

U.S. Department of Justice  
 Washington, DC 20530

**Exhibit A to Registration Statement  
 Pursuant to the Foreign Agents Registration Act of  
 1938, as amended**

**INSTRUCTIONS.** Furnish this exhibit for EACH foreign principal listed in an initial statement and for EACH additional foreign principal acquired subsequently. The filing of this document requires the payment of a filing fee as set forth in Rule (d)(1), 28 C.F.R. § 5.5(d)(1). Compliance is accomplished by filing an electronic Exhibit A form at <http://www.fara.gov>.

**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.

1. Name and Address of Registrant  Arnold & Porter LLP 601 Massachusetts Avenue NW Washington, DC 20001-3743	2. Registration No.  1750
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3. Name of Foreign Principal  Government of the Federated States of Micronesia	4. Principal Address of Foreign Principal  PS123, Palikir Pohnpei State, FM 96941
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5. Indicate whether your foreign principal is one of the following:

Government of a foreign country<sup>1</sup>

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 ( <i>specify</i> ) _____

Individual-State nationality \_\_\_\_\_

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

a) Branch or agency represented by the registrant  
 Government of the Federated States of Micronesia

b) Name and title of official with whom registrant deals  
 Lorin S. Robert (Secretary of the Department of Foreign Affairs), Jose Gallen (Secretary of the Department of Justice)

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

<sup>1</sup> "Government of a foreign country," as defined in Section 1(e) of the Act, includes any person or group of persons exercising sovereign de facto or de jure political jurisdiction over any country, other than the United States, or over any part of such country, and includes any subdivision of any such group and any group or agency to which such sovereign de facto or de jure authority or functions are directly or indirectly delegated. Such term shall include any faction or body of insurgents within a country assuming to exercise governmental authority whether such faction or body of insurgents has or has not been recognized by the United States.

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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 <input type="checkbox"/>	No <input type="checkbox"/>
Owned by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Directed by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Controlled by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Financed by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Subsidized in part by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/>	No <input type="checkbox"/>

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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

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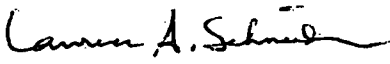
10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

N/A

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**EXECUTION**

In accordance with 28 U.S.C. § 1746, the undersigned swears or affirms under penalty of perjury that he/she has read the information set forth in this Exhibit A to the registration statement and that he/she is familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her knowledge and belief.

Date of Exhibit A	Name and Title	Signature
10/27/2016	LAWRENCE A. SCHNEIDER, PARTNER	

U.S. Department of Justice

Washington, DC 20530

**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. Compliance is accomplished by filing an electronic Exhibit B form at <http://www.fara.gov>.

**Privacy Act Statement.** The filing of this document is required for 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 the 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  Arnold & Porter LLP	2. Registration No.  1750
3. Name of Foreign Principal  Government of the Federated States of Micronesia	

Check Appropriate Box:

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.

As described in the attached October 9, 2016 agreement (which received a final signature on October 18, 2016), registrant will provide legal and advisory services to the foreign principal, which may include the following: (i) advising the foreign principal on matters relating to the Compact of Free Association between the Federated States of Micronesia and the United States ("Compact") and related U.S. laws, (ii) assisting the foreign principal in its upcoming negotiations with the United States leading to an updated Compact relationship beginning in the year 2023, (iii) providing general advice on U.S. law and representation before the U.S. Congress and Executive Branch, (iv) developing and enhancing the foreign principal's relationships with the U.S. Congress and Executive Branch, and (v) providing advice and assistance to the foreign principal in dealing with other governments, international organizations and nonprofit organizations.

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

See response to Question 7, above.

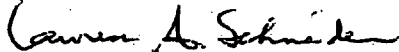
9. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act and in the footnote below? Yes  No

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.

Registrant may engage in political activities on behalf of the foreign principal, which could include representing the foreign principal before the U.S. Congress and Executive Branch and developing and enhancing the foreign principal's relationships with the U.S. Congress and Executive Branch.

**EXECUTION**

In accordance with 28 U.S.C. § 1746, the undersigned swears or affirms under penalty of perjury that he/she has read the information set forth in this Exhibit B to the registration statement and that he/she is familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her knowledge and belief.

Date of Exhibit B	Name and Title	Signature
10/27/2016	LAWRENCE A. SCHNEIDER, PARTNER	

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.

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**ARNOLD & PORTER LLP**

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Samuel M. Witten  
Samuel.Witten@aporter.com  
+1 202.942.6115  
+1 202.942.5999 Fax  
601 Massachusetts Ave., NW  
Washington, DC 20001

October 9, 2016

**BY EMAIL FOLLOWED BY HARD COPY**

Hon. Lorin S. Robert  
Secretary, Department of Foreign Affairs  
Government of the  
Federated States of Micronesia  
PS123, Palikir  
Pohnpei State, FM 96941

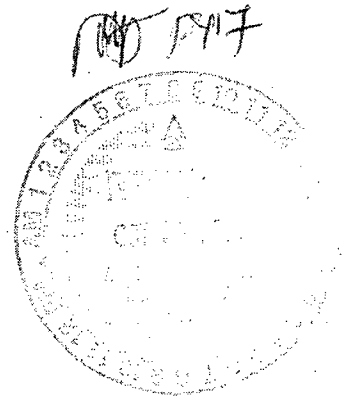
Re: Representation of the Federated States of Micronesia

Dear Mr. Secretary:

We are very pleased that the Government of the Federated States of Micronesia (the "Government") has engaged Arnold & Porter LLP, a limited liability partnership organized under the laws of the District of Columbia (the "Firm"), to provide legal and advisory services to the Government.

The Firm's scope of work under this agreement will include: (i) advising the Government on matters relating to the Compact of Free Association between the Federated States of Micronesia (the "FSM") with the United States and related U.S. laws, (ii) assisting the Government in its upcoming negotiations with the United States leading to an updated Compact relationship beginning in the year 2023, (iii) providing other general advice on U.S. law and other representation before the U.S. Congress and Executive Branch, (iv) developing and enhancing the FSM's relationships with the U.S. Congress and Executive Branch, and (v) providing advice and assistance to the FSM in dealing with other governments, international organizations, and non-profit organizations. The Firm's work in these areas at any given time will be decided through regular mutual consultations between the Government and the Firm.

Requests to the Firm for work to be performed under this agreement for and on behalf of the FSM Government can only be submitted to the Firm by the Secretary of Foreign Affairs and the Secretary of the Department of Justice, or such person as they may



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ARNOLD & PORTER LLP

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October 9, 2016

Page 2

specifically designate. The Firm shall prepare and submit on a quarterly basis to the Secretary of Foreign Affairs and the Secretary of the Department of Justice a report of work performed under this agreement.

The purpose of this letter is to set forth our mutual understanding as to the basis on which the Firm will represent the Government with respect to these matters and such additional matters as we may mutually agree. The Firm has developed a fixed fee arrangement for the Government in connection with the initial work the Firm agrees to perform on the Government's behalf.

1. Fee Calculation. The Firm will charge the Government a fixed fee retainer of \$35,000 per month for this matter, beginning on the date that this agreement is signed by representatives of the Firm and the Government. This amount may be adjusted in the future, including in connection with any extensions of this agreement, if both parties agree.

The Firm and the Government understand that this fixed fee applies to the legal and advisory services described above and not to litigation or arbitration for or on behalf of the Government or similar matters beyond the scope of work described above. If such other matters arise and the Government and the Firm mutually agree that the Firm would represent the Government in connection with such other matters, the Government and the Firm will negotiate a separate billing arrangement for such matters.

2. Term of this Agreement. The term of this agreement shall be for an initial period of up to two years commencing on the date that this agreement is signed by representatives of the Firm and the Government. This agreement may be extended by mutual agreement of the Firm and the Government.

3. Reimbursement for Expenses. In performing this engagement (and separately from the fees discussed above in paragraph 1) the Firm may make disbursements and incur internal charges in connection with its work on the Government's behalf. These are likely to include disbursements or charges for such items as travel and transportation expenses (including subsistence expenses while on travel); express delivery and express postage charges; duplicating charges; expenses associated with overtime work; and any special computer, data processing, or similar expenses that are beyond the capacity of the Firm's existing system. The Firm will bill the Government at cost for charges paid to third parties; and charges for internal services will be billed at the Firm's usual and customary rates for such services. A schedule of our current charges for expenses is attached hereto.

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ARNOLD & PORTER LLP

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October 9, 2016

Page 3

4. Statements for Fees and Expenses. On a regular basis, generally every month, the Firm will send the Government a statement covering the Firm's fee charges and expenses, providing such reasonable detail as the Government may require. Each such statement shall include standard wiring instructions for the payment of such fee charges and expenses. The Firm shall provide copies of this statement to both the Secretary of Foreign Affairs and the Secretary of the Department of Justice.

All such statements are due and payable within thirty (30) days following the Government's receipt of them. We understand that internal accounts payable processing may occasionally cause delays in the payment of our statements, and I am sure that you understand that undue delays in the payment of our statements increase our costs in providing legal services to all of our clients. For this reason, and in order to avoid burdening clients who pay the Firm's statements promptly with the costs the Firm incurs when others are late, the Firm reserves the right to impose an additional charge of one percent (1%) per month from the statement date if statements are not paid in a timely manner. Furthermore, if the Firm's fees are not timely paid, the Firm reserves the right to terminate services and withdraw from any matter, proceeding or case then pending, so long as the Firm's withdrawal can be accomplished in accordance with applicable Rules of Professional Responsibility. Additionally, should it become necessary, the Government will be responsible for any costs and attorneys' fees incurred by this Firm in collecting any unpaid and outstanding balances owed.

Pursuant to Part 137 of the Rules of the Chief Administrator of the New York Courts, we advise all our clients that, if a dispute arises over the Firm's fees, and the Firm's representation has involved work by a New York attorney and a material amount of work in New York, the Government may have the right to arbitration of such dispute. (Although we do not now foresee this being the case in our assistance to the Government, this is a standard notification we make in our agreements.)

5. Waiver of Future Conflicts. Arnold & Porter LLP is a national and international law firm that represents a diverse array of individuals, companies and other entities. A summary of the Firm's current practice areas and the industries in which the Firm represent clients can be found on our web site at [www.arnoldporter.com](http://www.arnoldporter.com). Some of the Firm's current or future clients may have matters in conflict with the Government. Such matters could pose a variety of risks, direct or indirect, to your legal, financial or other interests. So that we are not unnecessarily conflicted from representing you or our other clients, we routinely ask clients for advance waivers of conflicts of interest in matters

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ARNOLD & PORTER LLP

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October 9, 2016  
Page 4

distinct from the matters on which we represent them. Thus, by accepting this letter, you agree that we will not be disqualified by reason of our representation of you from representing any client with interests adverse to you in litigation, transactions or other matters that are not substantially related to the matters on which we have been retained by you.

The Government acknowledges that, with respect to information that the Firm acquires during the representation of the Firm's other clients, neither the Government nor any other person or entity will have any right or expectation of access to or use of such information. We will similarly hold your information and secrets in confidence.

The occasion might arise for the Firm to consult regarding our engagement for you with our own counsel—our General Counsel or other firm lawyers—or with our own outside counsel at our expense. To the extent that we are addressing our own rights or responsibilities, a conflict of interest might be deemed to exist between us and you as to such consultation. Accordingly, a condition of this engagement is that you consent to such consultation occurring, and waive any claim of conflict of interest based on such consultation. You also acknowledge that such communications are protected by our own attorney-client privilege from disclosure to you.

In addition, this letter confirms our understanding that, unless we reach an explicit understanding to the contrary, the Firm is being engaged by, and will represent, the Government and not any other entity or entities.

6. Promotional Materials. You agree that the Firm may identify the Government as a client in the Firm's promotional materials, including the Firm's web site, and may describe the general nature of the Firm's representation of the Government. The Firm will not disclose any specific nonpublic matters in any promotional materials without the Government's prior approval.

7. Conclusion of Our Representation. You are free to terminate the Firm's services at any time. In addition to the reasons described in Section 4, the Firm reserves the same right so long as the Firm's withdrawal can be accomplished in accordance with applicable law.

8. Retention of Records. The Firm adopts policies from time to time concerning the retention or destruction of records relating to engagements by clients. When the Firm completes a particular matter that the Government has assigned to us, upon



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ARNOLD & PORTER LLP

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October 9, 2016  
Page 5

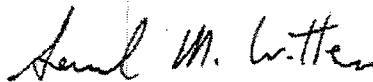
the Government's request, the Firm will return to the Government all records the Government has provided to the Firm, but the Firm may maintain archival copies of documents in the Firm's client working file as a part of normal recordkeeping of the Firm's work for its clients. Such material and our communications with you would be protected under the U.S. law of attorney-client privilege, as well as any applicable protections under Article 24 of the Vienna Convention on Diplomatic Relations of 1961. In referring to records, we include electronic and 'hard copy' records.

\* \* \* \*

If you have any questions about the matters described above, please let us know. This agreement contains important information about your rights, obligations and agreements with us, so we encourage you to consult independent counsel or any other advisor you wish about the information set forth above, including the conflict of interest waivers sought in this letter, the financial and other obligations that you are undertaking in this agreement, and the procedures for resolution of disputes.

Once again, we appreciate the opportunity to work together.

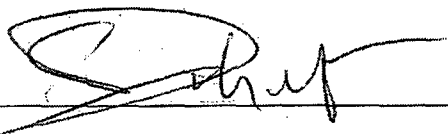
Sincerely,



Samuel M. Witten

ACCEPTED AND AGREED TO:

Hon. Lorin S. Robert  
Secretary, Department of Foreign Affairs  
Government of the Federated States of Micronesia



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ARNOLD & PORTER LLP


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October 9, 2016

Page 6

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Additional signatures for the Federated States of Micronesia

 10/18/16  
Secretary of Finance and Administration

 10/9/16  
Secretary of Justice

\$ 420,000 Ry '17 Fee  
\$ 25,000 Reimbursable  

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\$ 445,000

Attachment (Expenses Charged to Clients)

**EXPENSES CHARGED TO CLIENTS**  
As of January 1, 2015

<b>CHARGES PAID TO THIRD PARTIES</b>		
<u>Disbursement Category</u>	<u>Standard Client Charge</u>	<u>Description</u>
Transportation Allowance	cost	Taxi, Parking or Subway charge for employees who work in excess of 2 hours overtime
Meal Allowance	cost	Meal reimbursement (not to exceed \$10 (\$20 - NY) for staff) for meals incurred by employees who work in excess of 2 hours overtime
Other Computer Research	cost	Excludes Lexis and Westlaw; includes Dun & Bradstreet, Courthouse News Service, etc.
Telephone	n/c	No charge
Travel	cost	Costs of airfare, travel agency fees, meals, lodging, etc.
Local Transportation	cost	Costs of taxis, subways, etc.
Local Meals	cost	Costs of meals not incurred on travel status
Outside Duplicating	cost	Costs of duplicating jobs sent to outside vendors
Equipment & Furniture Rental	cost	Only charged when preauthorized by client
Postage	n/c	No charge
Air Delivery Services	cost	Includes Federal Express, DHL, etc.
Meetings & Functions	cost	Costs of meals and beverages provided at meetings
Local Counsel/Outside Counsel	cost	Cost of local/outside counsel fees and disbursements
Arbitrators	cost	Costs of arbitration fees
Consulting Fees	cost	Costs of consultants, outside experts, etc.
Depositions & Transcripts	cost	Costs of depositions, transcripts, etc.
Filing Fees	cost	Costs of court and agency, filing fees
Litigation Support	cost	Costs of case technology/e-discovery
Witness Fees	cost	Costs of witness fees

**CHARGES FOR INTERNAL SERVICES**

<u>Category</u>	<u>Standard Client Charge</u>
Lexis and Westlaw Computer Research	<p>Clients benefit from the Firm's favorable flat fee arrangements with Lexis and Westlaw.</p> <p>The Firm obtains favorable rates for computerized research by paying Lexis and Westlaw a flat fee. The effective discount off the standard Lexis and Westlaw rates will, however, depend on usage. The Firm, generally on a quarterly basis, calculates the effective discount based on actual usage and applies that discount to charges for computer research until the next accounting period. Lexis is currently discounted by 40% and Westlaw is currently discounted by 85%.</p>
Duplicating	<p>\$0.15 per copy \$0.75 per copy – Color Note: Pricing for individual duplicating jobs in excess of 25,000 prints may be individually negotiated</p>
Binding	No charge
Telecopy	No charge