

(b) The assignments should be made in accordance with the attached form, <sup>(1)</sup> which has been approved by the Canadian Government, subject to any modifications which may be approved either by the United States Army representative and the Special Commissioner, or by the United States Military Attache and the Department of Transport, as the case may be.

(c) All of the transactions hereunder are to be subject to the following provisions and conditions:

(i) That the United States may retain occupancy of the demised premises without charge therefor for so long as may be desired but in no event beyond the duration of the war and six (6) months thereafter.

(ii) That the Canadian Government will reimburse the United States Government for any and all rentals paid under the terms of the leases covering occupancy from and after the 7th day of September, 1943, and will assume the obligation for the payment of all rentals due or to become due from the effective date of the assignment, together with any and all other obligations of the United States Government under the leases, express or implied, including obligations to restore, if any. As to those leases entered into by the United States Government, or assigned to the Government by its cost-plus fixed fee contractors subsequent to the 7th day of September, 1943, the Canadian Government will reimburse the United States Government from the date of acquisition or from the date of assignment, as the case may be.

(iii) That title to any and all improvements erected on the demised premises by the United States Government will be retained by the Government until such improvements have been appraised and disposed of in accordance with the provisions of the 33rd Recommendation of the Permanent Joint Board on Defence, United States-Canada or such other agreement between the two countries as may supplement or supersede this Recommendation.

(d) It is understood that the procedure, as set out herein, relating to assignment of leases, will apply in all cases where land has been leased by the United States Government, but that leases, held by the United States Government of office space or housing, or of parts of existing buildings or of entire existing buildings, will not be subject to these procedures and understandings.

(1) For this form see Annex below.