

Privacy Act Statement. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials 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, DC. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the Administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. 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, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 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 LLP 555 Twelfth Street, NW Washington, D.C. 20004-1206	2. Registration No. 1750
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3. Name of foreign principal State of Israel	4. Principal address of foreign principal Embassy of Israel 3514 International Drive, NW Washington, DC 2008
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5. Indicate whether your foreign principal is one of the following:

- 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 nationality \_\_\_\_\_

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

- a) Branch or agency represented by the registrant.  
Economic Office of the Embassy of Israel
- b) Name and title of official with whom registrant deals.  
Ron Dermer, Minister for Economic Affairs

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

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

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

N.A.

b) Is this foreign principal

- Supervised by a foreign government, foreign political party, or other foreign principal Yes  No
- 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 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 must be used.)

N.A.

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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.

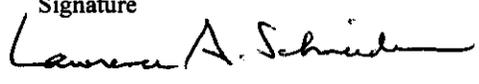
Date of Exhibit A	Name and Title	Signature
May 2, 2005	Lawrence A. Schneider, Partner	

Exhibit B  
To Registration Statement  
Pursuant to the Foreign Agents Registration Act of 1938, as amended

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. One original and two legible photocopies of this form shall be filed for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

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Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .33 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, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

1. Name of Registrant Arnold & Porter LLP	2. Registration No. 1750
3. Name of Foreign Principal State of Israel	

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REGISTRATION UNIT

Check Appropriate Boxes:

4.  The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach a copy of the contract to this exhibit.
5.  There is no formal written contract between the registrant and the foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach a copy of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
6.  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 expenses, if any, to be received.

Copies of retainer agreements dated April 22, 2003, July 15, 2004, and April 20, 2005 are attached.

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

The Registrant has been retained by the foreign principal to provide legal and advisory services relating to international trade matters, economic and financial matters, and trade sanctions compliance matters. See attached April 22, 2003, July 15, 2004, and April 20, 2005 retainer agreements. The Registrant has engaged and will engage in activities, such as activities in the course of litigation, for or in the interests of the foreign principal that do not require registration under the Foreign Agents Registration Act. The Registrant is registering under the Foreign Agents Registration Act because some of its activities for or in the interests of the foreign principal may require registration.

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

The Registrant has been retained by the foreign principal to provide legal and advisory services relating to international trade matters, economic and financial matters, and trade sanctions compliance matters. See attached April 22, 2003, July 15, 2004, and April 20, 2005 retainer agreements. The Registrant has engaged and will engage in activities, such as activities in the course of litigation, for or in the interests of the foreign principal that do not require registration under the Foreign Agents Registration Act. The Registrant is registering under the Foreign Agents Registration Act because some of its activities for or in the interests of the foreign principal may require registration.

9. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act and in the footnote below?    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 for or in the interests of the foreign principal. The Registrant's activities may on occasion include communications for or in the interests 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 international trade matters, economic and financial matters, and trade sanctions compliance matters.

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Date of Exhibit B May 2, 2005	Name and Title Lawrence A. Schneider, Partner	Signature 
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Footnote: Political activity as defined in Section 1(o) of the Act means any activity which the person engaging in believes will, or that the person intends to, in any 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.

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# ARNOLD & PORTER

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Lawrence A. Schneider  
Lawrence\_Schneider@aporter.com  
202.942.5694  
202.942.5999 Fax  
555 Twelfth Street, NW  
Washington, DC 20004-1206

April 22, 2003

Mr. Boaz Raday  
Minister for Economic Affairs  
3514 International Drive, NW  
Washington, DC 20008

Mr. Harry Langman  
Chief Fiscal Officer  
Government of Israel  
800 Second Avenue, 7<sup>th</sup> Floor  
New York, NY 10117

2005 MAY - 2 PM 3: 57  
CRM/ISS/REGISTRATION UNIT

Re: 2003 Retainer Agreement for Trade Advisory Services

Dear Boaz and Harry:

We are very pleased that the Economic Office of the Embassy of Israel (the "Embassy") has engaged Arnold & Porter (the "Firm") to provide legal and advisory services relating to international trade. The purpose of this letter is to set forth our mutual understanding as to the terms of this Agreement and the basis on which our fees and related expenses will be charged with respect to the above-mentioned engagement.

1. Term

The term of this Agreement shall be for a period of one year commencing as of January 1, 2003, and terminating on December 31, 2003. However, either party shall have the right to cancel this Agreement on 60 days prior written notice to the other.

2. Fee Calculation

The Firm will charge the Embassy for our legal and trade advice services and expenses on the basis of a retainer in the amount of \$5,000 per month.

3. Special or Separate Projects

Special or separate projects that are outside the scope of the retainer will be compensated for separately if advance approval is received in writing for us to conduct and be compensated for such project and a budget is provided. If any such project is undertaken, we would charge you at not more than the hourly rates in effect at the time, less a ten-percent discount, exclusive of expenses in accordance with a pre-approved budget.

4. Reimbursement for Expenses

The retainer shall include normal expenses incurred by the Firm in performance of its services. It is understood that the Firm's international travel will have to be approved by the Economic Minister prior to their execution. Any such travel so approved will be reimbursed to us.

# ARNOLD & PORTER

Mr. Boaz Raday  
Mr. Harry Langman  
April 22, 2003  
Page 2

## 5. 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. All such statements are due and payable within 30 days following your receipt of them.

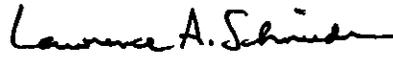
\* \* \*

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 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 the 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



Lawrence A. Schneider

ACCEPTED AND AGREED TO:

THE GOVERNMENT OF ISRAEL

By:

\_\_\_\_\_  
BOAZ RADAY  
MINISTER FOR ECONOMIC AFFAIRS

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
HARRY LANGMAN  
CHIEF FISCAL OFFICER

Yaron Neulofa  
Dep. Chief Fiscal Office

5/5/03  
\_\_\_\_\_  
Date

2005 MAY -2 PM 3: 57  
CRM/ISS/REGISTRATION UNIT

# ARNOLD & PORTER LLP

Paul G. Berger  
Paul\_Berger@aporter.com

202.942.5704  
202.942.5899 Fax  
202.451.4574 Cell

600 Twelfth Street, NW  
Washington, DC 20004-1208

July 15, 2004

Mr. Boaz Raday  
Minister for Economic Affairs  
3514 International Drive, NW  
Washington, DC 20008

Mr. Harry Langman  
Chief Fiscal Officer  
Government of Israel  
800 Second Avenue, 7<sup>th</sup> Floor  
New York, NY 10117

2005 MAY -2 PM 3: 57  
CRM/ISS REGISTRATION UNIT

Re: 2005 Retainer Agreement for the Economic Office

Dear Boaz and Harry:

We are very pleased that the Economic Office of the Embassy of Israel (the "Embassy"), has engaged Arnold & Porter (the "Firm") to provide legal services to it in connection with the economic and finance matters. The purpose of this letter is to set forth our mutual understanding as to the terms of this Agreement and the basis on which our fees and related expenses will be charged with respect to the above-mentioned engagement.

### 1. Term

The terms of this Agreement shall be for a period of one year commencing on January 1, 2005, and terminating on December 31, 2005. However, either party shall have the right to cancel this Agreement on 60-days prior written notice to the other.

### 2. Fees Calculation

The Firm will charge the Embassy for our legal and monetary services on the basis of a retainer in the amount of \$6,000 per month. We will review periodically with the Embassy our actual cost experiences for providing the services under this Agreement, especially during the first few months of the retainer. Based upon that review, we would consult with the Embassy to examine whether any adjustments of the services performed or of the monthly retainer amount, upward or downward, would be appropriate taking into consideration any budgetary restraints on behalf of the Embassy.

### 3. Special or Separate Projects

For special or separate projects that are outside the scope of the retainer, if given to us to conduct, we would charge you at our usual and customary hourly rates in effect at the time, less a ten-percent discount, exclusive of expenses.

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## **ARNOLD & PORTER LLP**

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Mr. Boaz Raday  
Mr. Harry Langman  
July 15, 2004  
Page 2

### **4. Reimbursement for Expenses**

The Embassy shall reimburse the Firm for reasonable expenses expended by the Firm in performance of its services, not to exceed \$8,000 for the period of one year, unless otherwise approved. The said out-of-pocket expenses will include domestic travel and transportation expenses (including subsistence expenses while on travel); charges for long distance telephone calls; overtime secretarial charges which were prior approved; express delivery and postage charges; duplicating charges; and any special computer, data-processing or similar expenses that are beyond the capacity of the Firm's existing system. It is understood that the Firm's international travel will have to be approved by the Economic Minister prior to their execution. Any such travel so approved will be reimbursed to us and will not be subject to the \$8,000 cap. 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.

Although we do not currently contemplate taking such action, we would not contract with any consultants outside the Firm without the prior approval of the Embassy.

### **5. 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 back-up documentation. All such statements are due and payable within 30 days following your receipt of them.

\* \* \*

**ARNOLD & PORTER LLP**

Mr. Boaz Raday  
Mr. Harry Langman  
July 15, 2004  
Page 3

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 the 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



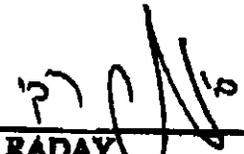
Paul S. Berger

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ACCEPTED AND AGREED TO:

THE GOVERNMENT OF ISRAEL

By:

  
BOAZ RADAY  
MINISTER FOR ECONOMIC AFFAIRS

  
HARRY LANGMAN  
CHIEF FISCAL OFFICER



12/8/04  
Date

12/9/04  
Date

# ARNOLD & PORTER LLP

John P. Barker  
John\_Barker@aporter.com

202.942.5328  
202.942.6898 Fax  
301.775.2962 Cell

555 Twelfth Street, NW  
Washington, DC 20004-1208

April 20, 2005

Eilat Ashkelon Pipeline Co. Ltd.  
P.O. Box 801  
Ashkelon, Israel 78101

Attention: Zvi Nixon

Dear Mr. Nixon:

We are very pleased that Eilat Ashkelon Pipeline Co. Ltd. ("EAPC"), an Israeli company in which the Israeli government has an ownership interest, has engaged Arnold & Porter LLP a limited liability partnership organized under the laws of the District of Columbia (the "Firm") to provide legal and advisory services relating to trade sanctions compliance. 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 EAPC for professional services based on the time we spend on your matters. You should be aware that our billing rates are reviewed at least annually, usually in January of each year, and may be modified to reflect changes in our cost structure and related market conditions.

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.

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. We anticipate some minor charges for telecommunications and possibly

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# ARNOLD & PORTER LLP

Zvi Nixon, Esq.  
April 20, 2005  
Page 2

for computerized research, but we do not anticipate any major expenses associated with the initial inquiries on this matter. We will check with you before incurring any major expenses.

ii. 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 EAPC, 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.

Pursuant to Part 137 of the Rules of the Chief Administrator of the New York Courts, we advise all our clients that, if a dispute arises over our fees, and our representation has involved work by a New York attorney and a material amount of work in New York, EAPC may have the right to arbitration of this dispute.

4. Waiver. Arnold & Porter LLP lawyers are located in seven cities both in the U.S. and abroad and the Firm represents thousands of clients each year. So that we are not unnecessarily conflicted from representing you or our other clients, we routinely ask clients for advance waivers of conflicts of interest in matters distinct from the matters on which we represent them. Thus we request an advance agreement from you that Arnold & Porter LLP will not be disqualified by reason of our representation of EAPC from representing interests adverse to EAPC in litigation, transactions or other matters that are not substantially related to the matters on which we have been retained by EAPC. This waiver and consent would not permit us to represent interests directly adverse to EAPC in matters that are substantially related to the work done for EAPC. And, of course, we will hold your confidences and secrets in confidence.

This will also confirm our understanding that, unless we reach an explicit understanding to the contrary, we are being engaged by, and will represent, EAPC and not any parent, subsidiary or affiliated entities, other than the government of Israel.

ARNOLD & PORTER LLP

Zvi Nixon, Esq.  
April 20, 2005  
Page 3

If you have any questions about understandings as described above, please let us know.

\* \* \* \*

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 EAPC's agreement to these terms.

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

Sincerely yours,

ARNOLD & PORTER LLP

*John P. Barker*  
John P. Barker

ACCEPTED AND AGREED TO:

EILAT ASHKELON PIPELINE CO. LTD.

*Zvi Nixon*  
\_\_\_\_\_  
By: \_\_\_\_\_  
\_\_\_\_\_

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