

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 .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, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 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 Swidler Berlin Shereff Friedman, LLP 3000 K Street, N.W. Washington, DC 20007 | 2. Registration No. 5469 |
|--|---------------------------------|

| | |
|---|---|
| 3. Name of foreign principal Georgia Railway, Ltd. | 4. Principal address of foreign principal 15 Queen Tamara 380012 Tbilisi, Georgia |
|---|---|

2002 JUN 25 11 09 AM

5. Indicate whether your foreign principal is one of the following:

- Foreign government
- Foreign political party
- Foreign or domestic organization: If either, check one of the following:
 - Partnership
 - Corporation
 - Association
 - Committee
 - Voluntary group
 - Other (specify) _____
- Individual-State 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

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

b) Is this foreign principal

Supervised by a foreign government, foreign political party, or other foreign principal Yes No

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

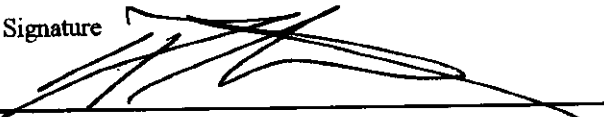
Financed by a foreign government, foreign political party, or other foreign principal Yes No

Subsidized in 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 must be used.)

The Government of the Republic of Georgia under the Ministry of State Property Management owns 100% of the shares and controls the subject entity. The Government of the Republic of Georgia appoints the General Director who serves as the chief executive.

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 H.P. Goldfield Partner | 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. 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.

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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 Swidler Berlin Shereff Friedman, LLP | 2. Registration No. 5469 |
|---|-----------------------------|

3. Name of Foreign Principal

Georgia Railway, Ltd.

Check Appropriate Boxes:

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.

See attached contract

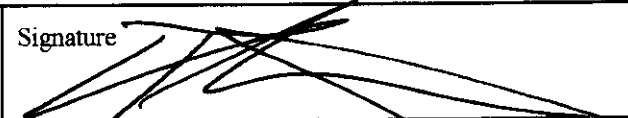
8. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

Government affairs consultation services. Establish and maintain key contacts within the U.S. government in order to facilitate a more friendly business atmosphere between U.S. public and private interests and the Georgia Railway.

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.

To be determined by congressional/Administration policy agenda relative to international trade issues.

| | | |
|-------------------|----------------|--|
| Date of Exhibit B | Name and Title | Signature  |
|-------------------|----------------|--|

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 interests, policies, or relations of a government of a foreign country or a foreign political party.

SERVICE AGREEMENT

THIS SERVICE AGREEMENT (this "Agreement") is entered into as of the 28th day of September, 2001 by and between Swidler Berlin Shereff Friedman, LLP ("Swidler") and Georgia Railway, Ltd. ("GR"). SWIDLER and GR are sometimes referred to collectively herein as the "Parties" and singularly as a "Party".

WHEREAS, Swidler is a Washington, D.C. based law firm specialized in providing legal and lobbying services, which together with its wholly-owned subsidiary, The Harbour Group, offers legal, lobbying and public relations services;

WHEREAS, GR desires to engage SWIDLER to provide legal, monitoring, lobbying and public relations on the matters specified in this Agreement (the "Services");

NOW, THEREFORE, in consideration of the representations, warranties and covenants contained herein, the Parties agree as follows:

1. **Engagement.** (a) On the terms and subject to the conditions set forth in this Agreement, GR hereby engages SWIDLER to provide the Services.

(b) The Services to be provided by Swidler shall include:

- (i) monitoring and the promotion of GR's interests with respect to U.S. legislation and public policy that may have a direct impact on: (a) U.S. policies to increase and encourage international investment in Georgia; (b) the construction of the Karsi (Turkey)-Akhalkalaki (Georgia) railway line; (c) the construction of Poti-Supsa railway line; (d) the construction of other infrastructure projects, including logistic centers and terminals; (e) the development and promotion of the ongoing policy and political reforms in Georgia; (f) the development and promotion of Local Free Trade Zones; (g) the development and promotion of the TRACECA project; (viii) the development and promotion of the projects that have to be implemented within the framework of the TRACECA program; (h) the development and promotion of the Silk Road global projects; (i) the promotion of Georgia's economic and political reforms; (j) the recruitment of support for Georgia among OPIC, USAID, TDA, EXIM Bank and other organizations; and (k) the development and promotion of global projects related to the Georgian Transport Infrastructure;
- (ii) legal, lobbying and public relations services to GR to enhance and strengthen: (a) bilateral relations among the United State and the Georgia, and (b) the image of the Georgia, in general and GR, in particular, with U.S. policymakers, as a way of attracting foreign investment in the infrastructure of Georgia. This services shall include legal lobbying and public relations services to: (1) facilitate and assist in the coordination of public relations and lobbying activities during the Georgian Governmental Delegation visit to U.S., scheduled for October 2-6, 2001; (2) work together with a coalition of business leaders, opinion leaders, economists and academics that may facilitate carrying messages to the U.S. Administration and U.S. Congress; (3) organize governmental meetings and events in order to build new bridges or strengthen existing relationships with U.S. parties; (4) coordinate meetings between GR

personnel with key Members of Congress, senior officials in the U.S. Administration and influential members of the private sector; (5) gaining positive media coverage to support Georgia's economic and political reforms.

(c) In providing the Services to GR, SWIDLER agrees to work in close coordination with the Georgian Embassy in the United States and the America-Georgia Business Council.

2. **Financial Responsibilities.** (a) In consideration of the Services to be provided by SWIDLER, on or before October 5, 2001, GR will transfer US\$55,000 to SWIDLER in satisfaction of services rendered prior to such date (the "Initial Retainer"). Thereafter, GR will pay SWIDLER a monthly retainer of US\$20,000 with the first payment to be made on November 2001 and the last payment to be made on September, 2002 (the "Monthly Retainer"). The Monthly Retainer shall be due and payable by GR no later than the fifth business day of the corresponding calendar month. The Parties covenant and agree that in addition to the Initial Retainer and the Monthly Retainer, SWIDLER shall also be entitled to charge GR for out-of-pocket expenses incurred in providing the Services to GR, including but not limited to travel, hotel, phone, messenger services, long distance telephony, etc. Notwithstanding the foregoing, SWIDLER agrees that during the Initial Term of this Agreement the out-of-pocket expenses (including out-of-pocket expenses) shall not exceed US\$150,000, unless otherwise agreed to in writing by GR. The Parties further agree that the total amount due for Services during the term of this Agreement will not exceed US\$425,000 (including out-of-pocket expenses 150,000 US\$) unless otherwise agreed to in writing by GR. SWIDLER shall furnish GR monthly invoices for the Services covered by the Monthly Retainer.

(b) The Parties agree that to the extent the Monthly Retainer is not sufficient to cover the Services, the Parties shall negotiate an appropriate budget or compensation mechanism, for such Services.

(c) All payments to SWIDLER shall be made by wire transfer, in immediately available funds in U.S. dollars to the following account:

Bank: Citibank, FSB
Address: 1001 Pennsylvania Avenue, N.W., Washington, D-C.
Account: 15076288
ABA Routing No.: 254-070-116
Attention: Swidler Berlin Shereff Friedman, LLP Operating Account

(e) All payments due to SWIDLER under this Agreement shall be made by GR and shall be legal.

3. **Term.** The Parties agree that this Agreement shall become effective as of the date hereof, and shall remain effective until September 27, 2002 (the "Initial Term"). After the expiration of the Initial Term the Parties may negotiate in good faith to extend the term of this Agreement.

4. **GR Obligations.** GR covenants and agrees to (i) provide all information necessary or desirable for the successful development of SWIDLER's Services hereunder; (ii) timely pay all financial obligations due to SWIDLER under Section 4 hereof.

5. **No Third Party Beneficiaries.** This Agreement shall not confer any rights or remedies upon any person other than the parties and their respective successors.
6. **Succession.** This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and assigns.
7. **Counterparts.** This Agreement may be executed in one or more counterparts. Delivery of a counterpart signature by telephonic facsimile transmission shall be deemed the equivalent of a delivery of an original counterpart signature.
8. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.
9. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements or representations between the Parties, written or oral to the extent they relate in any way to the subject matter hereof
10. **Arbitration.** If a dispute should arise under this Agreement between or among the Parties, they shall make every reasonable effort to resolve such dispute. However, in the event that they are unable to resolve such dispute, the matter shall be referred to arbitration, in accordance with the Rules of Arbitration of the International Chamber of Commerce ("ICC") as at present in effect with the following conditions: (a) the administering authority shall be the ICC; (b) the place of arbitration shall be the London, England; and (c) the language to be used in the arbitration proceedings shall be English. The tribunal shall consist of three arbitrators, who shall be selected by agreement of the Parties in dispute. Should the Parties be unable after a period of thirty (30) days to agree as to one or more of the arbitrators, the ICC shall appoint any outstanding arbitrators. The award rendered by arbitration shall be final and binding upon the Parties in dispute.

SWIDLER BERLIN
SHEREFF FRIEDMAN, LLP

By: 

Name: H.P. Goldfield
Title: Partner

District of Columbia
Submitted and sworn to before me *H.P. Goldfield*

this *2nd* day of *October*, 19*99*

Susan W. McKee

My Commission Expires *November 30, 2003*



GEORGIA RAILWAY LIMITED


Name: A. Onkhaidze
Title: General Director