

UNITED STATES DEPARTMENT OF JUSTICE
Washington, D.C. 20530

RECEIVED
DEPARTMENT OF JUSTICE
JAN 18 12 16 PM '80

EXHIBIT B

TO REGISTRATION STATEMENT
Under the Foreign Agents Registration Act
of 1938, as amended

REGISTRATION UNIT
INTERNAL SECURITY
SECTION
CRIMINAL DIVISION

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances, by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Name of Registrant	Name of Foreign Principal
ARNOLD & PORTER	The London Commodity Exchange Company Ltd.

Check Appropriate Boxes:

- The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.
- There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
- The agreement or understanding between the registrant and foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.

(See answer to number 4, below)

- Describe fully the nature and method of performance of the above indicated agreement or understanding.

The Registrant will advise the foreign principal with respect to U.S. laws, regulations and policies dealing with the distribution of commodity options in the United States and with the reporting requirements imposed on foreign brokers and traders. The fee for such representation is to be determined periodically based on usual hourly charges and other criteria for legal fees plus out-of-pocket expenses. The duration of the agreement is indefinite.

5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

The Registrant will advise the foreign principal with respect to U.S. laws, regulations and policies dealing with the distribution of commodity options in the United States and with the reporting requirements imposed on foreign brokers and traders. The Registrant will engage in political and other activities as required on behalf of the foreign principal, some of which may require registration under the Act.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?^{1/} Yes No

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

The Registrant will engage in political activity on behalf of the foreign principal. Such activity may include the representation of the foreign principal before Congressional committees and with various members of Congress, Congressional staff and Executive Branch officials. The purpose of such representation would be to discuss the nature of U.S. regulation of commodity options and the need for changes in such regulation.

Date of Exhibit B	Name and Title	Signature
January 18, 1980	Brooksley E. Landau Partner	<i>Brooksley E. Landau</i>

^{1/} Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

RECEIVED
DEPARTMENT OF JUSTICE
JAN 16 12 16 PM '80
RECEIVED
INTERNAL SECURITY
SECTION
CRIMINAL DIVISION

June 11, 1970

Ambassador Felix Schnyder
Embassy of Switzerland
2900 Cathedral Avenue, N.W.
Washington, D.C. 20008

Dear Ambassador Schnyder:

I am writing as you have suggested to confirm the outlines of our agreement concerning legal representation of the Swiss Embassy.

You have informed me that the Swiss authorities have authorized you to avail yourself of my professional services on such problems as you in your discretion might desire assistance from time to time, whereas in the past these services have related only to certain specified Swiss industry problems.

In payment for our services, we will send you a statement for \$4,000.00 at the end of each calendar quarter. If, at the end of any quarter, our charges, computed at our normal hourly rates, exceed the amount of the quarterly retainer, we will report such excess to you. At the end of each calendar year, we will send you a bill for the amount by which our charges for the year exceed the sum of the quarterly retainers.

We will also send you a bill quarterly for our out-of-pocket expenses.

Ambassador Felix Schnyder
Page No. Two

June 11, 1970

I understand that you are subject to a maximum budget for our services and expenses of \$25,000.00 annually. I also understand that your authority is to continue this arrangement through the end of 1972, subject to termination on six months notice.

In accordance with our normal practice, we will of course attempt to identify and avoid any conflict with your interests that might be presented by our representation of another client, and in doubtful cases we will consult with you in advance.

Sincerely yours,

Robert E. Herzstein

REH/mas



EMBASSY OF SWITZERLAND
SCHWEIZERISCHE BOTSCHAFT
AMBASSADE DE SUISSE

WASHINGTON D.C. 20008,
2900 Cathedral Avenue N.W.
Telephone HO 2-1811 /7

June 25, 1970

Ref.: 051.52 - SR/vk

Mr. Robert Herzstein
c/o Arnold & Porter
1229 19th Street, N.W.
Washington, D.C. 20036

Dear Mr. Herzstein:

I thank you for your letter of June 11, 1970, in which you have outlined the terms of our arrangement concerning legal representation of this Embassy. I wish to let you know that its contents reflect correctly our understanding.

Sincerely yours,


Felix Schnyder



EMBASSY OF SWITZERLAND
SCHWEIZERISCHE BOTSCHAFT
AMBASSADE DE SUISSE

WASHINGTON D.C. 20008,
2900 Cathedral Avenue N.W.
Telephone 462-1811/7

September 18, 1978

Ref.: 051.52 - GRO/em

BY HAND

Mr. Robert Herzstein
Arnold & Porter
1229 - 19th Street, N.W.
Washington, D.C. 20036

Dear Bob,

Upon my return from my home-leave, I found in my mail a letter from the Political Department informing me that the Federal Council has decided, on August 9, 1978, to extend for three more years the agreement under which this Embassy retains your firm for certain legal services, as outlined in the exchange of letters of June 11 and June 25, 1970. At the same time, the maximum yearly retainer has been raised from \$25'000 to \$35'000. I am glad that my Authorities accepted this increase since it will allow you more flexibility in the execution of your tasks on our behalf. It is understood, however, that, as you already indicated to me orally, you will continue your best efforts to hold expenses below the maximum allocated amount.

Thanking you for all the excellent work done for this Embassy and the Swiss Government, I remain

sincerely yours,

The Ambassador of Switzerland

Raymond Probst

September 19, 1978

The Hon. Raymond Probst
Ambassador of Switzerland
Embassy of Switzerland
2900 Cathedral Avenue, N.W.
Washington, D.C. 20008

Dear Raymond:

I was very pleased to receive your letter of September 18 informing me that the Federal Council decided to extend our retainer agreement for three more years.

Your understanding is correct that we will continue our best efforts to hold expenses below the maximum allocated amount of \$35,000 per annum. I will, accordingly, send statements each quarter routinely for \$6,250, and will add additional amounts at such time as the cost of our services has exceeded that amount, but always subject to the yearly maximum of \$35,000.

With many thanks for your kind words.

Sincerely,

Robert E. Herzstein

REH/nms