

BRITISH EMBASSY,

WASHINGTON, D.C.,

November 11th, 1940.

Copy sent to F.O
in P.L. No. 970 of
Nov. 11th and copies
sent to Newfoundland

/& C. in C.
A.W.L.

✓ Dear Mr. Secretary,

Pending the settlement of the terms of a formal lease of the areas to be used as bases under the agreement contained in the exchange of notes between the United States Government and His Majesty's Government on September 2nd, 1940, I have been authorised to inform you that His Majesty's Government in the United Kingdom and the Commission of Government of Newfoundland confirm that it has been agreed as follows as regards the area to be leased in Newfoundland:

1. The base shall comprise the area set out in the schedule hereto, the exact boundaries of which shall be embodied in the said lease.

2. It is hereby agreed that the said area shall be leased to the United States for the term of 99 years subject to the terms and conditions to be embodied in the said lease.

3. The United States Government is hereby authorised to commence any works in the said area necessary to the establishment of the said base.

4. The Government of the United States shall forthwith take steps to agree with the Government of Newfoundland on a procedure to be adopted for the settlement and payment by the United States Government of claims of owners of private property for compensation for loss

or/

FRHM:NT

The Honourable
Colonel F. Knox,
Secretary of the Navy,
Navy Department,
Washington, D. C.

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or damage which may be caused by expropriation.

Schedule.

- (1) Air base and Army training ground.
Argentia peninsula and two square miles south
of Little Placentia Harbour.
- (2) Naval base site of approximately 22 acres on the
south side of St. John's Harbour, to include
about 1250 feet of wharfage for handling supply
stores and equipment.
- (3) Site for Army Defensive Force of approximately
160 acres North of Quidi Vidi Lake.

Believe me,

Dear Mr. Secretary,

Very sincerely yours,

(SGD) N.M. BUTLER