

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	Paul, Hastings, Janofsky & Walker 1050 Connecticut Avenue, N.W. Washington, D.C. 20036	2. Registration No.  4772
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3. Name of foreign principal The Embassy of the Government of the Republic of Hungary	4. Principal address of foreign principal 3910 Shoemaker Street Washington, D.C. 20008
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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:

- a) Branch or agency represented by the registrant. The Embassy of the Government of the Republic of Hungary
- b) Name and title of official with whom registrant deals.  
His Excellency Pal Tar, Ambassador

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

N/A

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

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

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

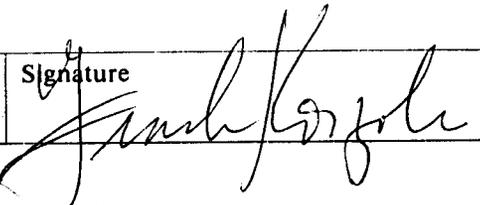
Subsidized in part by a foreign government, foreign political party, or other foreign principal..... Yes  No

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

N/A

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 March 1, 1993	Name and Title Frank Koszorus, Jr. Attorney	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	Name of Foreign Principal
Paul, Hastings, Janofsky & Walker	The Embassy of the Government of the Republic of Hungary

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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FEDERAL BUREAU OF INVESTIGATION  
MAR 11 1993  
U.S. DEPARTMENT OF JUSTICE

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

Registrant will provide analysis and counsel to principal in written and oral form. When requested to do so and to the extent permitted by law, registrant will arrange meetings or consult with officials of the U.S. Government, other governmental entities, and private interests in connection with duties of principal.

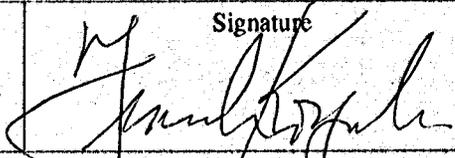
5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

See answer to Item 4.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?<sup>1</sup>  
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.

Registrant may communicate with Executive and Legislative Branch personnel, where permitted, in connection with United States policy affecting diplomatic and economic relations between the United States and Hungary. Means may include written correspondence, arranging meetings, and oral presentations.

Date of Exhibit B March 1, 1993	Name and Title Frank Koszorus, Jr. Attorney	Signature 
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<sup>1</sup>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.

RETAINER AGREEMENT

between

PAUL, HASTINGS, JANOFSKY  
& WALKER  
Washington, D.C. 20036  
("The Firm")

THE EMBASSY OF THE  
GOVERNMENT OF THE  
REPUBLIC OF HUNGARY  
("The Client" or  
"Government")

The Embassy of the Government of the Republic of Hungary (the "Government") hereby retains the Firm to provide legal counsel and representation in the matter or matters set forth with specificity in paragraph one (1).

1. The scope of services to be performed by the Firm during the year December 1992 through December 1993 would include, inter alia, the following:

- a. Providing assistance and counsel to the Government in developing appropriate administrative and legislative strategies relating to the Government's interests;
- b. Providing assistance and counsel to the Government in securing economic aid and assistance from the Government of the United States; and
- c. Working with the representatives of the Government to enhance good will in the U.S. and to raise the visibility and priority accorded the Government in U.S. funding, foreign policy, trade and finance deliberations.

2. It is expressly agreed that the Firm will exert its best efforts, consistent with the Canons of Legal Ethics for the legal profession, in its representation of the Government's interests, but that the Firm has made no guarantees whatsoever regarding such matters, and further that all expressions relative to the advice given in this matter are deemed to be the opinion and best judgment of the Firm.

3. The Firm's representation of the Government shall be under the direct supervision of the Ambassador and such

person(s) as may be designated by the Ambassador. In all circumstances in which it may act on behalf of the Government, the Firm will take instructions and receive guidance from the Ambassador and/or from such designee(s). The Firm will consult with the Ambassador and the foregoing designee(s) regularly.

4. The Firm will be compensated for its efforts at a retainer of Eight Thousand Three Hundred Thirty-Four Dollars (\$8,334.00) per month. Such monthly retainer shall be payable each month. Upon the date of the signing of this Retainer Agreement (the "Agreement"), the Government agrees to pay to the Firm the first monthly retainer amount.

5. In the event the Firm is requested by the Government to incur expenses that are unusual or in excess of Five Hundred Dollars (\$500.00) in any one month, e.g., travel expenses to Budapest, such unusual expenses shall fall outside the lump sum amount noted above and shall be incurred by the Firm only if specifically approved by the Government which agrees to pay for the same.

6. The Firm, as its usual practice, will continue to keep time records for each lawyer and paraprofessional who commits professional time and effort to the Government in this matter. The hourly billing rates in our Washington, D.C. office range from \$200 to \$325 for partners, \$95 to \$215 for associates, and \$75 to \$105 for legal assistants. However, since this retainer fee agreement is a lump sum fee arrangement and not specifically tied to an hourly amount, time charges will not be forwarded to the Government, except upon specific request. It is anticipated, inter alia, that the time which the Firm commits to the prosecution of this case will exceed, by way of hourly time charges, vis-a-vis the ordinary professional rate charged by the Firm for each of the lawyers involved in this matter, the total sum of \$100,000.00 to be received under this Agreement. If, after receiving our statements for professional services, the Government disagrees with the Firm's fees as shown on any such statements, the Firm typically resolves disagreements to the satisfaction of both sides with little inconvenience or formality. If the parties are not able to resolve a fee dispute, the Government has the right to request arbitration under supervision of the California State Bar Association. The Firm agrees to participate fully in that process. Since, however, the matter relates to a fixed fee arrangement, the Firm does not anticipate any such problems.

7. The Government agrees to cooperate fully with the Firm. The Government understands that such cooperation is absolutely necessary for the Firm to properly analyze the Government's situation and advise the Government accordingly and to satisfy the Firm's legal and/or ethical obligations that the Firm, in its sole judgment, believes it has.

8. The term of this Agreement shall be for one year beginning with the date indicated below, unless terminated by the Government or the Firm in writing, and it may be extended on such conditions as may be agreed to by both parties. The Government shall at all times have the right to terminate the Firm's services.

9. Generally, the Firm keeps each client's legal files for ten years after the Firm closes a file. After ten years, the Firm destroys those files unless the Client requests otherwise.

10. All written material submitted by the Firm to the Government shall be in the English language and, when required by the Government, in the Hungarian language. The Government may communicate with the Firm in English or Hungarian.

11. The Government understand that the Foreign Agents Registration Act requires that all persons acting in the United States to affect United States policies on behalf of a foreign principal must register with the United States Department of Justice (subject to certain exemptions not applicable in this instance) and that the Firm must register under this law regarding its activities on behalf of the Government. The Government further understands that, by law, the Firm must advise the United States Department of Justice twice yearly of all contacts made with United States government employees, all monies received by the Firm from or on behalf of the Government, and all monies paid by the Firm on behalf of the Government. The Government is aware that this information will be available to the public.

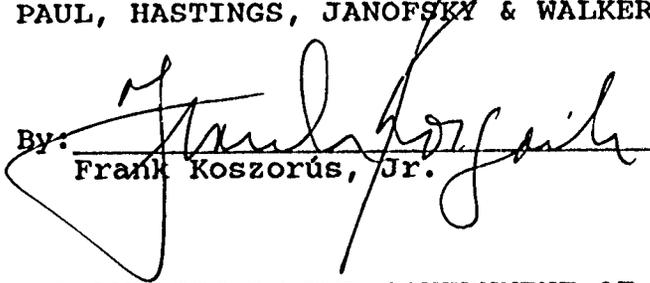
The Government understands that the Federal Registration of Lobbying Act requires that all persons engaged in and paid to influence legislative action must also file a report to register with the Clerk of the United States House of Representatives and the Secretary of the United States Senate before "doing anything in furtherance

of such object." The Firm, on behalf of the Government, will be filing these reports quarterly.

12. Each of the signatories to this Agreement acknowledges the fact that the Firm represents clients or has proposed to represent clients from the private sector who are or may be interested in investing in Hungary. The Firm does not believe that a conflict of interest exists as a result of such representation or proposed representation. If, however, a conflict should develop, the Firm will immediately advise the Government and take the necessary and appropriate steps to resolve the conflict.

Agreed to on this 19<sup>th</sup> day of <sup>February</sup>~~January~~, 1993.

PAUL, HASTINGS, JANOFSKY & WALKER

By: 

Frank Koszorús, Jr.

THE EMBASSY OF THE GOVERNMENT OF  
THE REPUBLIC OF HUNGARY

By: 