

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.

Privacy Act Statement. The filing of this document is required by the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 *et seq.*, for the purposes of registration under the Act and public disclosure. Provision of the information requested is mandatory, and failure to provide this information is subject to the penalty and enforcement provisions established in Section 8 of the Act. 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. Statements are also available online at the Registration Unit's webpage: <http://www.fara.gov/>. 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 in print and online at: <http://www.fara.gov/>.

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, Counterespionage Section, National Security 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 <i>LIVINGSTON GROUP LLC</i>	2. Registration No. <i>#5356</i>
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3. Name of Foreign Principal
MINISTRY OF FOREIGN AFFAIRS OF THE REPUBLIC OF AZERBAIJAN

Check Appropriate Boxes:

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- 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.

** NOTE THAT A SIGNED COPY OF THE ATTACHED "AGREEMENT TO PROVIDE GOVERNMENT RELATIONS SERVICES" WAS NEVER RETURNED TO THE REGISTRANT BY THE CLIENT.*

- 7. Describe fully the nature and method of performance of the above indicated agreement or understanding.
ACTIVITIES UNDERTAKEN IN REPRESENTATION OF THE CLIENT, AND RECEIPTS/EXPENSES RELATED THERETO, ARE REPORTED ON THE REGISTRANT'S SUPPLEMENTAL STATEMENTS.

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

SEE ATTACHMENT

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.

SEE ATTACHMENT

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Date of Exhibit B 2/6/09	Name and Title ROBERT L. LIVINGSTON MANAGER THE LIVINGSTON GROUP LLC	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.

ATTACHMENT

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

Research and analyze issues of concern to the principal; counsel the principal on U.S. policies of concern, activities in Congress and the Executive branch, and developments on the U.S. political scene generally; and maintain contact, as necessary, with Members of Congress and their staff, Executive branch officials, and non-governmental organizations.

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.*

All of the activities listed in Item 8 will be undertaken in order to communicate information to the principal, as well as to communicate information about the principal and its issues of concern to interested persons in both the public and private sectors. At the request of the principal, meetings with Members of Congress and their staff, as well as with Executive branch officials, and non-governmental organizations may be arranged.

Agreement to Provide Government Relations Services

This document will serve to confirm and memorialize the terms of the agreement reached on April 1, 2007 between the Ministry of Foreign Affairs of the Republic of Azerbaijan, hereinafter referred to as "MFA" and The Livingston Group, LLC, hereinafter referred to as "TLG":

- It is agreed that TLG be engaged by MFA for the purposes hereinafter described, with said engagement to be effective April 1, 2007, and extending for a period of 21 months thereafter to December 31, 2008, unless the relationship shall be extended and/or renegotiated by the parties.
- The compensation to be paid to TLG shall be six hundred thousand (\$600,000) US DOLLARS per year for the term of the contract.

Payment: Payment in full shall be made on a lump sum basis at the commencement of the contract year. For year one of the contract, the nine-month period from April 1, 2007 through December 31, 2007, payment of US \$450,000 is due and payable on April 1, 2007. For year two of the contract, the twelve-month period from January 1, 2008 through December 31, 2008, payment of US \$600,000 is due and payable on January 1, 2008.

Alternative payment arrangement: An alternative payment schedule on an installment basis may be elected. Installment payments would be due according to the following schedule:

Contract Year 1: 9 months, April 1 – December 31 2007

\$225,000 due and payable April 1, 2007;
\$112,500 on July 1, 2007;
\$112,500 on October 1, 2007;

\$450,000 Total amount of payments

Contract Year 2: 12 months, January 1 - December 31, 2008.

\$300,000 due and payable January 1, 2008;
\$150,000 on May 1, 2008;
\$150,000 on September 1, 2008;

\$600,000 Total amount of payments

- This fee will also cover administrative expenses incurred for filing of reports to ensure compliance with US laws such as the Foreign Agents Registration Act (FARA) and the Lobbying Act, as well as routine expenses. Extraordinary expenses such as travel to/from Azerbaijan or outside the Washington metropolitan area, will be submitted for approval in advance and separately billed.
- Both parties will review the standing of the contract in January 2008.
- Public Relations: In addition to the above, the amount of US \$250,000 will be due and payable on April 1, 2007, for public relations services to be subcontracted by The Livingston Group to the firm of Chlopak Leonard Schechter & Associates.
- The obligation of TLG, by and through the counsel and activities of Robert L. Livingston, the Caspian Group and other TLG employees and/or consultants, will be to represent MFA as

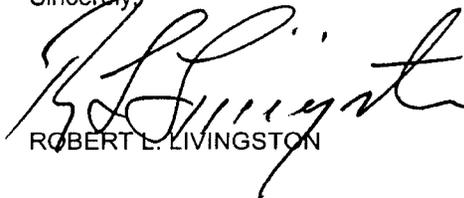
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permitted by the Foreign Agents Registration Act of 1938, the Ethics Reform Act of 1989, and other applicable United States laws and regulations. TLG shall provide MFA with government affairs representation before the government of the United States and the United States Congress, international organizations, and governments other than that of the United States, as required and mutually agreed.

- TLG will, on a good faith basis, assist local partners (as designated by MFA) in business development projects for Azerbaijan. Said assistance shall consist of identifying specific American or other companies as potential investors in the Azerbaijani marketplace. TLG will also work with said local partners to identify and promote commercial opportunities in Azerbaijan and, where necessary, provide information about potential sources of financing for these opportunities.
- The Livingston Group, LLC agrees to abide by every applicable law or regulation covering government contracts for lobbying during the implementation of this agreement. The Livingston Group, LLC is an independent contractor, and, as such, has no authority to bind MFA in any manner whatsoever, absent to the express written consent of MFA. The Livingston Group, LLC shall be solely responsible for the acts of its employees and/or agents and shall defend and hold MFA harmless from any claims which arise from said acts. The Livingston Group, LLC shall be responsible for notifying MFA of any potential conflicts between its representation of MFA and any other party.
- MFA has no authority to bind the Livingston Group, LLC in any matter whatsoever, absent the express written consent of the Livingston Group, LLC. MFA shall be solely responsible for the acts of its employees and/or agents and shall defend and hold the Livingston Group, LLC harmless from any claims which arise from said acts.

If this proposal meets with your approval, please sign and return to me a signed copy of this letter so that it may serve as our engagement instrument.

Sincerely,


 ROBERT L. LIVINGSTON

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Executed in duplicate originals this _____ day of _____, 2007

By: _____
 H. E. Yashar Aliyev
 Ambassador of the Republic of Azerbaijan

By: 
 ROBERT L. LIVINGSTON
 The Livingston Group, LLC