

**MEMORANDUM OF AGREEMENT
NAT-I-0304**

BETWEEN THE

**FEDERAL AVIATION ADMINISTRATION
DEPARTMENT OF TRANSPORTATION
UNITED STATES OF AMERICA**

AND THE

**KEFLAVIK AIRPORT
MINISTRY OF TRANSPORTATION
REPUBLIC OF ICELAND**

WHEREAS the Federal Aviation Administration ("FAA") of the Department of Transportation of the United States of America is directed to encourage the development of civil aeronautics and the safety of air commerce, and is authorized to furnish on a reimbursable basis to foreign governments certain technical assistance to that end; and

WHEREAS, Keflavik Airport of the Ministry of Transportation of the Republic of Iceland has requested that such technical assistance be provided;

NOW, THEREFORE, the FAA and Keflavik Airport (collectively, the "Parties," and individually, a "Party") mutually agree as follows:

ARTICLE I—OBJECTIVE

This Memorandum of Agreement (the "Agreement") establishes the terms and conditions under which the FAA shall purchase aviation-related equipment on behalf of Keflavik Airport.

ARTICLE II—SCHEDULE OF EQUIPMENT AND PRICE

The FAA shall purchase the equipment described in Attachment A to this Agreement (the "Equipment") on behalf of Keflavik Airport.

ARTICLE III—TERMS AND CONDITIONS

A. The FAA, on a reimbursable basis, shall:

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1. Purchase the Equipment from Sensis Corporation under the General Services Administration contract with that vendor, provided, however, that the FAA will order the Equipment only after receiving the payment by Keflavik Airport under Article V.B of this Agreement.

2. Direct Sensis Corporation to:

- a. Provide Keflavik Airport with information on the terms and conditions of all vendor warranties that apply to the Equipment;
- b. Pack and crate the Equipment and to prepare it for shipment to Keflavik Airport in Iceland; and
- c. Provide written notice to the FAA and Keflavik Airport that the Equipment is ready for shipment.

3. Secure any export license or other documents required to permit the Equipment furnished under this Agreement to leave the United States.

4. Make available a team of up to two (2) specialists to travel to Iceland for up to (20) days, not including travel days, during the second, third or fourth quarter of calendar year 2010 to provide optimization support and on-site training for the Equipment.

B. Keflavik Airport, at no cost to the FAA, shall:

1. Assume custody and possession of the Equipment at the Sensis Corporation's facility in Syracuse, New York.

2. Pay for any costs that may be incurred to store the Equipment after Keflavik Airport has assumed custody and possession of the Equipment under this Agreement.

3. Arrange and pay for the shipment of the Equipment to Iceland.

4. Secure any import license or other documents required to permit the Equipment purchased under this Agreement to enter Iceland.

5. Secure and/or pay for the waiver of any duties, taxes, or other fees on the importation of the Equipment furnished under this Agreement into Iceland.

6. Provide all materials, other than those listed in Article II above, necessary for the installation, operation, and maintenance of the Equipment.

7. Obtain additional equipment, spare parts, and parts peculiar, as necessary.

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C. Upon assuming custody of the Equipment under paragraph B.1 of this Article III, the Keflavik Airport shall be:

1. Solely liable for any loss or damage to the Equipment, including while it is in transit to Iceland; and
2. Responsible for insuring the Equipment, whether under a program of self-insurance or through commercial insurance, against any loss or damage.

D. The Keflavik Airport shall not, without the prior written consent of the FAA, re-export the equipment to a third country.

ARTICLE IV—NO WARRANTIES

A. The FAA makes no warranties or representations about the Equipment furnished under this Agreement, including warranties or representations about the fitness of the Equipment for its intended purpose(s). This disclaimer of warranties shall not extend to or affect any applicable vendor warranties.

B. The FAA assumes no responsibility for the shipment, installation, operation, maintenance, or supply support of the Equipment by reason of this Agreement or any actions taken by the FAA hereunder.

ARTICLE V—FINANCIAL PROVISIONS

A. Keflavik Airport shall reimburse the FAA for the actual cost of the Equipment, the actual costs incurred by the FAA in providing any related services under this Agreement, and an administrative overhead charge.

1. Within thirty (30) days of the entry into force of this Agreement, the Keflavik Airport shall pay to the FAA four hundred fifty-seven thousand seven hundred fifty-four U.S. dollars and one cent (US\$457,754.01), which is the actual cost of the Equipment described in Attachment A to this Agreement including an administrative overhead charge, and fifty-three thousand two hundred forty-three U.S. dollars and eighty-five cents (US\$53,243.85), which is the estimated cost of related services to be provided by the FAA under this Agreement, including an administrative overhead charge.

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2. On or before the date Keflavik Airport assumes custody of the Equipment under Article III.B.1 of this Agreement, Keflavik Airport shall pay all other costs, including the cost of any additional FAA services, incurred by the FAA as of that date and an administrative overhead charge. All such costs and services shall be described in a FAA statement of account submitted to Keflavik Airport.

3. Upon completion of all the work by the FAA under this Agreement, Keflavik Airport shall pay any other costs incurred by the FAA as of that date and an administrative overhead charge. All other costs incurred under this Agreement shall be set forth in additional statements of account from the FAA to Keflavik Airport.

B. FAA statements of account shall contain a reference to billing number NB1024IC8 or NB0508IC8 and agreement number NAT-I-0304 (which are the numbers assigned by the FAA to identify this Agreement and which shall be referred to in all related correspondence), and shall be supported with a summary of charges. The FAA shall forward all statements of account by international commercial courier to the following address:

Keflavik Airport ltd.
Flugstod Leifs Eirikssonar, 3rd floor,
235 Keflavikurflugvollur
Iceland

C. In making payments under this Agreement, Keflavik Airport shall include a reference to the assigned agreement number and to billing number NB1024IC8 for payments related to the purchase of the Equipment and related services, and to billing number NB0508IC8 for payments related to the assignment of the two (2) specialists to provide optimization support and on-site training for the Equipment.

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1. Keflavik Airport shall forward payments by check to the following address:

a. For delivery by regular mail:

Federal Aviation Administration
Reference: NAT-I-0304
General Accounting Division, AMZ-310
P.O. Box 25082
Oklahoma City, OK 73125

b. For delivery by courier:

Federal Aviation Administration
Reference: NAT-I-0304
General Accounting Division, AMZ-310
6500 South MacArthur Blvd.
Oklahoma City, OK 73169

2. Keflavik Airport shall use the following information in making payments by
electronic funds transfer:

Address of Beneficiary: Federal Aviation Administration
Reference: NAT-I-0304
General Accounting Division, AMZ-310
6500 South MacArthur Blvd.
Oklahoma City, OK 73169

Receiver Bank Name: TREAS NYC

Receiver Bank Address: U.S. Treasury
c/o Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045

Receiver Bank
ABA routing number: 021030004

Receiver Bank
Account number: 69001104

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ARTICLE VI—TERMINATION COSTS

If Keflavik Airport terminates this Agreement prior to completion or full performance as determined by FAA, then the FAA shall apply all payments made by Keflavik Airport under Article V.B of this Agreement to the costs incurred by the FAA because of or prior to the termination, including all vendor costs charged to the FAA and all FAA administrative and other costs incurred in the execution of this Agreement, as determined by the FAA in the exercise of its sole discretion. To the extent that such costs are greater than the payments made by Keflavik Airport under Article V.B of this Annex, the deficiency shall be set forth in a bill from the FAA to Keflavik Airport. Keflavik Airport shall pay any such bill. To the extent that such costs are less than the payments made by Keflavik Airport under Article V.B of this Annex, the FAA shall refund such surplus to Keflavik Airport.

ARTICLE VII—IMMUNITY AND LIABILITY

A. The United States, including the FAA and all other agencies and instrumentalities of the United States (collectively "the United States"), assumes no liability for any claim, loss, damage, injury, or death arising out of or relating to this Agreement.

B. The Keflavik Airport, on behalf of the Republic of Iceland, waives any and all claims against the United States and any current or former officers or employees of the United States for any and all loss, damage, injury, or death arising out of or relating to this Agreement and agrees that Iceland shall bring no claim or legal proceeding of any kind against any of the above entities or persons for any such claim, loss, damage, injury, or death.

C. The Keflavik Airport, on behalf of the Republic of Iceland, agrees that the United States and all current and former officers and employees of the United States shall be immune from the jurisdiction of all courts and tribunals of the Republic of Iceland for any claim, loss, damage, injury, or death arising out of or relating to this Agreement.

D. The Keflavik Airport, on behalf of the Republic of Iceland, further agrees to indemnify the United States and any current or former officer or employee of the United States for any judgments, settlements, or awards paid by them and all costs (including attorneys' fees) incurred by them as a result of any claim or legal proceeding of any kind brought by a third party

arising out of or relating to this Agreement.

ARTICLE VIII—AMENDMENTS

The Parties may amend this Agreement. The Parties shall document the details of any such amendment in a written agreement signed by both Parties.

ARTICLE IX—RESOLUTION OF DISAGREEMENTS

The Parties shall resolve any disagreement regarding the interpretation or application of this Agreement in consultations between the Parties. The Parties shall not refer any such disagreement to an international tribunal or third party for settlement.

ARTICLE X—ENTRY INTO FORCE AND TERMINATION

A. This Agreement shall enter into force on the date of the last signature and shall remain in force until the date of notification by the FAA to the Keflavik Airport that the services described herein are completed and all required payments have been made or until terminated.

B. Either Party may terminate this Agreement at any time by providing sixty (60) days' notice in writing to the other Party. Notwithstanding the preceding sentence, termination of this Agreement shall not affect obligations of the Parties under Articles V, VI, VII, and IX of this Agreement.

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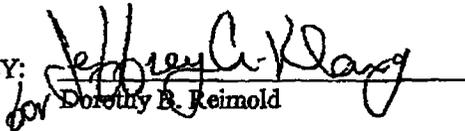
ARTICLE XI—AUTHORITY

The FAA and the Keflavik Airport agree to the provisions of this Agreement as indicated by the signatures of their duly authorized representatives.

FEDERAL AVIATION ADMINISTRATION
DEPARTMENT OF TRANSPORTATION
UNITED STATES OF AMERICA

KEFLAVIK AIRPORT
MINISTRY OF TRANSPORTATION
REPUBLIC OF ICELAND

BY:


for Dorothy B. Reimold

BY:


Bjorn Oli Hanksson

TITLE: Acting Assistant Administrator for
International Aviation, API-1

TITLE: Airport Director
Keflavik International Airport

DATE:

4/27/10

DATE:

4/28/2010

Attachment A

1	Dual-Channel Target Data Extractor w/Weather CPLP Retrofit Kit - Circular Polarization/Linear	TDX-2000DW	\$357,846 00	1	\$357,846 00
2	Polarization Upgrade for TDX CMC - Workstation with TDX Command and Control	CPLP-UG-D	\$18,422 00	1	\$18,422 00
3	Software	CMC-TDX	\$21,885 00	1	\$21,885 00
4	SDU (Signal Distribution Unit) PWA	SDU PWA	\$8,180 00	1	\$8,180 00
5	TDX Power Supply Assembly	TDX-PS-ASSY	\$8,058 00	1	\$8,058 00
6	Administrative Overhead Charge (11%)	N/A	\$45,363 01	1	\$45,363 01
					<u>\$457,754.01</u>

TDX-2000DW Optimization Support, Training and Associated Documents

Item	Description	Sensis Model No	Unit Cost	Qty	Total Cost
	Travel of FAA specialists to provide on site optimization support and training for the Equipment, including				
1	Administrative Overhead Charge	N/A	\$53,243.85	1	\$53,243.85
	MAINTENANCE OF TARGET DATA EXTRACTOR (TDX)-2000 DIGITIZER EQUIPMENT Handbook (JO 6350 25A)		Included in travel and training estimate		
2		N/A		1	\$53,243.85
3	De-identified site survey report(s) and ASR data from TDX installations	N/A	N/A	N/A	\$53,243.85

Handwritten initials/signature