

Privacy Act Statement. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, dissemination report, copy of political propaganda or other document or information filed with the Attorney General under this act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, D.C. One copy is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of such documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. Finally, the Attorney General transmits an annual report to the Congress on the Administration of the Act which lists the names of all agents and the nature, sources and content of the political propaganda disseminated or distributed by them. This report is available to the public.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .49 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Criminal Division, U.S. Department of Justice, Washington, D.C. 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

*Furnish this exhibit for EACH foreign principal listed in an initial statement  
and for EACH additional foreign principal acquired subsequently.*

1. Name and address of registrant ARNOLD & PORTER	2. Registration No. 1750
3. Name of foreign principal AEC Forest Products	4. Principal address of foreign principal 1200, 10707-100 Avenue Edmonton, Alberta T5J 3M1 Canada

5. Indicate whether your foreign principal is one of the following type:

- Foreign government
- Foreign political party
- Foreign or  domestic organization: If either, check one of the following:
  - Partnership
  - Corporation
  - Association
  - Committee
  - Voluntary group
  - Other (specify) \_\_\_\_\_
- Individual—State his nationality \_\_\_\_\_

6. If the foreign principal is a foreign government, state: N/A

- a) Branch or agency represented by the registrant.
- b) Name and title of official with whom registrant deals.

7. If the foreign principal is a foreign political party, state: N/A

- a) Principal address
- b) Name and title of official with whom registrant deals.
- c) Principal aim

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8. If the foreign principal is not a foreign government or a foreign political party,

a) State the nature of the business or activity of this foreign principal

The foreign principal is engaged in the forest products manufacturing sector.

b) Is this foreign principal

- Owned by a foreign government, foreign political party, or other foreign principal ..... Yes  No
- Directed by a foreign government, foreign political party, or other foreign principal..... Yes  No
- Controlled by a foreign government, foreign political party, or other foreign principal ..... Yes  No
- Financed by a foreign government, foreign political party, or other foreign principal..... Yes  No
- Subsidized in whole by a foreign government, foreign political party, or other foreign principal..... Yes  No
- Subsidized in part by a foreign government, foreign political party, or other foreign principal..... Yes  No

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page may be used.)

We understand that the foreign principal is a subsidiary of Alberta Energy Co., Ltd., a corporation headquartered in Canada which is directed and controlled by foreign individuals and which is owned and financed by foreign investors.

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

N/A

Date of Exhibit A May 11, 1993	Name and Title Lawrence A. Schneider, Partner	Signature 
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**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 triplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

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Name of Registrant <b>ARNOLD &amp; PORTER</b>	Name of Foreign Principal <b>AEC Forest Products</b>
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Check Appropriate Boxes:

1.  The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach three copies of the contract to this exhibit.
2.  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 three copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
3.  The agreement or understanding between the registrant and the 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.

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

As set forth in the attached agreement, the Registrant will render advice on U.S. laws, regulations and policies that relate to U.S. paper standards. As set forth in the attached agreement, the fee for such representation is to be determined periodically based on usual hourly charges 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.

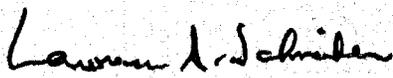
The Registrant has rendered and will render legal advice to the foreign principal with respect to U.S. laws, regulations and policies that relate to U.S. paper standards and will engage in other activities as required in legal representation of the principal.

The Registrant engages and will engage in activities on behalf of the foreign principal that do not require registration under the Act. The Registrant is registering because some of its activities may require such registration.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?  
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 may engage in political activities on behalf of the foreign principal. The Registrant's activities may on occasion include communications on behalf of the foreign principal with Executive Branch officials, officials of government agencies, and with members of the U.S. Senate and House of Representatives and their staffs relating to legislation and actions of the Executive Branch and government agencies that may affect or relate to the foreign principal.

Date of Exhibit B	Name and Title	Signature
May 11, 1993	Lawrence A. Schneider, Partner	

\*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.

JAN 15 1993

NEW YORK, NEW YORK  
DENVER, COLORADO

ARNOLD & PORTER

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January 12, 1993

Mr. Richard E. Huff  
Vice President  
AEC Forest Products  
1200,10707 - 100 Avenue  
Edmonton, Alberta T5J 3M1 Canada

Dear Mr. Huff:

We are very pleased that AEC Forest Products ("AEC") has engaged Arnold & Porter (the "Firm") to provide legal services to it in connection with certain trade problems related to U.S. paper standards. The purpose of this letter is to set forth our mutual understanding as to the basis on which our fees and related expenses will be charged with respect to this matter.

1. Fee Calculation. The Firm will charge AEC for professional services at our usual and customary rates for such matters. These charges will be based primarily on our standard hourly rates for services in effect at the time the work is performed. You should be aware that our rates are reviewed at least annually and may be modified to reflect changes in our cost structure.

Our charges will include the time of attorneys and, where applicable, other professionals and paraprofessionals. These charges will also include the time recorded on this engagement by secretaries and word processing personnel. While some firms have elected to recover such elements of overhead through their basic charges for legal services, we believe it is more appropriate to charge our clients for such services only to the extent they are used in a particular engagement. We will be pleased to indicate to you, if you wish, our current standard hourly rates for attorneys and others at various levels of seniority. As you know, my billing rate is \$285 per hour. The billing rates for more junior lawyers who may work on this matter range from \$115 per hour to \$195 per hour.

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2. Reimbursement for Expenses. In performing this engagement, we will inevitably make disbursements and incur other internal charges on your behalf. These are likely to include such items as travel and transportation expenses (including subsistence expenses while on travel); charges for long distance telephone calls; express delivery and postage charges; duplicating charges; expenses associated with overtime work; and any special computer, data processing, or similar expenses that are beyond the capacity of the Firm's existing system. We will bill you at cost for charges paid to third parties, and charges for internal services will be billed at the Firm's usual and customary rates for such services.

If, in the course of the engagement it is necessary for the Firm to arrange for the services of other outside counsel, experts, or consultants, or to incur other major expenses on your behalf, we will arrange to have the charges for such services or items billed directly to AEC, unless other arrangements are agreed to between us.

3. Statements for Fees and Expenses. On a regular basis, generally every month, the Firm will send you a statement covering our fee charges and expenses, providing all such reasonable detail as you may require. All such statements are due and payable within 30 days following your receipt of them. We understand that internal accounts payable processing may occasionally cause delays in the payment of our statements, and I am sure that you understand that undue delays in the payment of our statements increase our costs in providing legal services to all of our clients. For this reason, and in order to avoid burdening clients who pay our statements promptly with the costs we incur when others are late, the Firm reserves the right to impose an additional charge of 1 percent per month from the statement date if statements are not paid in a timely manner.

4. Advance Payment. It is agreed that our work on the above-described matter(s) will commence when the Firm has received an advance payment of \$2,000.00. The amount of the advance payment shall be subject to adjustment by the Firm should the level of work in connection with the representation change substantially.

ARNOLD & PORTER

Mr. Richard E. Huff  
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Any amount of the advance payment that remains at the conclusion of the representation shall be promptly returned to AEC. No interest shall be paid by the Firm on any amounts so returned.

\* \* \*

If you have any questions about the terms of the engagement, as described above, I hope you will feel free to raise them with me as soon as possible, and during the course of the engagement I would hope that you will feel equally free to raise promptly with me any questions you have about our statements. If the terms of the engagement are acceptable to you, I would appreciate it if you would sign and return to me the enclosed copy of this letter, evidencing AEC's agreement to these terms.

Once again, let me say how pleased we are that you have engaged Arnold & Porter in this matter.

Sincerely yours,

ARNOLD & PORTER

*Claire E. Reade*  
Claire E. Reade

ARNOLD & PORTER

Mr. Richard E. Huff  
January 12, 1993  
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ACCEPTED AND AGREED TO:

AEC Forest Products

Richard E. Huff

VICE PRESIDENT

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