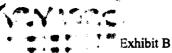
U.S. Department of Justice Washington, DC 20530



To Registration Statement Pursuant to the Foreign Agents Registration Act of 1938, an 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. One original and two legible photocopies of this form shall be filed 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, 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, D.C. 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. Finally, the Attorney General intends, at the earliest possible opportunity, to make these public documents available on the Internet on the Department of Justice World Wide Web site.

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

1. Name of Registrant

The Gallagher Group, LLC

2. Registration No.

5467

3. Name of Foreign Principal

Royal Embassy of Saudi Arabia

Check Appropriate Boxes:

- 4. ② 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.

 Registrant is retained to assist the foreign principal in its relationship with the US Congress.

CRM/ISS UNIT REGISTRATION UNIT

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

The registrant proposes to advise the foreign proncipal with respect to its relationship with the U.S. Congress. Registrant also proposes to provide comments and advice regarding communications between the foreign principal and Members of Congress and Congressional staff.

9. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(0) of the Act and in the footnote below?

Yes I No I

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.

Some of the registrant's activities may include public policy counseling as well as interaction with officials from the U.S. Congress and the Executive Branch.

Date of Exhibit B

6 January 2003

Name and Title

James P. Gallagher

<u>President</u>

Signature

re

THE GALLAGHER GROUP

CONSULTING AGREEMENT between THE GALLAGHER GROUP, LLC and OORVIS COMMUNICATIONS, LLC

- 1. Services to be Rendered: As an independent contractor The Gallagher Group, LLC agrees to provide government relations services to Qorvis Communications, LLC on behalf of the Royal Embassy of Saudi Arabia which shall include but not necessarily be limited to: (1) the development of an overall governmental relations strategy; (2) contacts with members of Congress, their staffs, and senior officials from the Executive Branch of the federal government; and (3) assistance in the preparation of briefing materials.
- 2. Fee: For the services rendered by The Gallagher Group, LLC, in accordance with this agreement, Qorvis Communications, LLC on behalf of the Royal Embassy of Saudi Arabia shall pay The Gallagher Group, LLC a fee of twenty five thousand dollars per month.
- 3. Term: This agreement shall be in effect from December 1, 2002 through November 30, 2003.
- Miscellaneous: This contract contains the entire agreement between The Gallagher Group, LLC and Qorvis Communications, LLC regarding this matter and fees, charges and expenses relating thereto. This agreement is an amendment and extension of a previous agreement between The Gallagher Group, LLC, and Qorvis Communications, LLC signed on December 6, 2001. This agreement shall not be modified except by written agreement signed by The Gallagher Group, LLC and Qorvis Communications, LLC. Each provision of this agreement shall be severable and if any provision is determined by a court to be invalid or unenforceable, the validity of the remaining provisions shall not be affected thereby.
- 5. No Warranties: The Gallagher Group, LLC makes no assurances or warranties regarding the outcome of any matters, nor the amount or likelihood of any funds or awards resulting from the undertakings described in clause one (1) of this contract.
- 6. Governing Law: This agreement shall be subject to the provisions of the Procurement Integrity Act, The Lobby Disclosure Act of 1995, and all other applicable laws and regulations governing contacts with the United States Congress and covered Executive Branch Officials; and shall be subject to the laws of the Commonwealth of Virginia.
- 7. Waivers: Any waiver by any party of any violation of, breach of or default under any provision of this agreement by any other party shall not be construed as, or constitute, a continuing waiver of such provision, or waiver of any other violation of, breach of or default under any other provision of this agreement.
- 8. Counterparts: This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together will constitute one and the same instrument.

- 9. Third Parties: Nothing expressed or implied in this agreement is intended, or shall be construed, to confer upon or give any person or entity other than The Gallagher Group, LLC, its affiliates, and Qorvis Communications, LLC any rights or remedies under, or by reason of, this agreement.
- Indemnification: Absent bad faith or gross misconduct, The Gallagher Group, LLC shall have no liability to Qorvis Communications, LLC or any other pariy for any action taken or omitted to be taken by it in connection with this agreement. Qorvis Communications, LLC shall indemnify and hold harmless The Gallagher Group, LLC and its members, officers, employees and other affiliates from and against any liability, loss, cost or expense, including without limitation attorneys' fees, incurred by or imposed upon The Gallagher Group, LLC (collectively, "Obligations") as a result of or arising from this agreement, including all Obligations related to terms prior to and subsequent to the term of this agreement. The indemnification provided by this Section 10 shall apply to, without limitation, all Obligators of The Gallagher Group, LLC related to or arising from governmental investigations, including without limitation investigations by the United States Congress.

In witness whereof, each of the parties has duly executed and delivered this agreement as of the first date of the term as set forth above.

THE GALLAGHER GROUP, LLC

Name James P. Gallaghe

Title President

OORVIS COMMONICATIONS, LLC

Name: DFS Title: 5462.

Federal Identification Number

REGISTRATION UNIT