

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 Myrmidon Group, LLC	2. Registration No. 6057	NSD/CES/REGISTRATION UNIT 2012 JAN 11 PM 3:20
3. Name of Foreign Principal Government of Republika Srpska		

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.

Myrmidon Group LLC will work with the Government of Republika Srpska, under the guidance of its Ministry of Economic Development and Regional Cooperation, to convey an accurate view of the Government's policies and investment opportunities in Republika Srpska.

These efforts will include outreach to the US Government, the US Congress, US investors and the business community, public policy institutes, the news media, and civic organizations.

Materials may be disseminated through e-mails, letters, mailings, the internet, meetings, and conferences, briefings, and seminars.

Myrmidon may subcontract for the delivery of some of these services.

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

Myrmdidon Group LLC's efforts in 2012 will include outreach to the US Government, the US Congress, US investors and the business community, public policy institutes, the news media, and civic organizations.

Materials may be disseminated through e-mails, letters, mailings, the internet, meetings, and conferences, briefings, and seminars.

Myrmdidon may subcontract for the delivery of some of these services.

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.


Political activities will include outreach to the US Congress, the State Department, the National Security Council, and as needed other government agencies with the aim of promoting the principal of significant local autonomy in Bosnia Herzegovina, as envisioned by the Dayton Accords.

2012 JAN 11 PM 3:20

MSD/CES/REGISTRATION
UNIT

EXECUTION

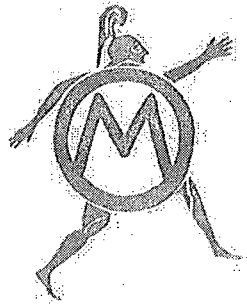
In accordance with 28 U.S.C. § 1746, the undersigned swears or affirms under penalty of perjury that he/she has read the information set forth in this Exhibit B to the registration statement and that he/she is familiar with the contents thereof and that such contents are in their entirety true and accurate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

Date of Exhibit B	Name and Title	Signature
January 11, 2012	Adrian Karatnycky, Managing Partner, Myrmdidon Group LLC	

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.

NSD/CES/REGISTRATION
UNIT

2012 JAN 10 PM 3: 30



**To: Minister of Economic Relations and Regional Co-operation,
Željka Cvijanović**

**From: Adrian Karatnycky, Managing Partner, Myrmidon Group
LLC**

**Re: Consultancy Proposal Scope of Work (January 2012-December
2012)**

Date of Preparation: 23 December 2011

Effective Date: 1 January 2012

**Republika Srpska: Telling a Story of Market Based Growth,
Democratic Practice, and Pragmatic Governance**

Republika Srpska (RS) can greatly benefit its image, find understanding for its policy goals, and increase foreign direct investment if it can more systematically tell the story of its internal accomplishments as one of the two recognized entities within Bosnia & Herzegovina. It needs to continue to work to present itself to the government, business, policy, and media communities of the US and Europe in a new key.

One of the main characteristics of globalization has been the reduction of barriers to international capital flows. As a consequence, these have expanded enormously relative to trade flows. We believe that trade and FDI complement each other in building international confidence. The policy implication is that further international cooperation in reducing barriers to both trade and capital flows can promote a more positive image of Republika in Europe and North America and allow it to be seen as a pillar of Southeast European stability.

The focus of this proposal is on materially increasing FDI and other types of capital flows into Republika Srpska. This process can be complemented by building on the favorable policies Republika Srpska has already taken, but that are not widely known in North America. Another focus of this outreach will be on deepening outreach to the US Congress, to US policymakers and the US government to promote the decentralized development of Republika Srpska, as envisioned by the Dayton Accords.

Banja Luka has moved towards reducing significantly the number of days required to start a business, resolve commercial disputes, obtain construction permits, and register property, all with a significant reduction in the number of steps and required procedures. Also, the recent amendments to the Bosnia-Herzegovina Law on Policy of Direct Foreign Investments and the Republika Srpska law on Foreign Investment allowing the RS Government to eliminate the 49 percent restriction on special purpose industry acquisitions and to reduce the number of procedures for registration of foreign investment all work to make RS increasingly attractive to foreign investors.

AK

AK

On the policy side, the leadership of Republika Srpska seeks to work inside the state of Bosnia-Herzegovina within the context of the Dayton Accords. This approach needs to be better understood by the policy community and US government and Congressional leaders.

The attractive team of RS government leaders moving the country toward a more open market economy must be at the center of our proposed outreach efforts. In 2012, we propose a program of enhanced outreach to the US business, government, media, and policy communities.

This proposal is focused on the US, where Myrmidon Group LLC has strong contacts with the business community, the policy community, government, and the media.

The scope of work envisioned is for the period January 2012 to December 31, 2012 at a rate of US\$ 96,000 (ninety-six thousand US dollars) per month for a total of US \$ 1,152,000 inclusive of personnel, administrative costs, legal advice, and program expenditures as itemized in Addendum 1, which is a part of this proposal.

Challenges

1. To rebrand RS as an entity that a) is stable; b) is working within the context of Bosnia-Herzegovina (BiH) but benefiting from close relations with Serbia; c) is rebuilding in the aftermath of conflict; d) is growing on the basis of a commitment to free markets and market principles; e) has learned from the tragic lessons of the past; f) is shaping its cooperation within Bosnia-Herzegovina in the context of the Dayton Accords.
2. To reach investors interested in smaller niche frontier and emerging markets.
3. To promote 5-10 specific investment opportunities to attract Western and in particular US investors.
4. To portray the current leadership as strongly protective of Serbian ethnic interests, while at the same time pragmatic, market-oriented, and committed to peaceful cooperation in multiethnic Bosnia and Herzegovina.
5. To combat incorrect perceptions of RS as a state led by ideologues and to show that its government is led by competent modern technocrats and experts.
6. To assist RS in its efforts to secure financing—if required-- through the issuance of international bonds, initially by securing credit ratings from major US-based credit rating agencies.
7. To reach out to Serbian Americans active in the business world and interest them in the opportunities to invest in RS.

Scope of Work

Working closely under the guidance of the RS Ministry of Economic Relations and Regional Cooperation on the following:

1. Expanded outreach to the US State Department, the US National Security Council, the US Export-Import Bank, OPIC, and the US Congress.
2. Organization of US road shows for RS companies and government officials.
3. A range of high-level government, congressional, business, investor, and analyst meetings for the RS President and other RS leaders, including the RS Prime Minister, the Speaker of the RS National Assembly, and other ministers, during their future US visits.
4. Small dinners and lunches involving business leaders and opinion leaders in New York and Washington DC (in cooperation with other government-focused lobbyists).
5. Outreach through interviews and briefings for editors and writers.
6. Policy briefings in NYC and DC.
7. Advice on speeches, presentations, briefings by RS leaders on business issues to US audiences.
8. Developing a growing list of potential US investors and analysts interested in RS and BiH.
9. Preparation of analysis concerning U.S. policy toward BiH and RS.
10. Preparation and dissemination of occasional newsletters and documents to policymakers, media, and US government officials that highlight important developments in RS and in BiH.
11. Assistance in promoting US participation in RS foreign investment conferences.
12. Advising, as needed, the RS Ministry of Economic Relations and Regional Cooperation.

Why Myrmidon Group LLC

Myrmidon Group is a boutique advisory group based in New York City that is ideally positioned to be of service to RS. Its work has mainly focused on enhancing economic contacts and building understanding between countries emerging out of Communist rule and has a network of effective relationships with investors focused on emerging and frontier markets. It also has a wide array of contacts in the think tank community, the media, the US Congress and the US government who are focused on international relations.

The Myrmidon leadership team would consist of two senior advisors (biographical data included) plus legal support and administrative support as needed. The principal advisors would be two New York-based professionals.

In addition to the key personnel in the U.S., Myrmidon will engage the following:

- a) one professional based in RS to work as local liaison with the government, assist in

Coordination of Business and Investor Outreach:

Roman Kyzyk, Myrmidon Group Senior Advisor, is a venture capital and private equity investor. Using local presence and global reach he co-founded a venture capital fund with Tim Draper sourcing applicable technology in Ukraine, Russia, the former Soviet Union and Emerging Europe. The DFJ network of funds has produced such notable, industry changing winners as Athenahealth (ATHN), Baidu (BIDU), Skype (acquired by eBay), DivX (DIVX), Mobile 365 (acquired by Sybase), Massive (acquired by Microsoft), EnerNOC (ENOC), Feedburner (acquired by Google), Mozy (acquired by EMC), Myfamily.com (Acquired by Spectrum Equity Investors), Overture (acquired by Yahoo), Parametric (PMC).

As Principal and Co-Founder at Executive Partners and DKK, Roman dedicated 15+ years as a global strategy advisor for alternate investment partnerships in private equity, venture capital, hedge funds and to CEO's in aerospace & defense, IT & High Tech, financial services, energy and diversified industrial. 13+ years operating experience within Xerox Corporation cultivated financial, marketing, technology and general management experience. He has demonstrated ability for originating, structuring and executing capital formation, private placements, private equity and venture capital investments. Roman was President and CEO at Meridien Partners Group, LLC, an investment banking and private equity advisory group.

His client roster includes General Electric, McDonald's, Air Tran Airways, Allied Signal, Honeywell, New York Stock Exchange, Smith's Group, Hilton Hotels, Northwest Airlines, and Royal Dutch Shell.

Mr. Kyzyk has experience in frontier and emerging market development in the 90's throughout China's new economic development zones in Shen Zen, including organizing factory development through facilitating pioneer Western investment. Twenty years of experience in Ukraine, Russia and emerging Europe making investments and bringing development through close work with EBRD, World Bank, USAID, Export Import Bank, and OPIC.

Mr. Kyzyk graduated from Fordham University and earned an MBA at the Wharton School of Business at the University of Pennsylvania.

Terms

The terms of the agreement will include payment for the services and activities outlined above of the monthly fee of US \$ 96,000 per month for twelve months (January-December 2012) to Myrmidon Group LLC. Payment shall be made through wire or electronic transfer by the fifteenth working day of each month to a U.S. based account of Myrmidon Group LLC.

There will be a full financial accounting of expenditures as required by Republika Srpska.

Myrmidon Group LLC will further provide detailed semi-annual reports on its activities to the government and legislative leadership of RS as requested.

Myrmidon Group LLC will extend its registration in accordance with US law with the Department of Justice under the terms of the Foreign Agents Registration Act, and will register with appropriate US Government and Congressional agencies, within ten working days after the effective date of this agreement, which January 1, 2012.

Agreed:

Zeljka Cvijanovic

Date: *05. januar 2012*

Zeljka Cvijanovic, Minister
Republic of Srpska Government
Ministry of Economic and Regional Cooperation
Banja Luka

17.01-054-7/12.

05.01.2012 r



Adrian Karatnycky

Date: *23 December 2011*

Adrian Karatnycky
Managing Partner
Myrmidon Group LLC
New York City

NSD/CES/REGISTRATION
UNIT
2012 JAN 10 PM 3:30

7

am

Myrmidon Group LLC, New York, NY, USA

Appendix 1

RS Outreach 2012 Budget

	Per Month US Dollars	x 12	
Professional Staff	81,000	x 12	(Senior Management, DC presence, capital market advisor, investment promotion professional, US government relations expert)
Program Expenses	7,000	x 12	(travel, briefings, etc.)
Administrative Expenses	8,000	x 12	(legal costs, bookkeeping, office expense, equipment, administrative support)
	96,000	x 12 months	1,152,000