

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 General 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 .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, 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.

*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  Zel E. Lipsen, Esquire		2. Registration No.  5092
3. Name of foreign principal  Vickers Shipbuilding & Engineering, Ltd.	4. Principal address of foreign principal  Cumbria, England	

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:

<input type="checkbox"/> Partnership	<input type="checkbox"/> Committee
<input checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Voluntary group
<input type="checkbox"/> Association	<input type="checkbox"/> 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.

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

a) Principal address

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

c) Principal aim

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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

The foreign principal is engaged in the manufacture of defense armor for Howitzers and other related components.

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

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9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page may be used.)

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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.

Date of Exhibit A	Name and Title	Signature
January 19, 1996	Zel E. Lipsen, Esquire	

**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.

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Name of Registrant	Name of Foreign Principal
Zel E. Lipsen, Esquire	Vickers Shipbuilding & Engineering, Ltd.

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 three 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 three 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 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.

Direct communications with federal legislators in order to discuss government policy and legislation.

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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.

Apprise on public policy; advise on legal questions and US government procedures.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?<sup>1</sup>  
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.

See answer to question 4.

Date of Exhibit B	Name and Title	Signature
January 19, 1996	Zel E. Lipsen, Esquire	

<sup>1</sup>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.

THIS AGREEMENT is made the 7<sup>th</sup> day of July 1993 between VICKERS SHIPBUILDING AND ENGINEERING LIMITED, Barrow-in-Furness, Cumbria, LA14 1AF, England (hereinafter referred to as "VSEL") of the one part and LIPSEN, HAMBERGER AND GARRETT, 1160 Willard Office Building, 1455 Pennsylvania Avenue NW, Washington DC, 20004, USA (hereinafter referred to as "LIPSEN") of the other part.

**WHEREAS:**

- A. VSEL wishes to promote sales of its armaments products ('the Products') more particularly detailed in the Schedule attached to this Agreement, in the territory of the United States of America ('the United States').
- B. Lipsen is an established law firm (with significant expertise in lobbying) within the United States and can offer significant assistance to VSEL in promoting sales of the Products within the United States.
- C. VSEL hereby appoints Lipsen as a consultant to VSEL in order to achieve those purposes and aims stated in recitals A and B above and Lipsen hereby agrees to act in the capacity of consultant to VSEL subject to the terms contained within this Agreement ('the Agreement').

**NOW THEREFORE IT IS AGREED AS FOLLOWS:**

1. BUSINESS OBJECTIVES.

The business objectives ('Objectives') to be pursued by Lipsen will be to enhance the prospect of the acquisition of VSEL's Products by the United States Government through lobbying activities to the United States Congress and associated organisations and to the highest levels of the United States Department of Defence as well as to undertake specialised projects on behalf of VSEL.

2. RESPONSIBILITIES OF LIPSEN.

- 2.1 Lipsen will provide full consultancy services to VSEL in pursuance of the Objectives stated under Clause 1 above. Such consultancy services shall include but not be restricted to, the following activities:-

- (b) following the agreement in principle of VSEL, the subsequent pursuit of such business opportunities, either through or by the provision of advice and practical assistance including the early establishment of suitable business contacts and interviews for VSEL personnel,
  - (c) the provision to VSEL of advice and consultation on all relevant United States legislative, regulatory, political, economic and industrial matters which may affect VSEL's overall business interests within the United States,
  - (d) the provision to VSEL of advice and consultation on relationships between the United States and the United Kingdom governments with regard to United States 155mm Howitzer and general armaments programmes affecting VSEL business interests.
  - (e) the provision to VSEL of advice, consultation and support that VSEL may require in the preparation of business relationships and other arrangements with prospective customers, partners or industrial collaborators in the United States,
- 2.2 In accordance with its responsibilities stated herein Lipsen shall use its best endeavours to arrange all necessary meetings (in support of, with or without VSEL representatives and other representatives nominated by VSEL) required by VSEL and will further provide whatever facsimile, telex, conference and secretarial facilities that may be required for the reasonable and periodic use of VSEL personnel.
- 2.3 In carrying out, performing and conducting its responsibilities under this Agreement Lipsen shall at all times liaise with AMADEUS Inc, the representative of VSEL in the United States,
3. NOMINATED PERSONNEL.

Lipsen shall nominate the following person to be primarily responsible for pursuing the Business Objectives defined under Clause 1 and for effective carrying out of its responsibilities hereunder:

Lipsen may nominate and appoint other suitable personnel to assist in the execution of Lipsen's responsibilities under this Agreement, subject to formal notification of the proposed appointment being given to VSEL and AMADEUS Inc and to the approval of VSEL being obtained prior to such appointment.

4. REPORTS AND RETURNS.

4.1 At the end of each calendar month Lipsen shall submit to VSEL a written update briefly outlining and summarising its activities during the past month in the pursuance of the Objectives described above. A copy of the written update shall also be provided to AMADEUS Inc. At the end of each successive 3 (three) month period Lipsen shall provide VSEL with a comprehensive written report ('the Report') describing in more detail the activities and exercises it has taken in pursuance of the Objectives. The Report shall reference the provisions of the monthly update and contain a resume of progress in attaining the Objectives and possible areas of prospective VSEL business development in general as well as the results of Lipsen's activities and any proposed courses of action for the following quarter year.

4.2 The Report will be submitted to VSEL and copied to AMADEUS Inc no later than 14 (fourteen) days from end of such 3 (three) month period. The next such Report will be due as of July 31, 1993.

4.3 Lipsen shall convene regular business meetings with AMADEUS Inc (on behalf of VSEL), at appropriate intervals but in any event not less than once per month in order to review the prospects for the Objectives stated in Clause 1 and to review the activities undertaken by Lipsen pursuant to Clause 2 of this Agreement.

5. CONSIDERATION AND PAYMENT.

5.1 In consideration of the provision of the services and facilities referred to under Paragraphs 2, 3 and 4 above, VSEL will pay Lipsen a monthly fee (hereinafter referred to as "the Fee") of \$4,000 (four thousand US dollars), payable monthly in advance.

Upon formal award of a contract by the United States Government directly to VSEL to manufacture and supply a minimum of 10 (ten) units of either or a combination of those VSEL Products numbered 1 and 2 in the attached Schedule, the monthly fee will immediately increase to \$10,000 (ten thousand US dollars) and will remain at that level for a period of 24 months. The fee of \$10,000 per month will be automatically extended by one month for each additional batch of five units of either, or a combination of those Products numbered 1 and 2 and in the attached Schedule procured by the United States Government directly from VSEL.

- 5.2
- (a) In addition to the fee, VSEL will reimburse Lipsen for all reasonable out-of-pocket expenses correctly incurred in the performance of its responsibilities under Clause 2 up to a maximum amount of \$5,000 (five thousand US dollars) in any six month period. VSEL's prior authorisation shall be obtained before sums in excess of \$500 (five hundred US dollars) are to be expended at any one time. Lipsen shall invoice all incurred out-of-pocket expenses separately at the end of each calendar month and shall provide reasonable supporting documentation.
  - (b) In pursuance of the Objectives and in accordance with its responsibilities hereunder, should Lipsen have a requirement to incur expenditure of an extraordinary nature then VSEL's express written approval shall be obtained prior to any expense being so incurred.
  - (c) For the purpose of this Agreement 'out-of-pocket' expenses shall be deemed to cover costs associated with hotel accommodations, subsistence, appropriate and reasonable entertainment, airfares (excluding first class), car rental, courier service, long distance telephone calls, telex and facsimile communications directly incurred in pursuit of the Objectives described above.
  - (d) With the exception of associated out-of-pocket expenses as defined above VSEL shall not be charged any additional costs in respect of the services of consultants which Lipsen may call upon from time to time in pursuit of the Objectives



5.3 All sums due hereunder shall be payable within 30 (thirty) days of receipt and verification by VSEL of Lipsen's invoice (original copy). All out-of-pocket expenses and extraordinary expenditure shall be supported by photocopies of authentic receipts.

6. OTHER SALES.

6.1 It is understood between the Parties that this Agreement is primarily intended to cover the expansion of VSEL business involvement in the United States and more particularly the pursuance and attainment of the Objectives. In respect of business opportunities with the United States Government identified by Lipsen and which lead ultimately to sales outside of the United States, any commission payable on such sales will be agreed with the Parties on a case-by-case basis.

6.2 VSEL shall provide Lipsen with semi-annual accounting returns on all relevant sales revenue accruing to VSEL in order that Lipsen may submit its invoices in respect of the provisions of Clause 6.1 to VSEL on a semi-annual basis.

6.3 Where there are Sterling rather than US Dollar Contracts, all payments due to Lipsen under the provisions of Clauses 6.1 and 6.2 above shall be effected in US Dollars and converted at the rate of exchange ruling at the date of payment.

6.4 All payments due to Lipsen shall be payable in accordance with the provisions of Clause 5.3 above.

7. CONFLICTING INTERESTS.

During the period of this Agreement Lipsen shall not engage in activities which are in direct competition or conflict with the Objectives or VSEL business interests or business opportunities in general. In particular, Lipsen shall advise VSEL of any activities where there is a potential conflict as soon as it is known to Lipsen.

8. CONFIDENTIALITY.

8.1 From time to time VSEL will provide Lipsen with technical and commercial information in support of Lipsen's pursuit of the Objectives stated under Clause 1 above. Such information shall at all times be regarded as confidential to VSEL and shall not be disclosed to any third party except potential VSEL customers, partners or collaborating organisations within the United States (and then only on the basis of strict confidentiality), without the prior written consent of VSEL. Further, Lipsen will not allow, unless with the prior written approval of VSEL, any third party to further disseminate, disclose, copy or to reproduce in any way such confidential information.

8.2 All confidential information provided hereunder will be returned to VSEL on request or (including that information redisclosed by Lipsen to any third parties), in any event, on termination of this Agreement together with all copies or reproductions thereof. Confidential Information may otherwise be disposed of by Lipsen in accordance with instructions furnished by VSEL.

9. SECURITY.

Lipsen will comply with the security regulations of the United States of America, as may be applicable, and the applicable security regulations of the United Kingdom, the latter to be advised to Lipsen by VSEL in writing.

10. AGENTS AND CONSULTANTS.

10.1 Nothing herein shall be construed as appointing Lipsen an agent of VSEL nor shall this Agreement permit Lipsen to enter into any transaction or commitment on behalf of VSEL without prior written authorisation of VSEL.

10.2 Nothing herein authorises, permits or requires Lipsen to conduct or engage in any political activities or act as a political consultant within the meaning of the US Foreign Agents Registration Act of 1983, as amended.

10.3 Nothing herein shall be construed as granting Lipsen exclusive sales rights to any of the Products, services, markets or other VSEL business opportunities referred to or contemplated herein. VSEL shall always have the freedom to enter into confidential and separate agreements with third parties provided Lipsen is kept fully informed of any potential conflict that may impact upon Lipsen's performance of this Agreement.

11. DURATION AND TERMINATION.

11.1 This Agreement shall be deemed to have entered into effect on 1st October 1992 and shall supersede any other agreement or understanding, written or oral, in their entirety which may have been previously entered into by the Parties.

11.2 This Agreement shall remain in force for a period of 12 (twelve) months from the date stated in 11.1 and thereafter shall continue in force under the same terms and conditions unless and until terminated by either party in writing to the other subject only to the provisions of Clauses 11.3 and 11.4 hereunder.

11.3 This Agreement will be terminated forthwith if either party is taken over, becomes insolvent, goes into liquidation, has a receiver appointed or has a distress or bankruptcy petition levied upon or filed against it.

11.4 This Agreement may be terminated by either Party, either forthwith in the case of material breach, or subject to the provisions of 3 (three) months' written notice of intention to terminate for any other cause.

11.5 In the event of termination of this Agreement for any reason whatsoever, every authority and obligation of Lipsen hereunder shall cease with the exception of those arising from the provisions of Clauses 8 and 9 hereof, which shall survive the duration of this Agreement. Lipsen shall be entitled to compensation under the provisions of Clauses 5 and 6 above for eligible and confirmed contracts for the sale of VSEL Products formalised with VSEL prior to termination.

12. ASSIGNMENT.

This Agreement is personal to the Parties who shall not assign any obligation hereunder to any third party without the prior written consent of the non-assigning party. In the event of corporate amalgamation, reconstruction or re-organisation of the assigning party such prior written consent shall be deemed to have been given, provided the successor party effectively undertakes to be bound by all obligations of this Agreement.

13. INTERPRETATION AND LAW.

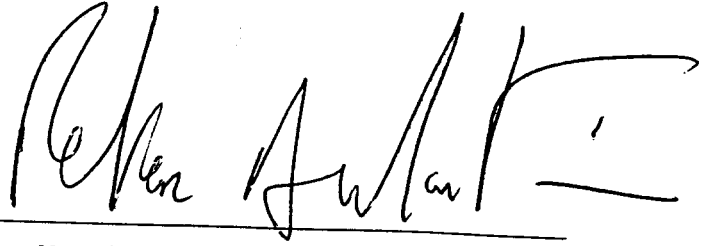
The Agreement shall be governed by, construed and take effect in accordance with the Laws of England and no action or proceeding in relation thereto or arising therefrom shall be initiated except in the Courts of Law in England.

14. NOTICES.

- (a) Any notice or correspondence concerning this Agreement made by Lipsen including the submission of invoices under the provisions of Clauses 5 and 6 above should be addressed to Vickers Shipbuilding & Engineering Limited marked for the attention of Mr Peter Martin, Commercial Director, VSEL. A copy of such correspondence being forwarded to AMADEUS Inc.
- (b) Any notice or correspondence concerning this Agreement made by VSEL should be addressed to Lipsen, Hamberger and Garrett and marked for the attention of Mr Zel Lipsen.

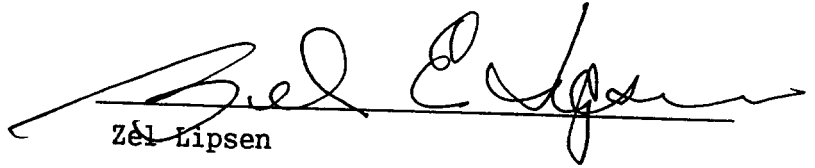
IN WITNESS WHEREOF this Agreement has been entered into; and becomes effective on the day and date first written above.

Signed for and on  
behalf of **Vickers Shipbuilding  
and Engineering Limited**

A handwritten signature in black ink, appearing to read "Peter Martin", written over a horizontal line.

Peter Martin  
Commercial and Marketing Director

Signed for and on  
behalf of **Lipsen,  
Hamberger and Garrett**

A handwritten signature in black ink, appearing to read "Zet Lipsen", written over a horizontal line.

SCHEDULE

1. 155mm Self Propelled Howitzer - AS90.
2. 155mm Ultra Lightweight Field Howitzer
3. Other Land System Armaments.

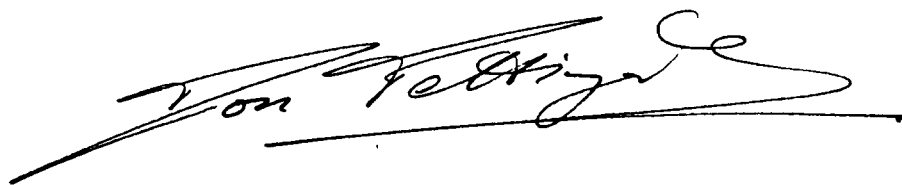
# VSEL

We should be grateful if you would execute these documents and return one copy to VSEL.

Finally, I should emphasise that during this critical phase of the two Armament projects, VSEL is most anxious to receive from you regular written reports as anticipated by Clause 4.1

We look forward to the continuation of our close working relationship.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D.A. Pettingale', with a long horizontal flourish extending to the right.

D.A. PETTINGALE,  
COMMERCIAL MANAGER - CENTRAL SERVICES.