U.S. Department of Justice
Washington, DC 20530

Exhibit A
To Registration Statement
Under the Foreign Agents Registration Act of 1938, as amended

OMB No. 1105-0003

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
Verner, Liipfert, Bernhard, McPherson and Hand, Chartered
901 15th Street, N.W.
Washington, D.C. 20005

2. Registration No.
3712

3. Name of foreign principal
The Republic of Palau

4. Principal address of foreign principal
P.O. Box 100, Koror
Republic of Palau

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 ☐ Committee

☐ Corporation ☐ Voluntary group

☐ Association ☐ Other (specify) _____

☐ Individual—State his nationality _____

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

a) Branch or agency represented by the registrant.
Ministry of Resources and Development

b) Name and title of official with whom registrant deals.
Kuniwo Nakamura, President
Marcelino Melairai, Minister of Resources and Development

7. If the foreign principal is a foreign political party, state:

a) Principal address

b) Name and title of official with whom the registrant deals.

c) Principal aim

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

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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.)*

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.

Date of Exhibit A	Name and Title	Signature
	Michael J. Roberts, President	Michael J Robt

U.S. Department of Justice
Washington, DC 20530

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

OMB No. 1105-0007

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.

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 Genreral 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 .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, D.C. 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

Name of Registrant	Name of Foreign Principal
Verner, Liipfert, Bernhard, McPherson, and Hand, Chartered	The Republic of Palau

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.

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

The registrant will render professional, consulting, and legal services to the principal.

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

The registrant will assist the principal in the implementation of Section 212 (a) of the United States of America's Compact of Free Association with the Republic of Palau. Section 212 (a) provides; "the U.S. Government shall provide the People of Palau a road system in accordance with mutually agreed specifications . . . ." The registrant will assist in the development and communication of positions on these issues to legislative and executive policymakers, as well as other federal agencies.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?[1]
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 performance of professional, consulting, and legal services for the principal may include the communication of proposals in both oral and written form to interested departments and officials of the legislative and executive branches.

Date of Exhibit B	Name and Title	Signature
	Michael J. Roberts, President	Michael J. Roberts

[1]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.

VERNER · LIIPFERT
BERNHARD · MCPHERSON & HAND
CHARTERED

HAWAII TIMES BUILDING
928 NUUANU AVENUE, SUITE 400
HONOLULU, HAWAII 96817
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INTERNAL SECURITY

August 30, 1995

The Honorable Kuniwo Nakamura
President
Republic of Palau
P.O. Box 100
Koror, Republic of Palau 96940

Dear President Nakamura:

This letter confirms that you have retained our law firm to represent the Republic of Palau in negotiations with the United States Department of Interior on the Palau Road and other matters, and also describes the billing policies and procedures of our law firm. As a matter of firm policy, we send this letter to all of our new clients to acquaint them with our policies and procedures. As you know, the attorney-client relationship works best when there is a clear mutual understanding about services, fees, expenses, statements for services rendered, billing procedures and payment terms.

The principals who will be working on this matter are Denis J. Dwyer and Lorraine Howerton in the Washington, D.C. office, and Norma Wong and myself in the Honolulu office.

All of our firm's lawyers, consultants and paralegals maintain time records regarding their work for each of our clients. The time records are reviewed carefully before bills are sent to our clients. All attorneys, consultants and legal assistants have hourly billing rates which are reflected on our monthly time records. These hourly rates normally are adjusted annually, in October for associates and January for partners. The hourly rates for partners and consultants currently range from $190 to $350, for associates from $105 to $190 and for paralegals from $35 to $85.

Unless otherwise requested, we will bill you on a monthly time and charges basis. Each bill will set forth the amount of time spent on your behalf, the nature of the work performed, and

a list of any expense disbursements incurred (e.g., long distance telephone charges, photocopying, messenger charges, postage, word processing charges, etc.). The amount of our billing statement for professional services will be at the fair value of our services, taking into account the time records for the matter, the results obtained, and other relevant circumstances. Our usual practice is to bill at standard hourly rates plus expenses. We use more junior attorneys, consultants and paralegals at lower billing rates whenever it is more efficient to do so, recognizing that it may often be more efficient to use experienced senior partners on particular matters.

It is our policy to provide our clients with the most effective support systems available and to allocate the costs of those support systems in accordance with their usage. In addition to our fees for professional services, a billing statement is provided which includes costs incurred in the course of our representation of your interests, such as long distance telephone; facsimile; telex; messenger, courier and other communications costs; travel expenses, including the cost of transportation, meals and lodging; document reproduction and retrieval costs; staff overtime; computer research facilities; documents preparation on our word processing facilities; court reports; and transcripts. Large disbursement billings, should they occur, may be forwarded to you for direct payment, or we may ask you to advance sufficient funds to cover the expenses of unusually large disbursements.

In accordance with the attached summary proposal, we anticipate that our fees will be no more than $200,000 plus expenses for this effort.

Our statements are due and payable upon receipt, and we expect bills to be paid in full within 30 days of the statement date. We impose late charges of one percent per month on all outstanding accounts receivable over 60 days. If our bills remain unpaid for over 90 days, we may request the client to execute a note, at 12 percent annual interest, for the outstanding indebtedness. We reserve the right to cease representation if a statement remains outstanding for more than 90 days. We recognize that the consequence of not making timely payments for our bills is not a particularly pleasant issue to raise at the start of our relationship, but we believe that our clients are best served if they are aware of our billing policies from the outset.

It is important to us that you feel free to call me at any time if you have questions or concerns about our legal services, about our billing policies in general, or about a particular bill. We are delighted to be of service and look forward to working with you.

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If you find this description of our understanding to be accurate and acceptable, please sign below and return this letter to me.

Sincerely,

VERNER, LIIPFERT, BERNHARD,
MCPHERSON AND HAND, CHARTERED

By _____
John Waihee

Agreed to and accepted:

By _____

Date _____

Attachment

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