

* * * DIPLOMATIC CLAUSE IN LEASES * * *

1. A diplomatic clause should be included in leases signed by departmental personnel abroad. In all cases the lease and the diplomatic clause should be discussed with a lawyer in the country concerned who can check on the suitability of the terminology of the clause in relation to the balance of the lease as well as ensure that the clause itself will have a clear legal effect in the lease and will not conflict with any local laws.

2. The following four sections are suggested in order to give the Department and the lessee maximum protection:

"(1) Subject to sections (3) and (4), if the lessee shall be transferred and shall need to terminate this lease and vacate the premises pursuant to the terms of the transfer and shall give to the lessor notice in writing of such his need, then, upon the lessee vacating the premises and making payment to the lessor of" (Note: insert one of the following alternatives)

1st choice *"the rental herein for the period, if any, between the date that the lessee vacates the premises pursuant to the transfer and the expiration of one calendar month from the date on which the said written notice to the lessor shall have been given,"* (Note: more favourable than 2nd choice and agreement to insert should be sought)

2nd choice *"one month's rental herein for the one calendar month immediately following the month when the lessee vacates the premises"* (Note: If the landlord will not agree to one month's extra rental and demands more time, officers should not go beyond three months' extra rental. This agreement to be inserted only on the insistence of a landlord.)

"this present lease and all the covenants and provisos herein shall cease, determine and become void as if the lease had terminated by passage of time, but without prejudice to the rights and remedies which either party may have against the other in respect of any antecedent claim or breach of covenant."

"(2) Any notice in writing under this lease to the lessor shall be sufficiently served if delivered to him personally or sent to him by registered mail at his last known address or served on any agent authorized by him to receive or who has in fact on his behalf collected the rent of the demised property." (Note: Agreement to include this paragraph should be sought.)

"(3) If the lessor shall rent the premises to another lessee for any period during which rental is payable or has been paid pursuant to section (1) or (4), the rental herein for such period shall cease to be payable and if paid shall be refunded by the lessor to the lessee." (Note: Agreement to insert this clause should be sought.)