

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 .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, 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.

*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 Picard LLP 1750 K St. NW Washington, DC 20006	2. Registration No. 5939
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3. Name of foreign principal Government of Republika Srpska	4. Principal address of foreign principal Trg Republike Srpse 1 Banja Luka, Republika Srpska Bosnia-Herzegovina
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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:

<input type="checkbox"/> Partnership	<input type="checkbox"/> Committee
<input type="checkbox"/> Corporation	<input type="checkbox"/> Voluntary group
<input type="checkbox"/> Association	<input type="checkbox"/> Other (specify): _____

Individual-State nationality _____

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

a) Branch or agency represented by the registrant
various branches, as requested

b) Name and title of official with whom registrant deals
various officials, depending upon issue involved

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

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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

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

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Date of Exhibit A
May 28, 2009

Name and Title
B. Donovan Picard
Partner

Signature

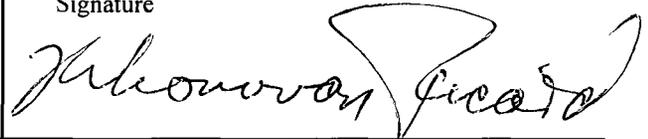


Exhibit B
To Registration Statement
Pursuant to the Foreign Agents Registration Act of 1938, as amended

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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1. Name of Registrant Picard LLP	2. Registration No. 5939
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3. Name of Foreign Principal Government of Republika Srpska
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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.

n/a

7. Describe fully the nature and method of performance of the above indicated agreement or understanding. The partners and counsel indicated provide written and oral legal advice and representation of the client and communicate as the client's legal counsel with individuals and organizations as necessary to carry out these responsibilities.

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

The registrant's activities on behalf of the foreign principal are to advise the government on matters related to international law. This work includes the provision of written and oral advice to members of the government as requested. From time to time this advice may be provided in writing. From time to time the government may request that we provide information related to such advice to members of the U.S. Administration and/or Congress. Such information relates to the law and policy of the government's relations with the United States and other international organizations and sovereign states.

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's activities include contacting various Executive Branch Officials, Officials of Government Agencies, and Members and Staff of the U.S. Senate and House of Representatives regarding issues related to the foreign principal including its relations with the United States, other sovereign states, and international organizations.

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Date of Exhibit B May 28, 2009	Name and Title B. Donovan Picard 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.

PICARD LLP



Picard LLP
1750 K Street, NW
Suite 1200
Washington, DC 20005
tel: 202-331-4040
fax: 202-331-4011

May 16, 2009

**ATTORNEY-CLIENT COMMUNICATION
PRIVILEGED AND CONFIDENTIAL**

His Excellency Milorad Dodik
Prime Minister
The Government of the Republic of Srpska
Trg Republike Srpse 1
Banja Luka, Republika Srpska
Bosnia-Herzegovina

Re: Engagement Agreement

Your Excellency:

Picard LLP ("Firm") is pleased to provide this engagement agreement for services to the Government of Republika Srpska.

1. Client

For purposes of this engagement, our representation will be of the Government of Republika Srpska ("Republika Srpska").

2. Scope of Engagement

We will work with Republika Srpska and its designated representatives to file a lawsuit or lawsuits in the United States and possibly in other jurisdictions on behalf of Serbs who suffered loss, damage, or injury to person or property due to unlawful actions perpetrated during the armed conflict in Bosnia-Herzegovina from 1991 to 1995 and possibly thereafter.

3. Retainer, Fees, Expenses and Other Charges, and Billing and Payment

Fees

Our fees for professional services in connection with this engagement will generally reflect, and be determined primarily on the basis of, the hours worked by Firm attorneys, legal assistants, and other support personnel and the hourly rates in effect at the time the services are rendered. (The lawyers who will work on this matter currently have

hourly billing rates ranging from US\$325 to US\$775 per hour.) The amount of our fee will also take into account all relevant circumstances and factors as set forth in the District of Columbia Bar Association's Rules of Professional Conduct, or other applicable set of ethical rules, as it applies to us as attorneys, including the nature of the services performed, the amount of time spent, the experience and ability of the lawyers, legal assistants, and other experts working on this engagement, the novelty and complexity of the specific issues involved, the time limitations imposed by you, or the circumstances and the responsibilities undertaken by us. Our billing rates remain subject to our normal adjustments from time to time.

Expenses and Other Charges.

During the course of the engagement, you will be responsible for all expenses and service charges relating to our engagement, whether billed to you by us or by individuals or entities retained by us, including charges for telephone and telecopy services, photocopying, travel and subsistence, document production, postage and delivery, computerized research, litigation support, electronic and other data storage and retrieval, filing fees, and the like. Unless special arrangements are made, the fees, expenses, and charges of others (such as experts, investigators, local counsel, consultants, and document service providers) and other large disbursements will not be paid by us, but will be the sole responsibility of, and billed directly to, you.

Billing and Payment.

The amount of fees and expenses incurred by Firm related to our engagement will vary from month to month, due to the nature of complex litigation. However, to assist the Republika Srpska in its budgetary planning, rather than receiving monthly invoices for actual fees and expenses that fluctuate month to month, the Parties agree to the following payment schedule based on an estimate of the average monthly amount of fees and expenses that will be incurred during the remainder of 2009:

(a) Upon receipt of invoice, the Republika Srpska will pay Firm no later than the last day of each month an amount of \$115,000 ("Monthly Payment") for fees and expenses for professional services performed during that month. The first invoice will cover May 2009, such that the first Monthly Payment of \$115,000 under this structure will be due on May 31, 2009.

(b) On a three month basis, Firm will provide to the Republika Srpska a statement of the actual fees and expenses incurred during that period to be compared against the Monthly Payments received. This will enable both Parties to be aware on an ongoing basis the extent to which the actual amounts incurred are greater or less than the Monthly Payments, so that the Parties may more easily be prepared to reconcile any difference at the end of the year, as set forth below.

(c) As of December 31, 2009, if the total amount of Monthly Payments received from the Republika Srpska is less than the actual amount of fees and expenses

incurred by Firm to that date, the Government will pay the difference within 15 days of receipt of invoice.

(d) As of December 31, 2009, if the total amount paid is more than the actual amount incurred, then Firm will credit this amount to the Government for its fees and expenses in 2010 or reimburse the Government.

(e) The same billing and payment terms will continue to apply for any fees and expenses incurred in 2010, unless otherwise agreed by the parties.

All compensation, expense reimbursement and any other payments to us shall be remitted and paid in U.S. dollars and without withholding or deducting any tax, assessment or other governmental charge (collectively, "Tax"). If you shall be required to deduct or withhold any such Tax, or if any Tax is required to be paid by us solely on account of the services performed hereunder, you shall pay to us such additional amounts as shall be required so that the net amount received by us from you after such deduction, withholding or payment shall equal the amounts otherwise due to us.

Payments will be wire transferred to our account, pursuant to the account information that will be provided in Firm's invoices. At the conclusion of this engagement, any remaining amounts in our retainer account will either be returned to you or applied with your consent to other outstanding matters for which we may be engaged by you.

4. Disclosure of Information/Indemnification.

Republika Srpska agrees to (1) disclose to Firm, fully, accurately, and on a timely basis, all facts that are or might be material to Firm's representation of Republika Srpska; (2) keep Firm apprised on a timely basis of all developments relating to the representation that are or might be material; and (3) otherwise cooperate fully with Firm. Firm agrees to maintain confidentiality of information gained in the course of its representation of Republika Srpska in accordance with our professional responsibilities.

5. Conflicts of Interest.

It is possible during or after the time we represent you that some other current or future client will ask us to represent it in connection with some dispute, transaction, or other matter that is not substantially related to our representation of you in which the interests of such client may be directly adverse to your interests. You acknowledge and agree that, consistent with our professional responsibilities to you, Firm may continue, or in the future undertake, to represent any existing or new client in any matter, even if the interests of such client in such matter are directly adverse to yours, as long as such matter is not substantially related to our representation of you. We agree not to represent any such clients in their assertion of claims against Republika Srpska.

6. Term of Engagement

Republika Srpska has the right to terminate our representation at any time upon written notice, and all outstanding charges will become due at that time. We reserve the right to withdraw from the representation at any time consistent with the rules of professional responsibility governing attorneys in our jurisdiction. We may also suspend or terminate work on behalf of a client that does not pay our statements within 30 days after they are rendered. Our right to withdraw as counsel shall, of course, be consistent with the applicable rules of professional responsibility.

Upon the termination of this engagement, we will either make arrangements to return to you all copies or originals of documents or materials belonging to you or otherwise constituting client records, store them at your expense, or dispose of them. You agree that we may keep copies of any such files if we so choose. You also agree that our own internal files (including but not limited to firm administrative records, time and expense reports, personnel and staffing materials, accounting records, and related documents) and attorney work product (including without limitation drafts, notes, legal memoranda, and other legal and factual research reflecting our opinions and mental impressions) pertaining to this matter are our property and will not be delivered to you at the conclusion or upon the termination of our engagement.

7. Governing Law and Dispute Resolution.

Our engagement shall be governed by, and construed in accordance with, the laws of the State of New York, exclusive of the law of conflicts of laws.

All actions or proceedings arising out of or relating to this engagement shall be heard and determined in the courts of the District of Columbia, United States of America; however, nothing herein shall limit the right of the parties to stipulate and agree to submit any dispute to binding arbitration in lieu of litigation.

In the event of any inconsistencies between the English version and Serbian translation of this Engagement Agreement, the English version shall prevail.

The terms of this engagement can be modified only by written agreement of all the parties hereto.

If the foregoing correctly reflects the terms and conditions of our engagement, please indicate your acceptance by executing this letter in the space provided below and return it to our office. The effective date of our engagement will be the date of execution of this engagement agreement by the Government of Republika Srpska, as indicated below.

We are very pleased to have the opportunity to work with you on this matter. If you have any questions about the terms of our engagement, please do not hesitate to contact me at any time. We are very much looking forward to working with you and your colleagues.

Very truly yours,



Edward B. Rowe

Partner



AGREED TO AND ACCEPTED:

For the Government of Republika Srpska

Date

18.05.2009.

04/1.992/09