

**REVISED**

**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.** 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, D.C. 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. 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 .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 B K S H & Associates	2. Registration No. 5402
3. Name of Foreign Principal Government of the Republic of Djibouti	

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.

See attached response

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REGISTRATION UNIT  
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**REVISED**

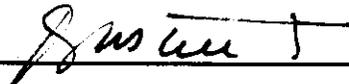
8. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

See attached response

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 attached response

Date of Exhibit B 5/21/03	Name and Title R. Scott Pastrick President & CEO	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 interests, policies, or relations of a government of a foreign country or a foreign political party.

BKSH & Associates  
Registration for Government of the Republic of Djibouti  
Exhibit B

7. The provision of strategic advice and guidance regarding U.S.-Djibouti relations.
8. Provide advice and guidance on relations with U.S. Congress and Administration, including arranging meetings, briefings and other forms of communication.
9. Some of the registrant's activities may include public policy counseling as well as interaction with officials from the U.S. Congress and Executive Branch.

K. Riva Levinson and Lisa Cotter Colangelo, short forms on file, are providing the services mentioned above.

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**CONSULTING AGREEMENT**

THIS AGREEMENT, made this 15<sup>th</sup> day of February, 2003, between BKSH & Associates, a division of Young and Rubicam, a Delaware corporation, having an office at 1801 K Street, NW, Suite 901-L, Washington, DC 20006 ("BKSH") and The Government of the Republic of Djibouti ("Client").

WHEREAS, BKSH has extensive experience, knowledge and expertise relating to the fields of public affairs and government relations and;

WHEREAS, Client is desirous of retaining BKSH to perform services as described below and to render such services to Client;

NOW THEREFORE, in consideration of the promises and the mutual covenants herein contained, the parties hereto hereby agree as follows:

**1. SERVICES**

BKSH will render professional services to Client. If necessary to perform services requested by Client, BKSH may also utilize the services of its parent company, and affiliates ("Partners") in the rendering of services. Said services shall include:

- The provision of strategic advice and guidance regarding U.S.-Djibouti relations.

**2. FINANCIAL TERMS**

- (A) The retainer for services provided pursuant to this agreement shall be a total of \$90,000.00 USD, billed as follows: \$45,000.00 USD will be due upon contract signature, \$22,500.00 USD will be due on April 15<sup>th</sup>, 2003 and \$22,500.00 USD will be due on May 15<sup>th</sup>, 2003.

Firm wire instructions are as follows:

Account Name: Black, Kelly, Scruggs & Healey  
Account Number: 3750621008  
Beneficiary Bank: Bank of America  
ABA Routing Number: 111000012  
Swift: NABKUS44

- (B) Ordinary expenses such as postage, messenger, long distance telephone charges, local cabs, local and international travel and related expenses will be billed in addition to the monthly fee. Extraordinary expenses, such as travel and related expenses, and 3<sup>rd</sup> party vendor invoices, shall be presented in advance to the client for review and approval.

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**3. BILLING TERMS**

- (A) The first month's retainer of \$45,000.00 USD will be invoiced to you immediately. Thereafter, you will receive an invoice for \$22,500.00 USD on March 15<sup>th</sup>, 2003 and an invoice for \$22,500.00 USD on April 15<sup>th</sup>, 2003.
- (B) Expenses will be invoiced monthly as incurred. Expenses shall be listed on a category basis (e.g. telephone, fax, courier, etc.). Supporting documentation will be available for review at your request.
- (C) Except as may otherwise be noted above, payment on all invoices is due within 30 days of each invoice date, unless advance payments to third parties are required. In the case of advance payments to third parties, you agree to pay us immediately upon presentation to you of any such third party invoice.

**4. TERM AND TERMINATION**

- (A) The initial term of this Agreement shall be for a period of three months – from February 15<sup>th</sup> 2003 through May 15<sup>th</sup>, 2003. Follow-on contractual arrangements will be discussed by both sides at the conclusion of this period. This Agreement may be terminated by either party upon thirty (30) days prior written notice. This Agreement may be terminated by either party upon written notice to the other in the event of the other party's breach of any of the terms of this Agreement, which breach shall not have been remedied within ten (10) days of such written notice. In the event of termination, Client shall pay all charges and out-of-pocket expenses incurred up to the effective date of such termination.
- (B) Upon the effective date of the termination of this Agreement, all property or materials in BKSH's possession belonging to Client, pursuant to the terms of Section 5 herein, shall be turned over to Client.

**5. OWNERSHIP**

- (A) Except for materials where any intellectual property rights are vested in a third party, such as photographic negatives, unused design visuals, color separations, printing plates, artwork, etc., in which case such rights shall remain the property of such third party, all finished materials prepared for and on behalf of Client, and paid for by Client, that Client uses at least once prior to the termination hereof or which Client indicates in writing to BKSH during the term hereof as being specifically within the designated plans for adoption and exploitation by Client, shall be, as between BKSH and Client, Client's property exclusively and will be given to Client at Client's request or upon termination or expiration of this Agreement. All such materials not so used or designated shall be, as between BKSH and Client, BKSH's property exclusively.
- (B) BKSH undertakes to use all reasonable care in the handling and storing of the Client's materials but shall not be liable for loss, damage or destruction of such materials howsoever caused or for any other losses (consequential or otherwise) of any nature arising therefrom.
- (C) In purchasing materials or services on Client's behalf, BKSH will act as agent for Client and may state this relationship in contracts.



**6. INDEMNIFICATION**

- (A) Client is responsible for the accuracy, completeness and propriety of the information that it provides to BKSH concerning Client's products, services, organization and industry. Client is responsible for reviewing all publicity or other materials prepared by BKSH under this Agreement to confirm that all representations, direct or implied, and submitted to Client by BKSH for approval, are supportable by objective data then possessed by Client, and to confirm the accuracy and legality of the descriptions and depictions of the products and services of Client and its competitors. The Client will be responsible for ensuring and obtaining all required consents in respect of the use of all intellectual property contained in any materials or data supplied by the Client to BKSH in relation to BKSH's services hereunder.
- (B) Client will indemnify and hold BKSH and its Partners harmless from and against all losses, damages, liabilities, claims, demands, lawsuits and expenses, including reasonable attorney's fees and expenses, that BKSH may incur or be liable for arising out of or in connection with any of the following: (i) any publicity or other materials prepared or placed by BKSH for Client, or other service performed by BKSH for Client (which were approved by Client); (ii) use of all intellectual property contained in any materials or data supplied by or at the direction of the Client to BKSH; (iii) any alleged or actual defects in Client's products or services (including, without limitation, any claim for bodily injury or death); (iv) or allegations that Client's activities violate or infringe upon the copyright, trademark, patent or other rights of any third party, or that Client's activities induce, promote or encourage the violation of or infringement upon the rights of any third party.
- (C) Client's obligations under this Section 6 include payment by Client to BKSH for all time charges and expenses (including reasonable attorney's fees and expenses) incurred by BKSH in connection with any subpoena, discovery demand or other directive having the force of law or governmental inquiry to which Client does not object, served upon BKSH or any of its Partners that relates to Client, its business or its industry that arises out of any litigation, proceedings or investigations involving Client.
- (D) BKSH will notify the Client of BKSH's receipt of any notice or claim or demand or service of legal process involving any matter which the Client has agreed to hold BKSH harmless provided always that failure by BKSH to so notify the Client shall not prejudice in any way BKSH's right hereunder to be indemnified.
- (E) BKSH shall indemnify and hold Client harmless from and against all losses, damages, liabilities, claims, demands, lawsuits and expenses, including reasonable attorney's fees and expenses, that Client may incur or be liable for as a direct result of the negligence or willful misconduct of BKSH or its employees.
- (F) Client acknowledges that after any materials or information to be communicated hereunder has been issued to the media or any other third party, its use and dissemination is no longer under BKSH's control. The Client further acknowledges that BKSH shall not be responsible for the accuracy of any information published by the media or any other third party. The Client agrees and acknowledges that in issuing information hereunder BKSH is acting solely as the agent of the Client.



- (G) The indemnity obligations of the Client hereinabove set forth shall be in addition to any liability Client may otherwise have and these obligations shall be binding upon and inure to the benefit of any successors, assigns, heirs, and personal representatives of Client, BKSH and any other Indemnified Person.
- (H) The terms and conditions of this Section 6 shall survive any termination of this Agreement

7. **CONFIDENTIALITY**

BKSH, on behalf of itself and its employees, hereby covenants and agrees that it:

- (A) Shall exercise reasonable care and caution to keep confidential any and all proprietary information concerning Client's business and operation which becomes known to BKSH by reason of performance of its services on Client's behalf, and which information is clearly marked "confidential" or specifically identified in writing as confidential ("Confidential Information"). Confidential Information includes, but is not limited to, corporate plans and strategies, new product samples, specifications, formulations and pricing information;
- (B) Shall not disclose any Confidential Information to any person outside of the employ of BKSH, unless to do so is required in connection with the performance of its services, and in such event BKSH hereby agrees to advise said third parties of the confidential nature of said material and;
- (C) Shall return to Client all such Confidential Information which is in a tangible form then in its possession at the termination of BKSH's services, except that BKSH shall be entitled to keep evidence of its work product.

It is further agreed that Confidential Information shall not include the following:

- a) information that is in the public domain at the time of disclosure to BKSH or which enters the public domain through no fault of BKSH or its employees;
- b) information that is in the possession of BKSH or its employees at the time of disclosure to BKSH;
- c) information that BKSH, or its employees, receive from a third party, and
- d) information that is required to be released in compliance with any court order or other directive having the force of law.

8. **COMPLIANCE WITH LAWS**

- (A) BKSH shall be responsible for making full and necessary disclosure of this agreement and the activities specified herein, pursuant to the requirements of the Foreign Agents Registration Act, 22 U.S.C. Section 611 et seq., the Lobbying Act, 2 U.S.C. Section 261 et seq., and similar statutes.
- (B) The parties hereto agree that BKSH is subject to the provisions of the Foreign Corrupt Practices Act, 15 U.S.C. §78dd-2 (the "Act") (relevant portions of which are attached hereto as Attachment A). The parties hereto mutually agree, for themselves and their employees, agents and intermediaries, that they will not pay, and will not permit or suffer any agent, intermediary or employee to pay, directly or indirectly, any money or thing of value, to any official of the

government of any nation or political subdivision thereof, or any of their agencies, instrumentalities, corporations or ventures, or to any political party, official thereof, or any candidate, for the purposes of influencing the acts, omissions or decisions, in an official capacity, of such official, party or candidate in violation of his/her or its lawful duty or inducing him or it to exercise his/her or its influence to affect or influence any act or decision of such government or instrumentality or to obtain or retain business for BKSH or Client.

Moreover, before making payment of any money or thing of value on behalf of, or with funds directly or indirectly received from BKSH or Client, the parties hereto will make such inquiry as the circumstances may indicate is prudent into whether the immediate recipient and any ultimate recipient or beneficiary of such payment may have any official status with the government of any nation or political subdivision thereof, or any of their agencies, instrumentalities, corporations or ventures, or with any political party, official thereof, or any candidate for political office.

Should either party become aware of a possible violation of the Act, or of the facts and circumstances from which a prudent person could conclude that further inquiry is necessary to determine whether such a violation has occurred, is occurring or is likely to occur, such party will give representatives designated by BKSH immediate notice of such violation, facts or circumstances, and will cooperate fully, and direct all agents, employees and others BKSH may retain or direct in connection herewith, to cooperate fully, with any inquiry or investigation BKSH may conduct.

- (C) The parties hereto agree that in the event either shall hire or contract with any consultants or others to assist with fulfilling the terms of this Agreement, all such consultants or others shall execute and deliver the FCPA undertaking in the form attached hereto as Attachment B.

#### **9. NON-SOLICITATION OF EMPLOYEES**

BKSH agrees not to solicit or hire the Client's employees, who are directly or indirectly involved in matters related to this Agreement for employment with BKSH, and the Client agrees not to solicit or hire BKSH's employees, who are directly or indirectly involved in matters related to this Agreement for employment with the Client, with effect from the time that this Agreement comes into force until one year after the expiry of this Agreement. In the event that either BKSH or the Client contravenes this Section 9, without obtaining the other party's prior written consent, such party will be liable to the other party for a one-time payment equal to 50% of the seduced employee's annual compensation.

#### **10. CONSTRUCTION**

This agreement shall be construed in accordance with and governed by the laws of New York. Any dispute arising out of this Agreement shall be adjudicated in the courts of New York, and Client hereby agrees that service of process upon it by registered or certified mail at its address set forth above shall be deemed adequate and lawful. The parties hereto shall deliver notices to each other by registered or certified mail (return receipt requested) at the addresses set forth below.

#### **11. TITLES**

Titles are for reference only. In the event of a conflict between a title and the content of a section, the content of the section shall control.



12. ENTIRE AGREEMENT

This agreement constitutes the entire Agreement with respect to the subject matter hereof, and may only be modified or amended in writing and signed by authorized representatives of both parties.

IN WITNESS WHEREOF, authorized representatives of the parties hereto have executed this agreement as of the date specified below:

BKSH & Associates  
1801 K Street, NW  
Suite 901  
Washington, D.C. 20006-1201

By:   
Print Name: R. Scott Pasmuch  
Title: Partner  
Date: 2/10/03

By: BKSH - Pasmuch  
Print Name: R. Scott Pasmuch  
Title: Partner & CEO  
Date: 5/5/03

**Attachment A**

**Provisions from the Foreign Corrupt Practices Act, 15 U.S.C. §78dd-2.**

**(a) Prohibition**

It shall be unlawful for any domestic concern, other than an issuer which is subject to section 78dd-1 of this title, or for any officer, director, employee, or agent of such domestic concern or any stockholder thereof acting on behalf of such domestic concern, to make use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value to --

**(1) any foreign official for purposes of --**

- (A) (i) influencing any act or decision of such foreign official in his official capacity, or (ii) inducing such foreign official to or omit to do any act in violation of the lawful duty of such official,**
- (B) or inducing such foreign official to use his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, in order to assist such domestic concern in obtaining or retaining business for or with, or directing business to, any person;**

**(2) any foreign political party or official thereof or any candidate for foreign political office for purposes of --**

- (A)(i) influencing any act or decision of such party, official, or candidate in its or his official capacity, or (ii) inducing such party, official, or candidate to do or omit to do an act in violation of the lawful duty of such party, official or candidate,**
- (B) inducing such party, official, or candidate to use its or his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, in order to assist such domestic concern in obtaining or retaining business for or with, or directing business to, any person; or**

**(3) any person, while knowing that all or a portion of such money or thing of value will be offered, given, or promised, directly or indirectly, to any foreign official, to any foreign political party or official thereof, or to any candidate for foreign political office, for purposes of --**

- (A)(i) influencing any act or decision of such foreign official, political party, party official, or candidate in his or its official capacity, or (ii) inducing such foreign official, political party, party official, or candidate to do or omit to do any act in violation of the lawful duty of such foreign official, political party, party official, or candidate, or**
- (B) inducing such foreign official, political party, party official, or candidate to use his or its influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or**

instrumentality, in order to assist such domestic concern in obtaining or retaining business for or with, or directing business to, any person.

**(b) Exception for routine governmental action**

Subsection (a) of this section shall not apply to any facilitating or expediting payment to a foreign official, political party, or party official the purpose of which is to expedite or to secure the performance of a routine governmental action by a foreign official, political party or party official.

**Attachment B**  
**FCPA Undertaking**

I \_\_\_\_\_, have been retained by BKSH & Associates (the "Company"), to assist the Company in its contract with \_\_\_\_\_, a corporation organized under the \_\_\_\_\_, whereby the Company would provide certain services for \_\_\_\_\_.

In consideration of such retention, I hereby acknowledge that, at the Company's request, I have read and understand the relevant provisions of the Foreign Corrupt Practices Act applicable to Young & Rubicam Inc. and its subsidiaries and affiliates around the world, 15 U.S.C. §78dd-2, (the "Act") attached as Exhibit A and the Policies of Young & Rubicam on the Conduct of Business (the "Policies"). I will scrupulously adhere to them and will enforce compliance therewith by any individual I may direct or oversee in connection with my retention.

Moreover, I will not pay, and I will not permit or suffer any agent, intermediary or employee to pay, directly or indirectly, any money or thing of value, to any official of the government of any nation or political subdivision thereof, or any of their agencies, instrumentalities, corporations or ventures, or to any political party, official thereof, or any candidate for the purposes of influencing the acts, omissions or decisions, in an official capacity, of such official, party or candidate in violation of his or its lawful duty or inducing him or it to exercise his or its influence to affect or influence any act or decision of such government or instrumentality or to obtain or retain business for the Company.

Moreover, before making payment of any money or thing of value on behalf of, or with funds directly or indirectly received from the Company, I will make such inquiry as the circumstances may indicate is prudent into whether the immediate recipient and any ultimate recipient or beneficiary of such payment may have any official status with the government of any nation or political subdivision thereof, or any of their agencies, instrumentalities, corporations or ventures, or with any political party, official thereof, or any candidate for political office.

Should I become aware of a possible violation of the Act or the Policies, or of the facts and circumstances from which a prudent person could conclude that further inquiry is necessary to determine whether such a violation has occurred, is occurring or is likely to occur, I will give representatives designated by the Company immediate notice of such violation, facts or circumstances, and will cooperate fully, and direct all agents, employees and others I may retain or direct in connection with my consultancy, to cooperate fully, with any inquiry or investigation the Company may conduct.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date