 26, 1947, ch. 343, title II, §205(a), 61 Stat. 501.)

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#### § 527. Purchases of implements of war, etc., from American Republics

The Secretaries of the Army and of the Navy are authorized to purchase arms, ammunition, and implements of war produced within the jurisdiction of any American republic if such arms, ammunition, or implements of war cannot be produced in the United States.

(June 15, 1940, ch. 365, §7, 54 Stat. 397; July 26, 1947, ch. 343, title II, §205(a), 61 Stat. 501.)

#### CHANGE OF NAME

Department of War designated Department of the Army and title of Secretary of War changed to Secretary of the Army by section 205(a) of act July 26, 1947, ch. 343, title II, 61 Stat. 501. Section 205(a) of act July 26, 1947, was repealed by section 53 of act Aug. 10, 1956, ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted "Title 10, Armed Forces" which in sections 3010 to 3013 continued Department of the Army under administrative supervision of Secretary of the Army.

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