

Privacy Act Statement. Every registration statement, short form registration statement supplemental statement, exhibit, amendment, copy of information 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, D.C. One copy of every such documents, other than information 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. Finally, the Attorney General intends, at the earliest possible opportunity, to make these public documents available on the Internet on the Department of Justice World Wide Web site.

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  Verner, Liipfert, Bernhard, McPherson and Hand, Chartered 901 15th Street, N.W. Washington, D.C. 20005	2. Registration No. 3712
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3. Name of foreign principal  The Republic of Cyprus Government	4. Principal address of foreign principal  2211 R Street, NW Washington, DC 20008
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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 \_\_\_\_\_

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

- a) Branch or agency represented by the registrant. The Republic of Cyprus.
- b) Name and title of official with whom registrant deals. Ambassador Erato Kozakou Marcoullis

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

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



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  Verner, Liipfert, Bernhard, McPherson & Hand, Chartered	2. Registration No. 3712
3. Name of foreign principal  The Republic of Cyprus	

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

Performance of the above-mentioned agreement is set forth in the attached letter of agreement.

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

The activities to be engaged in by the Registrant on behalf of the foreign principal are set forth in the attached letter of agreement. The Registrant 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.

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 will provide strategic advice and counsel to the foreign principal regarding matters relating to Cyprus's bilateral relationship with the United States. The Registrant's activities may include inquiries on behalf of the foreign principal with Executive Branch officials and officials of government agencies. The Registrant will not speak on behalf of the foreign principal to the executive and legislative branches of the United States Government except with the foreign principal's express authorization.

Date of Exhibit B	Name and Title Michael J. Roberts, President and Managing Attorney	Signature  KR
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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 interest, policies, or relations of a government of a foreign country or a foreign political party.

# VERNER · LIIPFERT BERNHARD · MCPHERSON & HAND

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■ Admitted in Virginia  
# Admitted in Hawaii  
▲ Admitted in Nevada  
\* Admitted in Florida  
+ Not admitted in D.C.  
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Writer's Direct Dial:  
(202) 371-6024

October 16, 2000

Her Excellency Erato Kozakou-Marcoullis  
Ambassador of Cyprus  
2211 R Street, N.W.  
Washington, D.C. 20008

Re: Agreement to Represent the Republic of Cyprus

Dear Madam Ambassador:

We are indeed gratified that the Government of Cyprus has selected our firm to represent your nation in Washington. As we have discussed, the District of Columbia Bar requires attorneys and clients to sign retention agreements at the outset of any formal relationship. Below are the terms of our proposed retainer agreement ("Agreement").

**Agreement:** Verner, Liipfert, Bernhard, McPherson and Hand, Chartered ("Firm") agrees to represent the Government of the Republic of Cyprus ("Cyprus") (collectively the "Parties") and provide legal advice and counsel on a broad range of legislative, regulatory, legal matters, and public and media relations needs, including matters relating to Cyprus's bilateral relationship with the United States.

H.E. Erato Kozakou-Marcoullis  
October 16, 2000  
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The Firm agrees to provide Cyprus with a written report detailing its activities under the Agreement at the conclusion of each month.

Cyprus agrees to pay the Firm an annual fee of \$1,500,000 (one million five hundred thousand US dollars) ("Retainer Amount") for legal fees and ordinary and reasonable expenses (*i.e.*, long distance telephone; e-mail; use of Internet; facsimile; telex; messenger, courier and other communications costs; document reproduction, and retrieval costs; computer research facilities; document preparation services; and incidental transportation). Additionally, Cyprus agrees to reimburse the Firm for all costs of foreign travel, food, lodging and related expenses (not to exceed \$50,000.00 (fifty thousand dollars) in any calendar year), incurred at the request of Cyprus, ("Travel Expenses") provided that such Travel Expenses are approved in writing in advance by the Ambassador of Cyprus in the United States (or her designee).

Cyprus agrees to pay the said annual Retainer Amount in four (4) equal installments in each year of \$375,000.00 (three hundred and seventy five thousand dollars) each, due and payable at the beginning of each calendar quarter. The first quarterly installment shall be due and payable on January 1, 2001. Work performed before that date shall be compensated on a prorated basis from the effective date of this Agreement until and including December 31, 2000. Travel Expenses (as requested and approved by Cyprus) shall be billed, due and payable when incurred.

Upon termination of this Agreement, the Firm agrees to return all documents provided by the Government of Cyprus and to maintain the confidentiality of documents prepared or involved in the course of this representation, as well as communications between the Parties, in accordance with the Rules of the District of Columbia Bar.

**Term, Effective Date and Termination:** The terms of this Agreement shall be from October 16, 2000, through August 31, 2002. Thereafter this Agreement may be renewed for subsequent two-year terms or otherwise as extended by agreement of the Parties.

The Firm covenants and undertakes vigorously to proceed with all reasonable speed with the plans, activities, actions and generally to fulfill all that is envisaged in this Agreement and any other arrangements that may at any time be agreed to between the Parties hereto.

This Agreement may be terminated without cause by either party upon ninety (90) days prior written notice.

H.E. Erato Kozakou-Marcoullis  
October 16, 2000  
Page 3

This Agreement may be terminated for cause by either party without prior notice in the event of any material breach of this Agreement by the other party.

In the event of termination of this Agreement with or without cause, any obligations for payment incurred prior to termination shall be due and payable upon the date of termination.

All reports, documents and generally anything to be delivered by the Firm to Cyprus under or by reason of this Agreement shall be delivered, unless otherwise requested by Cyprus in writing, to the Ambassador of the Republic of Cyprus in the United States or her designee.

**Mediation and Binding Arbitration:** If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the Parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before resorting to arbitration. If the Parties fail to resolve the dispute by mediation within thirty (30) days, it shall be settled by arbitration under the United Nations Commission on Trade Law ("UNCITRAL") Arbitration Rules in effect on the date of this Agreement.

\* \* \* \* \*

Please acknowledge your acceptance of this Agreement on behalf of the Republic of Cyprus by signing below and returning a copy to the Firm.

Sincerely,

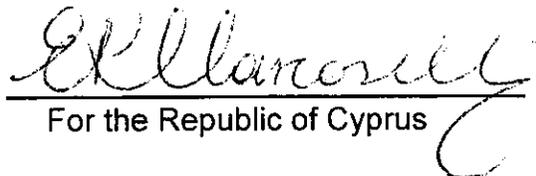
VERNER, LIIPFERT, BERNHARD,  
McPHERSON AND HAND, CHARTERED

By:



Berl Bernhard  
Chairman

Accepted:



For the Republic of Cyprus

Date:

October 16, 2000