PATTON BOGGS LLP
ATTORNEYS AT LAW

2550 M Street, NW
Washington, DC 20037-1350
202-457-6000

Facsimile 202-457-6315

June 7, 1999

Middleton A. Martin
202/457-6333

BY COURIER

AVM Mohammed bin Mahfoudh Al-Ardhi (WO)
Commander, Royal Air Force of Oman
Ministry of Defence
Headquarters, RAFO
P.O. Box 722
Postal Code 111
Sultanate of Oman

Re: Engagement Letter

Dear Air Vice Marshal:

We are honored that the Royal Air Force of Oman ("RAFO") has retained Patton Boggs, LLP to represent RAFO in connection with the Oman – United States Access Agreement review talks which are scheduled to begin this year. We understand that our role will be to provide legal advice to you and your staff on how to achieve Oman's objectives for the renewal of the Access Agreement and such other advice on matters relating to the negotiation and consummation of the new Access Agreement that you may from time to time request. The detailed scope of work is set forth at Schedule A to this letter.

I will be responsible for the work done by Patton Boggs on RAFO's behalf, and will be happy to discuss our firm's work and our advice with you at any time. Based on the scope of work, two attorneys in the firm will assist me, Thomas O'Donnell and Jamal El-Hindi. I will look to you for instruction on RAFO's behalf except to the extent you may designate other individuals to me.

Our fees are based on the number of hours worked by each attorney on RAFO's behalf, and that attorney's hourly billing rate. These hourly rates are established each year, in January for partners and in October for associates. The hourly rates of the attorneys who will be working on RAFO matters are as follows: myself, $475 per hour; Thomas O'Donnell, $295 per hour; Jamal El-Hindi, $234 per hour. If it becomes necessary to use other lawyers in the firm to achieve Oman's objectives, I will consult with you, and describe the need for using them and their billing rate, before utilizing them.

In addition to our fees for legal services, we charge for costs and expenses incurred in performing those services. These expenses may typically include long-distance and overseas telephone and fax charges, travel costs such as airfare, hotel charges and taxis, costs of photocopying, delivery/courier services, staff overtime expenses and similar costs and expenses, which will be separately enumerated on each invoice. Certain of these items may be charged at more than direct cost to cover our overhead.

We will bill you each month for both fees and costs and expenses. We will send our statements at the end of the month following the month to which the bill relates. Our statements are payable upon presentation. Our statements may be paid by dollar check or wire transfer.

You have requested an estimate of the fees involved for the work contemplated. Estimates are difficult because we do not yet know what the posture of the U.S. Government will be, and the more difficult the U.S. Government makes it to achieve Oman's objectives, the more time we will spend and consequently the greater the fees will be. We estimate that our legal fees will be about $30,000 for June and July 1999, and about $25,000 for August 1999. We cannot make estimates for September and October until after the Technical Talks in August. Actual fees incurred will depend on many factors, including the complexity and difficulty of the negotiations, the strategy and tactics of the U.S. Government, and the necessity to do unanticipated research and other developments that cannot now be predicted. We will keep you advised through our monthly billing statement as legal fees are incurred and will discuss the matter with you if our original estimates prove to be inaccurate.

Monthly invoices will be presented to the Oman Military Attache in Washington, D.C. for verification.

Cumulative monthly invoices for professional services should not exceed US$ 30 000.00 without the prior approval of CRAFO.

Upon the signing of this engagement letter, we request a $25,000 retainer payment, against which RAFO's monthly statements will be credited. When this retainer has been drawn down by credits for monthly statements, we ask that it be replenished. Our monthly statements will indicate the remaining retainer balance.

We are not aware of any reason why we should not represent RAFO in this engagement. If any conflict of interest or any other problem affecting our representation should arise, we will inform you immediately. We similarly ask you to notify us immediately if you become aware of any problem affecting our representation.

You may terminate our representation at any time, with our without cause, by notifying us in writing. This termination will not affect your responsibility for payment of legal services rendered and costs and expenses incurred before termination.

If these terms and conditions meet with your approval, I would be grateful if you would confirm acceptance of this agreement by signing the enclosed copy of this letter and returning it to me.

We feel privileged to have been given this assignment and we look forward to working with you and your staff of RAFO.

Sincerely yours,

Middleton A. Martin
for Patton Boggs LLP

ACCEPTED AND AGREED:

3/7/1999

AVM Mohammed bin Mahfoudh Al-Ardhi
Commander, Royal Air Force of Oman