

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	Gold and Liebengood, Inc. 1455 Pennsylvania Avenue, N.W. Suite 950 Washington, D.C. 20004	2. Registration No. 3700
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3. Name of foreign principal BAA, p.l.c.	4. Principal address of foreign principal 130 Wilton Road London, England SW1V1LQ
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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.

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

N/A

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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

BAA, p.l.c., is engaged in the management of several airports located within the United Kingdom, including Heathrow near London. The company is also engaged in the provision of airport services, real estate development, retailing and airport engineering and planning.

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.)

BAA, p.l.c. is a publicly traded company in the United Kingdom. The company was privatized by the government in 1986. However, approximately 5% of the company's shares are owned by the government.

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

Date of Exhibit A
2/7/89

Name and Title
Howard S. Liebengood
Vice President

Signature



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 duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Name of Registrant	Name of Foreign Principal
Gold and Liebengood, Inc.	BAA, p.l.c.

Check Appropriate Boxes:

- The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.
- 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 two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
- The agreement or understanding between the registrant and 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.

Registrant has been retained to present the views of BAA with regard to charges and landing rights at airports located within the United Kingdom. Registrant will contact Administration officials, Members of Congress and staff.

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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.

Registrant will contact Administration officials, Members of Congress and staff on behalf of BAA. These contacts will be through telephone calls, letters and the distribution of relevant fact sheets.

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.

Registrant will engage in the contacts described above. Registrant will provide factual information regarding landing fees, landing slots and associated charges imposed on international carriers using these airports managed by BAA, p.l.c. Registrant will also provide the client with information about legislative actions affecting the company's activities.

Date of Exhibit B

2/7/89

Name and Title

Howard S. Liebengood
Vice President

Signature



¹Political 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.

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London SW1V 1LQ
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Telex 919268 BAA PLC
Fax 01-932 6699
Direct number 01-932 6651

From the Director Public Affairs



David Bushong Esq
Gold & Liebengood Inc.
Suite 950
1455 Pennsylvania Avenue NW
Washington DC 20004
USA

3rd February 1989

Dear David,

Thank you very much for calling in to see us today. It gives me great pleasure to confirm our various discussions in relation to your proposal of November 29th 1988.

We wish to retain you as our USA lobbyists, effective from 1st February this year. Over the next few days we will exchange the necessary letters confirming the details but at this stage the agreed fee is \$4000 per month payable quarterly in advance. Reasonable expenses may be charged at cost, but any increase on the basic fee will only be accepted if prior permission has been obtained from us.

Furthermore I understand from our conversation that you will accept a 30 day notice of termination on either side.

The project leader from BAA responsible for the USA arbitration will be Richard Everitt, Director of Legal Services, but the other contacts here are Mike Toms, Manager Economic Regulation, Mark Pendlington and myself.

We will write to you more fully about this shortly but the purpose of this letter is to enable you to start working for us immediately.

Yours sincerely

A handwritten signature in black ink that reads 'Peter'.

Peter Sanguinetti

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DEPARTMENT OF JUSTICE
ECONOMIC REGULATION
DIVISION
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ECONOMIC SECURITY
UNIT

GOLD AND LIEBENGOD, INC.
SUITE 950
1455 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D. C. 20004
(202) 639-8899

November 29, 1988

Mr. Peter Sanguinetti
Director
Public Affairs
BAA plc, Corporate Office
130 Wilton Road
London SW1V 1LQ

Dear Peter:

It is difficult to recall a more compatible matching of interests at a first business encounter than that which emerged during our breakfast meeting last Friday. As I reviewed our discussions, it seemed that BAA's needs and Gold and Liebengood, Inc.'s style and substance meshed quite well.

If I understood your objectives properly, you are seeking an unobtrusive presence in Washington in order to discreetly monitor relevant transportation policies and activities. BAA has obvious interests in the machinations of the senior and mid-levels of the Departments of State and Transportation. A quiet watch on these organizations would supply you with an early warning capability to alert you to situations such as an American carrier agitating for political muscle in preparation of a run at you on access or user fee negotiations. In addition to this sort of prophylactic work, you would also like a foundation laid from which you could quickly and precisely raise BAA's U.S. profile should such be needed to make a timely, appropriate assertion of your interests. Moreover, you would like a close watch on the FAA specifically, with periodic reports regarding internal activities that might affect BAA's role in the international aviation community.

As an overlay to all of this work, you require a monitoring capacity to keep the pulse of the Congress generally and the House and Senate Aviation, Science and Technology, Transportation and, to an extent, Foreign Relations Committees specifically.

Gold and Liebengood, Inc., is well practiced in just such representation. We are a respected, bi-partisan, bi-cameral lobbying firm regarded as effective in advancing our clients interests without drawing needless attention to their activities. Among our partners are two former Democratic Members of the House of Representatives and two former Republican

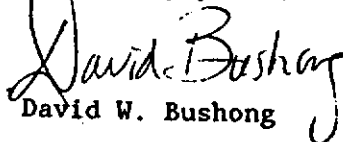
officers of the Senate. In both bodies our credentials are known and respected by key players regardless of partisan affiliation. From my own biography, you are aware of our long-term close relationship with the senior Republican member of the Senate Aviation Subcommittee. Both she and I enjoy solid, friendly, professional rapport with the Committee's Chairman. One of our Democratic partners served for a number of years on the House Transportation Appropriations Subcommittee and maintains an active presence among its current constituency. Several members of the firm are regularly consulted by staffs and members of the Foreign Relations Committee. Moreover, the Republican members of the firm have been intimately involved in helping the President-elect and his transition team prepare for the coming Administration. Several important offices will see incumbents be retained for at least an interim period and, in each case, as I mentioned, we have helped these officials with their career development.

In addition to regularized intelligence reporting, periodic consultation, warning alerts, and political development, Gold and Liebengood, Inc., will support planning and implementation of VIP visits of BAA's officers to Washington. Taken together, these services amount to strategic support and government relations programming. If we are retained, we will want to have an early meeting to more fully discuss a plan of action for the 101st Congress.

This brief recapitulation of our discussion will memorialize the firm's offer to undertake representation of BAA under your precise direction along these general lines at a minimum monthly fee of \$4,000 billing up to a maximum of \$8,000 per month for the first year. This offer allows you some certainty of your financial obligations and is constructed on our experience in dealing with similar responsibilities for other clients. Should BAA find itself in a situation requiring services in excess of the maximum monthly fee, Gold and Liebengood, Inc., will provide that coverage at its own cost. BAA may terminate this arrangement by providing 60 days written notice of such intention. We will provide detailed monthly billings at our rate of \$250.00 per hour for professional services and account for required expenses which will be passed to you without mark-up.

You understand, I think, that Gold and Liebengood, Inc., by working on a collegial basis among a broadly experienced cadre of partners, has been able to provide both reach and depth with a minimum attendant public exposure. We are confident that we offer the highest quality government relations service that is to be found in Washington. Should you decide to engage us, we expect to demonstrate to you why it is that our reputation is one of discreet effectiveness. Should you or anyone within BAA wish to discuss any element of this offer, I will be available.

Very truly yours,


David W. Bushong

DWB/nnr

GOLD AND LIEBENGGOOD, INC.
SUITE 950
1455 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D. C. 20004
(202) 639-8899

February 8, 1989

Mr. Peter Sanguinetti
BAA, plc
Corporate Office
130 Wilton Road
London SW1V 1LQ

Dear Mr. Sanguinetti:

Gold and Liebengood, Inc., is honored to serve as lobbyist for BAA. This letter will formalize that relationship in concert with the conditions set out in your letter to David Bushong dated February 3, 1989. By signing one of the two originals of this letter, BAA agrees to the relationship described below.

Gold and Liebengood, Inc., is to undertake basic political development on behalf of BAA and to monitor activities directly and indirectly relating to the current arbitration between the U.S. and U.K. governments under Bermuda II. Gold and Liebengood, Inc., is to coordinate all its activity with the appropriate authorities at the British Embassy and to take direction in all matters from Richard Everitt, Mike Toms, Peter Sanguinetti, and Mark Pendlington or any other officer of BAA or employee authorized for such responsibility. Gold and Liebengood, Inc., will bill its time at a rate of \$250.00 per hour against a flat monthly retainer fee of \$4,000.00 per month to be paid quarterly in advance. Expenses and support will be billed without mark-up. Should our actual billings approach the retainer limit in any given month, Gold and Liebengood, Inc., will advise BAA and seek authorization for work above the retainer. Gold and Liebengood, Inc., will also seek BAA's authority before undertaking any work beyond the scope of monitoring and political development, regardless of billing amounts. Messrs. John Scruggs and David Bushong will jointly supervise your account for Gold and Liebengood, Inc. Please direct any instructions or inquiries to either of them, or to myself in their absence.

Gold and Liebengood, Inc., has this date filed registration notices with U.S. authorities attaching your February 3 letter as required. On receipt of an executed original of this letter, we will amend that registration accordingly.

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Our mutual commitments entered into here are terminable by either party on 30 days written notice by ordinary post. Gold and Liebengood, Inc., understands that the key to its successful representation of BAA's interest in these matters requires a strong measure of discretion.

Gold and Liebengood, Inc.

BAA, plc

by Howard Liebengood

by

Howard Liebengood
