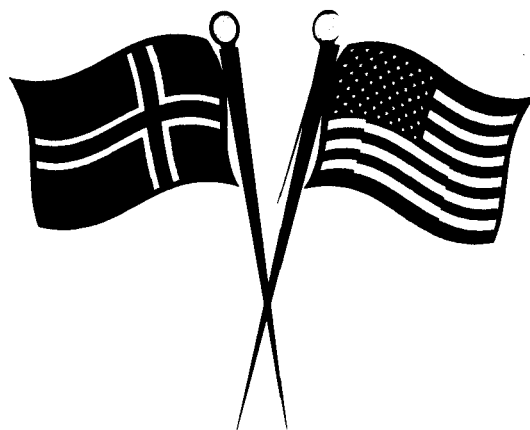


AGREEMENT
BETWEEN THE GOVERNMENT
OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT
OF THE REPUBLIC OF ICELAND
REGARDING THE WITHDRAWAL
OF U.S. FORCES FROM AND
THE RETURN TO ICELAND OF CERTAIN
AGREED AREAS AND FACILITIES
IN ICELAND



AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF
AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF ICELAND
REGARDING THE WITHDRAWAL OF U.S. FORCES FROM AND THE RETURN
TO ICELAND OF CERTAIN AGREED AREAS AND FACILITIES IN ICELAND

Preamble

Recognizing and reaffirming the rights and obligations deriving from the “Defense Agreement Pursuant to the North Atlantic Treaty Between the United States of America and the Republic of Iceland,” signed at Reykjavik on May 5, 1951 (hereafter, the 1951 Agreement), the Government of the United States of America (hereafter, the United States) and the Government of the Republic of Iceland (hereafter, Iceland) (hereafter, the Parties),

Noting that the Parties have cooperated earnestly and successfully for more than 55 years to ensure the security of the Icelandic people and of the North Atlantic Treaty Area;

Taking into account the evolving strategic environment;

Desiring to establish the conditions under which the United States will withdraw its forces from and return to Iceland certain agreed areas and facilities in Iceland following the notification by the United States to Iceland of March 15, 2006 that, given the current strategic environment and the intense demand for United States conventional military resources in other parts of the world, permanent United States military presence in Iceland would cease by the end of September 2006;

Noting that facilities in such agreed areas are comprised of both United States and NATO-funded facilities for which the United States has fulfilled host nation responsibilities with respect to NATO; and

As a result of discussions regarding the return to Iceland of these agreed areas and facilities, including the environmental conditions of and compensation for residual value of such agreed areas and facilities, the United States and Iceland have agreed as follows:

Article I

Iceland shall, in accordance with the 1951 Agreement, continue to provide access to United States and other North Atlantic Treaty Organization (hereinafter, NATO) forces within and through the territory of Iceland as is necessary to support the future defense needs of Iceland and of the North Atlantic Treaty Area and for other activities agreed to by the Parties.

Article II

The United States recognizes the importance to Iceland of the Keflavik International Airport and agrees to support and facilitate a smooth transfer of airport operations to Iceland in order to ensure uninterrupted air traffic operations.

Article III

1. By September 30, 2006, the United States shall withdraw from and return to Iceland the use of the following agreed areas, provided to the United States under the 1951 Agreement, as well as all United States-funded facilities thereon, as described more completely in the diagrams appended to this Agreement depicted in Annexes A through E, which shall be considered to be an integral part of this Agreement:

- A. Main Agreed Area (Naval Air Station Keflavik, H-1/Rockville-Midnesheidi, Helguvik and Sandgerdi)
- B. Whale Bay/Hvalfjordur;
- C. H-2/Gunnolfsvikurfjall;
- D. H-3/Stokksnes;
- E. H-4/Bolafjall.

2. Iceland shall accept from the United States such agreed areas, as well as all United States-funded facilities thereon, in the condition existing at the time of their return without expectation that the United States will make improvements or remediation, including environmental remediation, of any kind following return of such agreed areas and facilities. Should an imminent and substantial endangerment to human health and safety due to environmental contamination of the agreed areas returned pursuant to this Agreement, and present but unknown prior to the date of this Agreement, become known at any time during a four (4) year period from said date, Iceland and the United States shall jointly consult to assess the character, source, time of creation, and extent of the contamination and to consider what further action by the Parties is necessary.

3. The United States shall provide to Iceland its plans, drawings, and records relating to the improvements it has made on or to such agreed areas, as well as information regarding the location and nature of its activities and operations thereon.

Article IV

Iceland and the United States shall jointly recommend to NATO that Iceland assume host nation responsibility for all NATO-funded facilities in Iceland as soon as possible after the return of agreed areas. To ensure continuity of airport operations, Iceland and the United States shall jointly recommend to NATO that Iceland assume user nation

responsibility for those NATO-funded facilities that Iceland has identified as being necessary for airport operations. As the current user nation, the United States has committed in accord with NATO requirements to be responsible to NATO for the guarding and maintaining of all other NATO-funded facilities pending a decision by NATO on the final disposition of these facilities and for a period not to exceed twelve months following United States notification to NATO military authorities that the United States no longer requires the use of these facilities. With respect to the NATO facilities that Iceland intends to use for airport operations and upon return of the agreed areas, Iceland shall accept all responsibility relating to use, operation, preservation, and maintenance. Upon request the United States will support and assist Iceland in its consultations with NATO.

Article V

The United States shall retain the communications facility at Grindavik as an agreed area and be responsible for the continued maintenance and operation of the facility. Iceland shall cooperate as necessary to maintain the continuity of the required contracts and continued access to the facility.

Article VI

Iceland shall save, hold harmless, release, and discharge the United States and any agency, instrumentality, contractor, agent, or employee thereof from any and all claims, demands, or actions for damages, expenses or liability, whatsoever, arising from injury to person or property which may be advanced in connection with the use, possession, or operation of the aforementioned agreed areas and facilities in the past or in the future. Iceland shall assume responsibility for, and, at the request of the United States, provide defense of, any claims or legal proceedings brought against the United States, its agencies, instrumentalities, contractors, agents, or employees, in connection with its previous use, possession, or operation of the aforementioned agreed areas and facilities.

This Agreement shall enter into force upon the date of signature of the Parties.

DONE at Washington
this 21 day of September, 2006.


FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:

DONE at Reykjavik
this 29 day of September, 2006.


FOR THE GOVERNMENT OF THE
REPUBLIC OF ICELAND:

U.S. NAVAL AIR STATION

A

KEFLAVIK

ICELAND



AGREED AREA BOUNDARY
1000 HECTARE
250 KM²



14 NOV 2005 - PWC

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boundpnt

POINT_ID	coord_x	coord_y	unit_d	Latitude	Longitude
1	330539.710	375577.290	M	63°50'32.96248"N	22°26'42.46254"W
2	330545.880	377608.240	M	63°51'38.45643"N	22°26'50.10931"W
3	328544.949	377614.190	M	63°51'35.10602"N	22°29'16.37761"W
4	328539.752	375913.452	M	63°50'40.26247"N	22°29'09.89607"W
5	328613.828	375582.936	M	63°50'29.73796"N	22°29'03.15308"W
6	328938.921	375582.169	M	63°50'30.29100"N	22°28'39.40560"W
7	328938.364	375431.758	M	63°50'25.44049"N	22°28'38.84137"W
8	329938.810	375429.080	M	63°50'27.12527"N	22°27'25.75383"W
9	329939.390	375579.110	M	63°50'31.96342"N	22°27'26.31865"W
102	324753.774	392759.419	M	63°59'36.55440"N	22°34'56.22127"W
106	324534.343	393096.563	M	63°59'47.02218"N	22°35'13.74069"W
110	324286.001	393417.220	M	63°59'56.90482"N	22°35'33.31831"W
401	330192.669	375578.342	M	63°50'32.38538"N	22°27'07.81559"W
402	330540.335	375782.723	M	63°50'39.58726"N	22°26'43.23553"W
410	325700.321	391230.235	M	63°58'48.97977"N	22°33'40.38088"W
411	325749.539	391153.117	M	63°58'46.58295"N	22°33'36.44926"W
412	326042.806	390630.395	M	63°58'30.26281"N	22°33'12.76547"W
413	326098.726	390550.702	M	63°58'27.79492"N	22°33'08.33280"W
414	326164.987	390479.374	M	63°58'25.61543"N	22°33'03.17600"W
415	326222.682	390431.211	M	63°58'24.16721"N	22°32'58.74358"W
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803	330301.728	377853.591	M	63°51'45.93713"N	22°27'08.93483"W
804	330546.430	377852.953	M	63°51'46.34757"N	22°26'51.04546"W
400A	325922.491	391429.739	M	63°58'55.81551"N	22°33'24.89869"W
KF5133	323209.982	389250.866	M	63°57'40.60771"N	22°36'34.85499"W
LM-006	318139.679	389214.993	M	63°57'29.97414"N	22°42'46.54558"W
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LM07	324390.815	396183.335	M	64°01'26.27484"N	22°35'37.18147"W
LM12	324295.474	395635.345	M	64°01'08.43305"N	22°35'41.89689"W
LM14	326221.414	396787.894	M	64°01'49.10720"N	22°33'25.10996"W
LM3409	325936.829	386229.963	M	63°56'08.19969"N	22°33'02.38597"W
LM801	325448.131	397637.011	M	64°02'15.07540"N	22°34'25.50262"W
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LM804	324500.975	397540.342	M	64°02'10.22606"N	22°35'34.75924"W
LM805	324271.673	397309.596	M	64°02'02.36608"N	22°35'50.65625"W
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LM61	326177.339	396220.435	M	64°01'30.73201"N	22°33'26.00044"W
LM610	323788.841	399091.245	M	64°02'58.91678"N	22°36'33.65091"W
LM62	326038.066	396617.260	M	64°01'43.27277"N	22°33'37.88425"W
LM63	325901.890	396682.374	M	64°01'45.12443"N	22°33'48.16691"W
LM660	324662.207	394284.637	M	64°00'25.55921"N	22°35'09.30497"W
LM880	324929.760	394901.509	M	64°00'45.93641"N	22°34'52.21856"W
LM97	323812.499	392325.486	M	63°59'20.83879"N	22°36'03.52254"W
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LM-G01A	317316.003	390241.619	M	63°58'01.50268"N	22°43'51.39286"W
LM-G02	317325.952	390664.277	M	63°58'15.14602"N	22°43'52.49511"W
LM-G04	317553.919	391925.135	M	63°58'56.22400"N	22°43'41.23225"W
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LM-G06	317364.922	392626.752	M	63°59'18.48080"N	22°43'58.14719"W

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LM-G07	317810.230	392370.442	M	63°59'11.06610"N	22°43'24.34814"W
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ISN-93 GRID COORDINATES AND WGS-84 LAT/LONG

POINT_ID	coord_x	coord_y	unit_d	Latitude	Longitude
LM-G01A	317316.003	390241.619	M	63°58'01.50268"N	22°43'51.39286"W
LM-G02	317325.952	390664.277	M	63°58'15.14602"N	22°43'52.49511"W

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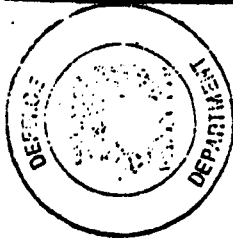
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LM-G01A				63° 58' 02.59"	22° 43' 52.25"
LM-G02				63° 58' 16.24"	22° 43' 53.35"

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LAND RETURN
HECTARE = 48
PERIMETER = 4337

PNT NO	LAT/LONG (WGS-84)		INSTRUM DATUM COORDINATES	
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AJ
TF

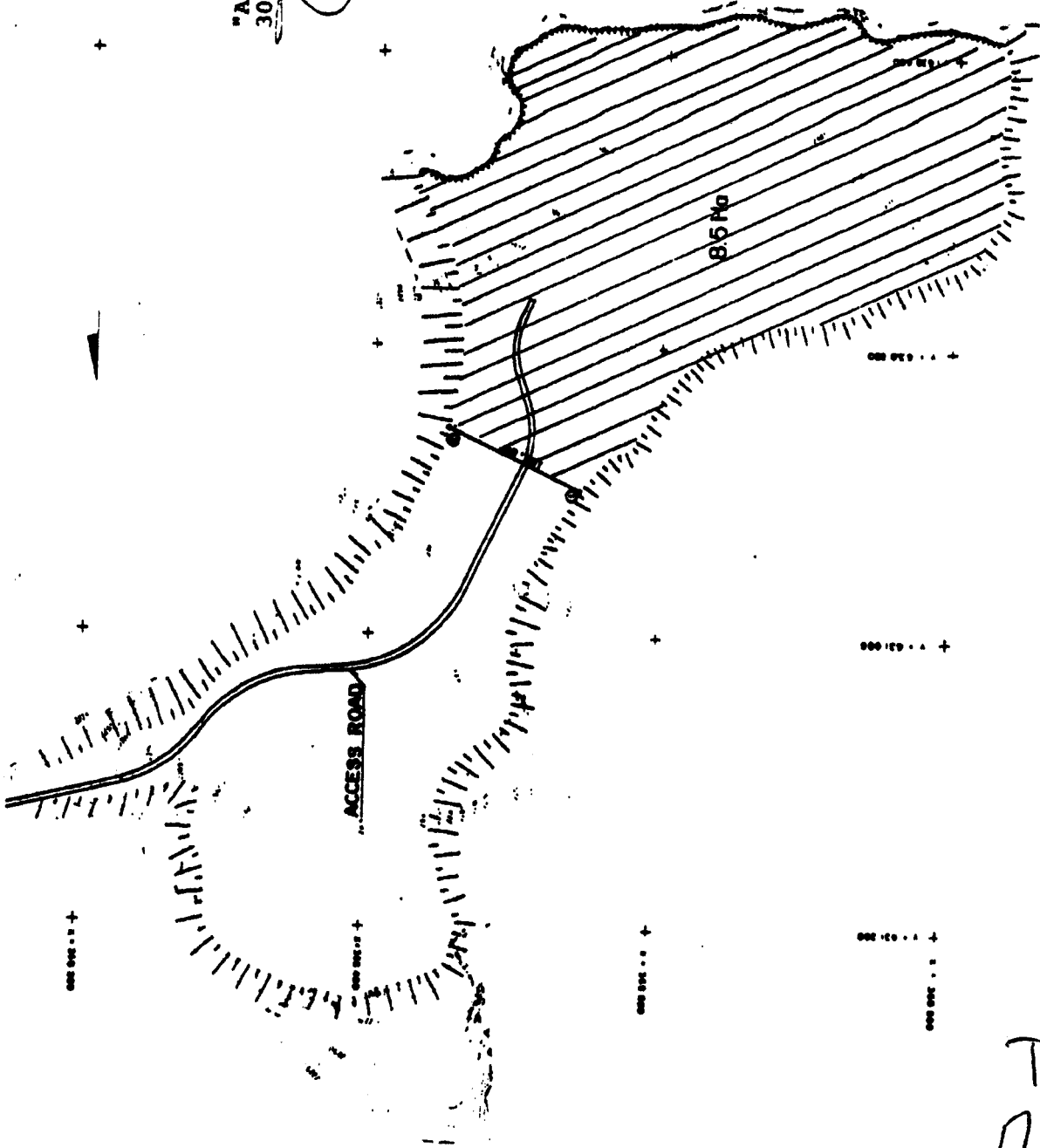


"Agreed Area" - varnarsvæði
30 July 1986

[Handwritten signature]

COORDINATES

- | No. | X | Y |
|-----|----------|----------|
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| 2. | 368482.5 | 360858.6 |



INSTRUMENT: Leica
 OPERATOR: Stalinskis
 REFERENCE: Station 1
 DATE: 30 July 1986
 MAP NO. OF SURVEY: 1
 SHEET NO.: 2.025

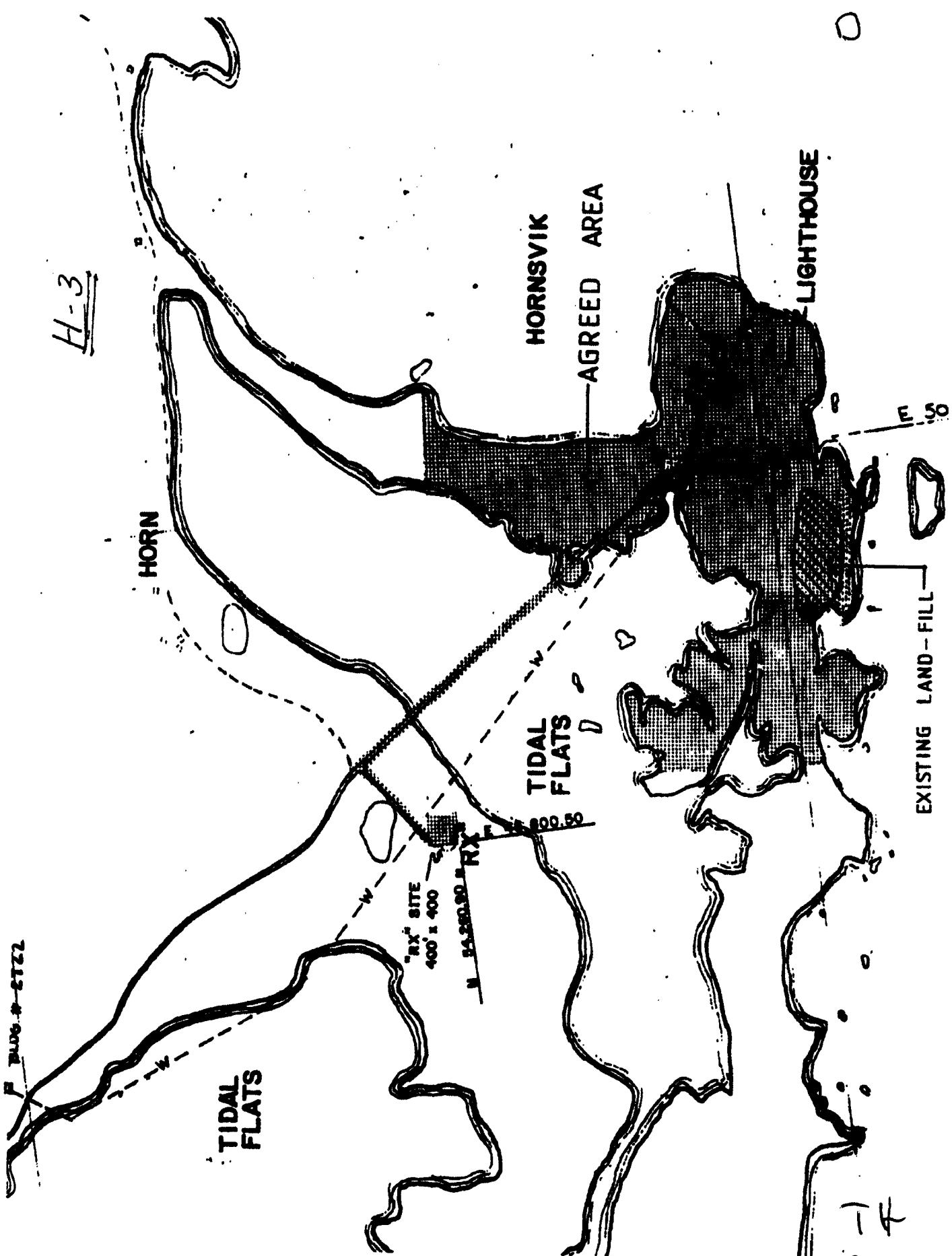
ALMENA LTD.
HNIT
 VARNARSVÆÐA

Scale: 1:4000	Sheet: 2.025
---------------	--------------

Varnarsvæðasēta Uzmanību
RADARSTATION H-2A
SITE LOCATION MAP
 SCALE 1:4000

847-J-02

AF JH



H-3

HORN

TIDAL FLATS

'RX' SITE
400' x 400'

N 14,250.00' RX

TIDAL FLATS

HORNSVIK

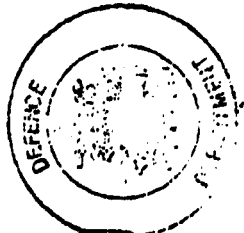
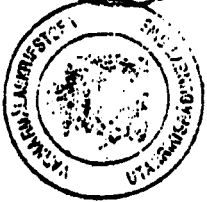
AGREED AREA

LIGHTHOUSE

EXISTING LAND-FILL

F 1006-#-CTZZ

AJ 14

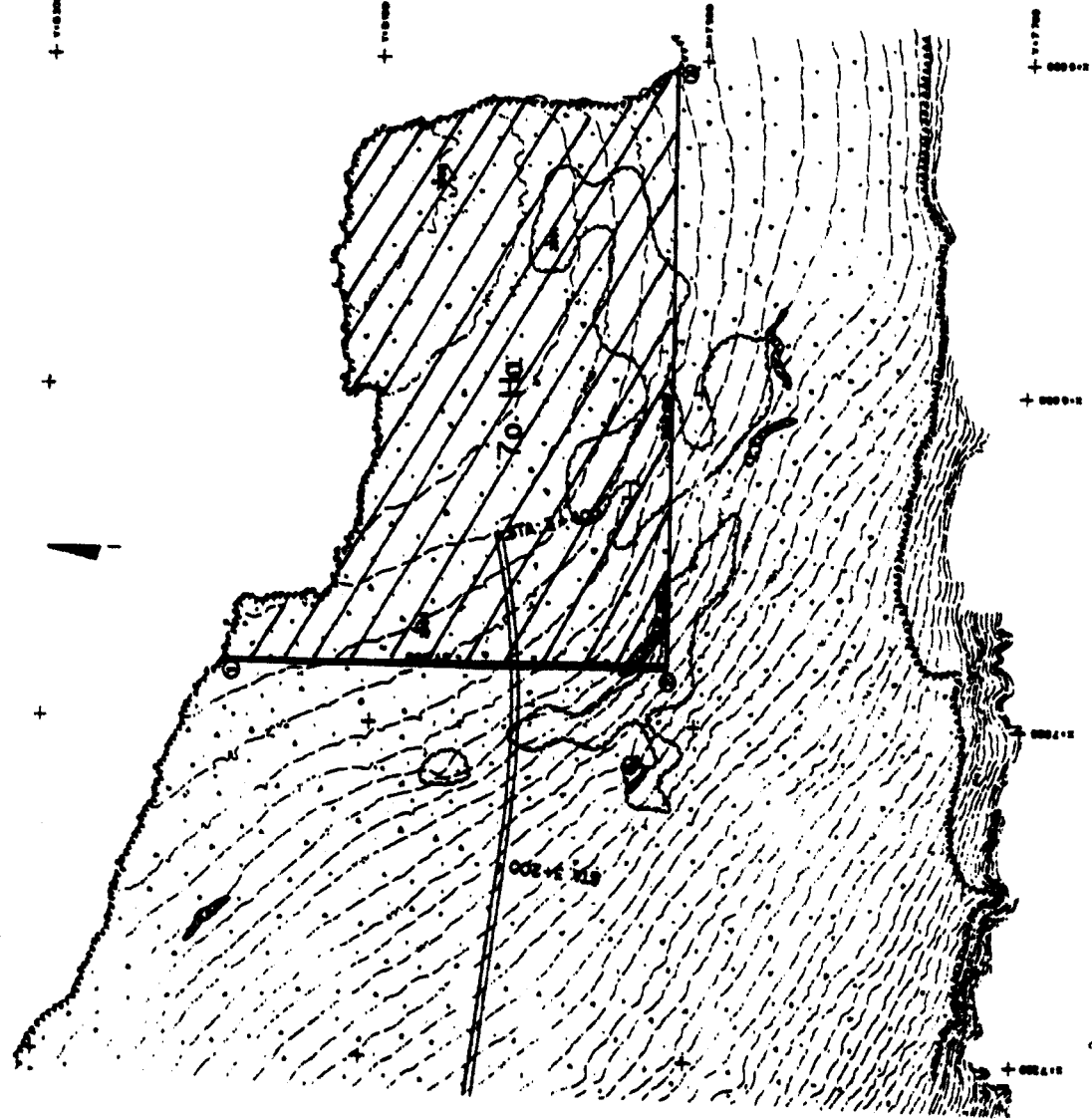


"Agreed Area" - varnarsvaði
30 July 1986

COORDINATES

No.	X	Y
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2.	6866.5	
3.	6803.5	7918.7

VEITINGAR: Hæðir og Stærðir
 VEIÐINGAR: Hæðir og Stærðir
 Hæðir í metrum frá sea level
 Stærðir í metrum frá sjávarmáli
 Í formi að 0,0000



Handwritten initials: AJ, TH

HNIT
 VERFRAMSTIÖFA

Stærð: 1:4
 Skala: 1:4
 Dátum: 81-7
 L-2

ALMENNA LTD.
 CONSULTING ENGINEERS
 REYNOLDS COLLEGE

Varnarsvæðisráðgjafi
RADARSTATION H-4A
SITE LOCATION MAP

Scale: 1:4000
 Form: 9B

853-J-01