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1. Name of Registrant	2. Registration No.
Arnold & Porter	1750

3. This amendment is filed to accomplish the following indicated purpose or purposes:

- To correct a deficiency in _____

To give a 10-day notice of change in information as required by Section 2(b) of the Act.

Initial Statement

Supplemental Statement for the period ending _____

Other purpose (*specify*) _____

To give notice of change in an exhibit previously filed.

4. If this amendment requires the filing of a document or documents, please list-

Agreement (see item 5 below)

5. Each item checked above must be explained below in full detail together with, where appropriate, specific reference to and identity of the item in the registration statement to which it pertains. (If space is insufficient, a full insert page must be used.)

This amendment to Registrant's Registration Statement is to give notice of a change in an Exhibit B previously filed with respect to the Republic of Panama. Registrant has entered into a new written agreement with the foreign principal for services rendered during 2000. A copy of the new Agreement is attached. (The attached contract covers all registrable activities in which the Registrant engages for the Republic of Panama. Agreements with the foreign principal that relate to nonregistrable activities are not being filed.)

EXECUTION

In accordance with 28 U.S.C. § 1746, the undersigned swear(s) or affirm(s) under penalty of perjury that he/she has (they have) read the information set forth in this registration statement and the attached exhibits and that he/she is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in the attached Short Form Registration Statement(s), if any, insofar as such information is not within his/her (their) personal knowledge.

(Date of signature)

January 24, 2001

(Type or print name under each signature¹)

Lawrence A. Schneider

Lawrence A. Schneider

¹ This statement shall be signed by the individual agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions, if the registrant is an organization, except that the organization can, by power of attorney, authorize one or more individuals to execute this statement on its behalf.

REPUBLIC OF PANAMA

MINISTRY OF FOREIGN RELATIONS

PROFESSIONAL SERVICES CONTRACT

Between the undersigned, **JOSE MIGUEL ALEMAN**, male, Panamanian, of legal age, with personal identity card No. 8-209-1190, in his position as Minister of Foreign Relations of the Republic of Panama, representing the **STATE**, as one party, and for the other, **THOMAS H. MILCH**, male, North American, of legal age, with Passport No. 160215088, in his position as legal representative of the Firm **ARNOLD & PORTER**, hereinafter referred to as **COUNSEL**, have agreed to enter into the following Contract for Professional Services, of which authorization corresponds to the Resolution of Exception No. CENA / 363 from November 14, 2000, issued by the National Economic Council (CENA), subject to the following clauses and conditions:

ARTICLE 1: (OBJECT OF THE CONTRACT) The **STATE** contracts the professional and legal services of the **COUNSEL** for legal assessment on behalf of the Panamanian Government, for the clean up of the area of the Canal, concerning environment, health and security, associated with the returned territory, utilized by the US Government during military training in Panama, as well as to represent and advise the Ministry of Foreign Relations in negotiations that may arise within the period of execution of the present contract.

ARTICLE 2: (OBLIGATIONS OF THE CONTRACT) The **COUNSEL** is formally obliged with the **STATE** to perform the professional service proposed in the first clause. In addition to the stated general obligation, the **COUNSEL** is committed to assist in the following:

1. Direct the legal arguments to be utilized in negotiations with the US Government concerning the removal of Unexploded Ordinance (UXOs) from the firing ranges, the clean-up of returned properties outside of the firing ranges (with special emphasis on lead residues and ground pesticides, PCB transformers and dumping sites), and the cleaning of properties returned before 1977, such as San José Island and the Hato River.
2. Provide assistance in the monitoring of any given operation conducted by the US in the firing ranges, enforcing where appropriate, the requirements for the removal of Unexploded Ordinance (UXOs).
3. Participate in the planning and execution of any given study characterizing the firing ranges developed during this period and at the same time provide assistance to the

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Panamanian Government in the development and execution of both an administrative and clean up plan for the firing ranges.

4. Provide, if necessary, assistance in the development of a feasibility study for the clean-up within the firing ranges.

5. Insure that the Government of the Republic of Panama is in the position to initiate legal action against the Government of the US should it not adhere to the obligations agreed upon under the Treaty of 1977.

ARTICLE 3: (PERIOD OF CONTRACT) The present Contract will commence March 1 and remain valid until December 31, 2000. The present Contract may be prolonged should both parties agree. The **COUNSEL** will not acquire the right to any rights as an employee as a consequence of the present Contract, since it is only providing special services.

ARTICLE 4: (FEES) The **STATE** is obligated to pay the **COUNSEL** for legal services actually rendered, up to the total sum of **FOUR HUNDRED THOUSAND BALBOAS WITH ZERO 00/100 CENTESIMOS (\$400,000.00)**, that includes fees and all of the incurred expenses associated with the contracted services, imputable to item No. 0.05.1.2.001.01.01-171 (consultations) of the current budget for costs and expenditures of the Ministry of Foreign Relations, whose funds have been deposited in the bank account No. 04-99-0079-1 National Bank of Panama, Investment Fund for the Ministry of Foreign Relations. This expense will be paid in two installments in the following manner: The sum of **ONE HUNDRED AND FIFTY THOUSAND THREE HUNDRED TWENTY-FOUR BALBOAS WITH 98/00 (B/.150,324.98)**, in accordance of the services rendered for the period of March to September, 2000, upon presentation of the bill, and the sum of **TWO HUNDRED FORTY-NINE THOUSAND SIX HUNDRED AND SEVENTY-FIVE BALBOAS WITH 02/100 (B/.249,675.02)**, as final payment, for all services rendered and received to the satisfaction of the **STATE**.

ARTICLE 5: THE **COUNSEL** is committed to supplying the **STATE** with suitable professionals, in the quality and quantity necessary to meet the objectives proposed in the present Contract. If under justified circumstances, the **COUNSEL** should have to substitute one or more of the professionals during the execution of the present Contract, the **COUNSEL** is obligated to replace them on equal or better standards regarding academic and professional experience, while sustaining responsibility throughout the duration of services.

ARTICLE 6: (REPORTS) The **COUNSEL** is obligated to present reports approximately every three months regarding the development of the process and associated activities in order to keep the **STATE** informed at all times. These reports will consist of recommendations and future means that Panama must utilize in order to achieve success in the process.

Equally, they will maintain at the disposition of the **STATE** the information and documentation regarding the execution of the present contract, during and after its validity, up to three years following the termination of the Contract itself.

ARTICLE 7: The **COUNSEL** is obligated to submit all written documentation and reports regarding the Contract in Spanish.

ARTICLE 8: (DAMAGES) The **COUNSEL** will be responsible for all damages to the **STATE** or third parties on account of negligence and will be subject to trial in the Panamanian Courts.

ARTICLE 9: (TRANSFERENCE OF RIGHTS) The **COUNSEL** may not transfer or assign the rights and obligations of the present Contract to any persons, natural or legal.

ARTICLE 10: (CONTRACTUAL CLAIMS) Any claim that arises regarding the interpretation or execution of the present Contract will be dealt with through the agreement of both parties and if it does not proceed as such, the matter will be resolved according to valid Panamanian laws on arbitration.

ARTICLE 11: (PERFORMANCE BOND) The **STATE** declares the **COUNSEL**, committed to present a performance bond that represents ten percent (10%) of the total value of the present Contract, to guarantee the faithful fulfillment of the objective itself.

ARTICLE 12: The **STATE** reserves the right to request in writing additional services of the **COUNSEL** in the case it be necessary, obligating the **COUNSEL** to provide such services. In such a case, the **STATE** is obligated to make an amendment to the Contract and to grant the corresponding supplemental appropriation for the additional services provided by the **COUNSEL**.

ARTICLE 13: (TERMINATION OF THE CONTRACT) The present Contract may be terminated through the agreement of both parties. The **STATE** reserves the right to terminate the present Contract, should at any time the **COUNSEL** fail to fulfill the agreement. Also cause for termination of the Contract will be those established in article 104 of the Law No. 56 from Oct. 27, 1995, that are applicable.

ARTICLE 14: Whatever are the reasons for termination of the present Contract, the **COUNSEL** does not have the right nor is able to claim any indemnification from the **STATE**.

ARTICLE 15: The **COUNSEL** waives all diplomatic claims regarding work undertaken pursuant to the present Contract.

ARTICLE 16: The **COUNSEL** is obligated to pay for the stamp taxes which should be adhered to the present Contract in accordance with the established Fiscal Code, article 967, Book IV, Title VIII, Chapter III.

ARTICLE 17: The present Contract requires for its validity the signatures of both parties and the endorsement of the Contraloría General of the Republic.

As evidence of the agreement, the present contract is signed in Panama City this _____ day of the month of _____, of 2000.

FOR THE STATE:

(signature)

JOSE MIGUEL ALEMAN
Minister of Foreign Relations
Identification No. 8-209-1190

FOR THE COUNSEL:

(signature)

THOMAS H. MILCH
Legal Representative of
Arnold & Porter
Passport No. 160215088

ENDORSEMENT:

CONTRALORIA GENERAL OF THE REPUBLIC

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REGISTRATION UNIT
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CERTIFICATE

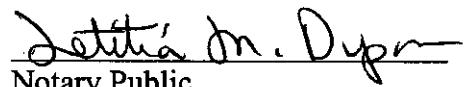
I, Patrick M. Parnell, hereby certify that I am competent to translate from Spanish into English, and that the translation of the Agreement for Legal Counsel to the Republic of Panama in matters of Canal site transfer and maintenance, attached hereto, is true and accurate.



Patrick M. Parnell

City of Washington)
)
 ss:
District of Columbia)

Subscribed and sworn to by Patrick M. Parnell this 24th day of January, 2001.



Dottia M. Dyer
Notary Public

My Commission Expires May 14, 2004

REPUBLICA DE PANAMA
MINISTERIO DE RELACIONES EXTERIORES
CONTRATO DE SERVICIOS PROFESIONALES

Entre los suscritos a saber, **JOSE MIGUEL ALEMAN**, varón, panameño, mayor de edad, con cédula de identidad personal N° 8-209-1190, en su condición de Ministro de Relaciones Exteriores de la República de Panamá, quien en adelante se denominará **EL ESTADO**, por una parte, y por la otra, **THOMAS H. MILCH** varón, norteamericano, mayor de edad, con Pasaporte No.160215088, en su condición de representante legal de la Firma **ARNOLD & PORTER**, quien en lo sucesivo se denominará **LA ASESORA**, han convenido en celebrar el siguiente Contrato de Prestación de Servicios Profesionales, cuya autorización corresponde a la Resolución de Excepción No.CENA/363 de 14 de noviembre de 2000, emitida por el Consejo Económico Nacional (CENA), sujeto a las siguientes cláusulas y condiciones:

PRIMERA: (OBJETIVO DEL CONTRATO) **EL ESTADO** contrata los servicios profesionales y jurídicos de **LA ASESORA** para asesoría legal para al Gobierno Panameño, para la limpieza ambiental del Área del Canal, relacionada a los temas de medio ambiente, la salud y la seguridad, que surgen de los bienes revertidos en el Área del Canal, utilizados por el Gobierno de los Estados Unidos de América durante su entrenamiento militar en Panamá, así como para representar y asesorar al Ministerio de Relaciones Exteriores en negociaciones conexas que puedan surgir dentro del período de ejecución del presente Contrato.

SEGUNDA: (OBLIGACIONES DEL CONTRATO) **LA ASESORA** se obliga formalmente con **EL ESTADO** a cumplir con el servicio profesional descrito en la Cláusula Primera Anterior. Además de la obligación genérica pactada, **LA ASESORA** se compromete a brindar asistencia en lo siguiente:

1. Guiar los argumentos reales y legales ha utilizarse en las negociaciones con el Gobierno de Estados Unidos con relación a la remoción de los Artefactos No Detonados (UXOs) de los polígonos, la limpieza de propiedades revertidas fuera de las áreas de los polígonos (con énfasis especial en los residuos de plomo y pesticidas de tierra, transformadores PCB y sitios de entierro) y, la limpieza de propiedades revertidas antes de 1977, tales como la Isla San José y Río Hato.
2. Brindar asistencia en el monitoreo de cualquier operación presidida por Estados Unidos de América en los polígonos, asegurando que, donde sea apropiado, los requisitos de remoción de Artefactos No Detonados (UXOs)
3. Participar en la planificación y ejecución de cualquier estudio de caracterización de polígonos de tiro que se lleve a cabo durante este período a la vez que brindar asistencia al Gobierno Panameño en el desarrollo y ejecución de un plan de administración de polígonos y un plan de limpieza.
4. Brindar, en caso de ser necesario, asistencia en el desarrollo del estudio de factibilidad para la limpieza de las áreas de los polígonos de tiro.
5. Asegurar que el Gobierno de la República de Panamá esté en posición de presentar una acción legal con el Gobierno de los Estados Unidos de América en el caso de que este último no cumpla con las obligaciones contraídas bajo el Tratado de 1977.

TERCERA: (PLAZO DEL CONTRATO) El presente Contrato comenzará a regir a partir del 1 de marzo hasta el 31 de diciembre de 2000.

El presente Contrato podrá ser prorrogado por acuerdo de las partes.

LA ASESORA no adquirirá derecho a ninguna prestación laboral, como consecuencia del presente Contrato, toda vez que sólo presta servicios especiales.

CUARTA: (HONORARIOS) EL ESTADO se compromete a pagarle a LA ASESORA en concepto del servicio efectivamente prestado, hasta la suma total de CUATROCIENTOS MIL BALBOAS CON CERO 00/100 CENTESIMOS (\$400,000.00), que incluye honorarios y todos los gastos incurridos por razón de los servicios contratados, imputables a la partida No. 0.05.1.2.001.01.01-171 (Consultorías) del actual presupuesto de Rentas y Gastos del Ministerio de Relaciones Exteriores, cuyos fondos han sido depositados en la cuenta bancaria No.04-99-0079-1 Banco Nacional de Panamá, Fondo de Inversión del Ministerio de Relaciones Exteriores. Esta erogación se hará efectiva mediante dos (2) pagos de la siguiente manera: La suma de CIENTO CINCUENTA MIL TRESCIENTOS VEINTICUATRO BALBOAS CON 98/100 (B/.150,324.98), en concepto de los servicios prestados por el período comprendido de marzo a septiembre de 2000, a la presentación de factura, y la suma de DOSCIENTOS CUARENTA Y NUEVE MIL SEISCIENTOS SETENTA Y CINCO BALBOAS CON 02/100 (B/.249,675.02), como pago final, en concepto de todos los servicios prestados y recibidos a satisfacción por EL ESTADO.

QUINTA: LA ASESORA se compromete con EL ESTADO al suministro de profesionales idóneos, en calidad y cantidad necesarias para llevar a cabo eficientemente la cobertura de los objetivos señalados en el presente Contrato. Si por alguna razón debidamente justificada, LA ASESORA tuviera que sustituir uno/s de los profesional/es durante la ejecución del presente Contrato, LA ASESORA se compromete a reemplazar al/los profesional/es de igual o mayor preparación académica e igual o mayor experiencia, mientras dure la causa de imposibilidad o por el resto de la duración de la prestación de los servicios si ello fuera necesario.

SEXTA: (INFORMES) LA ASESORA se compromete a presentar informes aproximadamente cada tres (3) meses de acuerdo al desarrollo de las actividades del proceso para mantener a EL ESTADO informado en todo caso y momento. Estos informes contendrán las recomendaciones y medidas futuras que Panamá deba tomar para asegurar el éxito del proceso

Igualmente, mantendrá a disposición de EL ESTADO la información y documentación relacionada con la ejecución del presente Contrato, durante y después de su vigencia, hasta por el término de tres (3) años después de la terminación del mismo.

SEPTIMA: LA ASESORA se compromete a entregar todos los escritos e informes confeccionados en virtud del presente Contrato en el idioma español.

OCTAVA: (DAÑOS Y PERJUICIOS) LA ASESORA será responsable por los daños y perjuicios que ocasionen a EL ESTADO o a terceras personas con motivo de actos u omisiones en que incurra por culpa o negligencia y cualquier demanda será sometida a los Tribunales panameños.

NOVENA: (TRANSFERENCIA DE DERECHOS) LA ASESORA no puede transferir ni ceder los derechos y obligaciones dimanantes del presente Contrato a ninguna persona natural o jurídica.

DECIMA: (RECLAMACIONES CONTRACTUALES) Cualquiera reclamación que surgiera con motivo de la interpretación o ejecución del presente Contrato será solucionada por acuerdo mutuo de las partes y si no procediera así, será dilucidada con lo que al respecto dispongan las leyes panameñas vigentes en materia de arbitraje.

DECIMA PRIMERA: (FIANZA DE CUMPLIMIENTO) EL ESTADO declara que LA ASESORA, se obliga a presentar una Fianza de Cumplimiento que represente el diez por ciento (10%) del valor total del presente Contrato, a fin de garantizar el fiel cumplimiento del objeto del mismo.

DECIMA SEGUNDA: EL ESTADO se reserva el derecho de requerir por escrito servicios adicionales a LA ASESORA en caso de ser necesario y esta a su vez se obliga a suministrarlos. Para tal fin, EL ESTADO se compromete a confeccionar una

Addenda al Contrato y otorgar el crédito extraordinario correspondiente por los servicios adicionados y prestados por LA ASESORA.

DECIMA TERCERA: (RESOLUCION DEL CONTRATO) El presente Contrato podrá darse por terminado por mutuo acuerdo de las partes. EL ESTADO se reserva el derecho de dar por terminado el presente Contrato, en cualquier tiempo por incumplimiento por parte de LA ASESORA. También serán causales de resolución del presente Contrato, aquellas establecidas en el artículo 104 de la ley No. 56 de 27 de octubre de 1995, que le sean aplicables.

DECIMA CUARTA: Cualquiera que sean las causas de resolución del presente Contrato, LA ASESORA no tendrá derecho ni podrá reclamar indemnización alguna por parte de EL ESTADO.

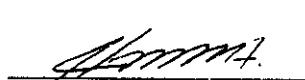
DECIMA QUINTA: LA ASESORA renuncia a intentar reclamación diplomática en lo tocante a los trabajos derivados del presente Contrato.

DECIMA SEXTA: LA ASESORA se obliga a pagar los timbres fiscales que debe adherirse al presente Contrato de acuerdo a lo establecido en el Código Fiscal, artículo 967, Libro IV, Título VIII, Capítulo III.

DECIMA SEPTIMA: El presente Contrato requiere para su validez las firmas de las partes y el refrendo de la Contraloría General de la República.

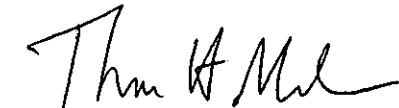
Para constancia de lo convenido se extiende y firma el presente contrato en la Ciudad de Panamá a los () días del mes de de Dos Mil (2000).

POR EL ESTADO:



JOSE MIGUEL ALEMAN
Ministro de Relaciones Exteriores
Cédula No. 8-209-1190

POR LA ASESORA:



THOMAS H. MILCH
Representante Legal de
Arnold & Porter
Pasaporte No. 160215088

REFRENDO:

CONTRALORIA GENERAL DE LA REPUBLICA