

Piper Rudnick

1200 19th Street, N.W.
Washington, DC 20036

LLOYD HAND
Lloyd.Hand@piperudnick.com
direct 202.861.3434

March 2, 2004

His Excellency
H. E. Javier Rupérez
The Ambassador of Spain
2375 Pennsylvania Avenue N.W.
Washington D.C., 20037
ATTN: Minister Felix Valdes

RE: Statement of Services Rendered for January 2004

Dear Mr. Ambassador:

Enclosed please find the law firm's invoice for services rendered and expenses incurred during the month of January, as well as a detailed summary of the work performed.

After reviewing each of these formats for reporting our activities on your behalf, you may wish to choose either the summary form report or the more detailed account, for future invoices.

If, after reviewing the enclosed statement, you have any questions, please don't hesitate to call me at 202.861.3434.

With kindest regards,

Sincerely,



Lloyd N. Hand

Enclosure

4563574 v.1

EMBAJADA DE ESPAÑA WASHINGTON, D.C.	
REGISTRO GENERAL	
02 MAR 2004	
ENTRADA	Nº 211

DESCRIPTIVE STATEMENT

For legal and other services rendered during January 2004

OVERVIEW

During the month of January, the Firm met with Embassy personnel to discuss time, date and procedure for Piper Rudnick and Embassy team meetings, and develop an action plan on how to implement the Embassy's Government Relations strategy. Specific issues worked include: 1) preparation for President Aznar's address to a Joint Session of Congress, 2) the resolution authorizing the striking of a Congressional Gold Medal for President Aznar, and 3) assessing certain Government Departments reaction to President Aznar's Economic initiative. In addition, members of the Firm attended a luncheon hosted by the U.S. Chamber of Commerce featuring President Aznar and the Firm joined the U.S.-Spain Council.

GENERAL

Each Monday, Piper Rudnick attorneys and consultants comprising the Firm's Spain team met to develop an issue agenda, review assignments, define strategies and determine if there is any information, events or new developments that should be brought to the Embassy's attention in anticipation of the weekly Tuesday meetings at the Spanish Embassy. In addition, Members of the firm reviewed relevant news publications to keep abreast of important developments in Spain with potential impact on its Washington, D.C. operations.

Piper Rudnick became a member of the U.S.-Spain Council in January of 2004 and members of the Firm attended a luncheon on 1/13/04 hosted by the U.S. Chamber of Commerce honoring President Jose Maria Aznar – both to enhance our understanding of issues/challenges affecting the Government of Spain and its Embassy in D.C.

PRESIDENT AZNAR'S ADDRESS TO A JOINT SESSION OF CONGRESS

Members of the Firm assisted the Embassy to maximize attendance at President Aznar's address to a Joint Session of Congress on 2/4/04. Activities included drafting of a letter from Ambassador Rupérez to Members of Congress and fact sheet describing President Aznar's accomplishments during his eight years as president and providing a current press list of journalists likely to cover political events. Members of the Firm also contacted individual Congressional offices to urge attendance at the Joint Session.

CONGRESSIONAL GOLD MEDAL

Members of the Firm assisted with the passage of H.R. 2131, a resolution authorizing the striking of a gold medal for President Aznar. This endeavor entailed contacting House offices to request that members co-sponsor the resolution introduced by Rep. Jim Gibbons (R-NV). On the Senate side, members of the Firm worked with Senator Dodd's, Frist's and Daschle's staff to introduce a similar bill and obtain co-sponsors.

PRESIDENT AZNAR'S ECONOMIC INITIATIVE

At the request of the Embassy, members of the Firm began assessing the Administration's reactions to President Aznar's speech at the U.S. Chamber of Commerce where he proposed a new Initiative calling for the creation of an Economic Commission to reduce trade barriers in certain areas. Members of the Firm contacted Deputy United States Trade Representative Peter Allgeier, met with him and reported back to the Embassy his informal reactions.

TOTAL FEES: \$80,213.50

TOTAL EXPENSES: \$ 11,019.67

All of our lawyers, consultants and legal assistants are bound by and strictly adhere to the District of Columbia Court of Appeals Rules of Professional conduct and laws and regulations governing lawyers, lobbyists and foreign agents applicable to activities on behalf of clients vis-à-vis in the Executive Branch, U.S. House of Representatives and U.S. Senate.

We require all lawyers, consultants, and legal assistants to maintain time records regarding their work for each of our clients. The time records are reviewed carefully before bills are sent to our clients. All attorneys, consultants and legal assistants have hourly billing rates, which are reflected on our monthly time records. The amount of our billing statement for professional services will be at the fair value of our services, taking into account the time records for the matter, the types of services we have been asked to perform, any special level of expertise required, the size and scope of the matter, the results obtained, and other relevant circumstances. Our usual practice is to bill at standard hourly rates plus expenses. The hourly rates for partners in the firm are \$225-\$595, associates bill at \$190-\$300, and paralegals bill at \$25-\$170. My hourly rate for this type of work is \$575.

This agreement may be terminated by either party by providing the other thirty (30) days advance written notice of termination, in which case any unpaid fees due to Piper Rudnick will be paid by the Government of Spain on a pro-rata basis through to the date of termination. In the event that some extraordinary occurrence affecting this agreement should take place or the Government of Spain should require extraordinary services, e.g. legal or litigation services not contemplated by this agreement, the Firm and the Government of Spain agree to enter upon a separate agreement.

We look forward to working with you. If this letter meets with the approval of the Government of Spain, please countersign and date below and return.

Sincerely,



Lloyd M. Hand
Partner

PIPER RUDNICK LLP

Accepted and approved:

Government of Spain

By: 

Date: December 30, 2003

Piper Rudnick

1200 Nineteenth Street, N.W.
Washington, D.C., 20037
tele 202.861.3900 fax 202.223.2045

LLOYD HAND
lloyd.hand@piperudnick.com
direct 202.861.3434 fax 202.689.8555

December 30, 2003

H. E. Javier Rupérez
The Ambassador of Spain
2375 Pennsylvania Avenue N.W.
Washington D.C., 20037

Dear Mr. Ambassador:

The purpose of this letter is to propose retention of Piper Rudnick LLP (the "Firm") by the Government of Spain. The terms and conditions of our retention are described below.

The Firm will provide counsel, advice and other services on a wide range of political, economic and other matters as identified and described by the Government of Spain. Our Firm will be available to assist the Government of Spain in all matters with respect to which we do not have pre-existing conflicts at the time a specific assignment is given. The purpose of this retainer arrangement is to assist the Government of Spain in promoting closer relations with the United States. In this respect, the firm will advise the Government of Spain in all matters related to public diplomacy, strategic communication with the media, evaluation of events programmed by the Embassy of Spain and will assist and counsel the Government of Spain in strengthening its relations with the White House, the State Department and other Executive Departments and Agencies, and the U.S. Congress, undertaking all appropriate actions and activities. All work done on behalf of the Spanish Government will be closely coordinated with its embassy in Washington. Each individual assignment will be the matter of agreement between the Firm and the Government of Spain.

This agreement is effective commencing December 30, 2003. Spain agrees to pay the firm a retainer of two (2) million dollars (\$2,000,000) in twenty (20) equal monthly installments of one hundred thousand dollars (\$100,000). This amount is to be paid for professional services including reasonable expenses for a period of twenty (20) months at the end of which period we will mutually evaluate our relationship. An initial payment of 35 percent of the total retainer, seven hundred thousand dollars (\$700,000), to be made at the time of the execution of the agreement, shall be held by the firm in an interest-bearing escrow account for the benefit of the Government of Spain. Each monthly installment in the amount of one hundred thousand dollars (\$100,000) will be debited against this escrow account. Method of payment will be in U.S. dollars transmitted by wire to the Firm's account (see attached wiring information). Our billing statements shall be rendered on a monthly basis and are due and payable upon receipt.

Piper Rudnick

1200 Nineteenth Street, N.W.
Washington, D.C., 20037
tele 202.861.3900 fax 202.223.2045

LLOYD HAND
lloyd.hand@piperudnick.com
direct 202.861.3434 fax 202.689.8555

December 30, 2003

H. E. Javier Rupérez
The Ambassador of Spain
2375 Pennsylvania Avenue N.W.
Washington D.C., 20037

Dear Mr. Ambassador:

The purpose of this letter is to propose retention of Piper Rudnick LLP (the "Firm") by the Government of Spain. The terms and conditions of our retention are described below.

The Firm will provide counsel, advice and other services on a wide range of political, economic and other matters as identified and described by the Government of Spain. Our Firm will be available to assist the Government of Spain in all matters with respect to which we do not have pre-existing conflicts at the time a specific assignment is given. The purpose of this retainer arrangement is to assist the Government of Spain in promoting closer relations with the United States. In this respect, the firm will advise the Government of Spain in all matters related to public diplomacy, strategic communication with the media, evaluation of events programmed by the Embassy of Spain and will assist and counsel the Government of Spain in strengthening its relations with the White House, the State Department and other Executive Departments and Agencies, and the U.S. Congress, undertaking all appropriate actions and activities. All work done on behalf of the Spanish Government will be closely coordinated with its embassy in Washington. Each individual assignment will be the matter of agreement between the Firm and the Government of Spain.

This agreement is effective commencing December 30, 2003. Spain agrees to pay the firm a retainer of two (2) million dollars (\$2,000,000) in twenty (20) equal monthly installments of one hundred thousand dollars (\$100,000). This amount is to be paid for professional services including reasonable expenses for a period of twenty (20) months at the end of which period we will mutually evaluate our relationship. An initial payment of 35 percent of the total retainer, seven hundred thousand dollars (\$700,000), to be made at the time of the execution of the agreement, shall be held by the firm in an interest-bearing escrow account for the benefit of the Government of Spain. Each monthly installment in the amount of one hundred thousand dollars (\$100,000) will be debited against this escrow account. Method of payment will be in U.S. dollars transmitted by wire to the Firm's account (see attached wiring information). Our billing statements shall be rendered on a monthly basis and are due and payable upon receipt.

Piper Rudnick

1200 Nineteenth Street, N.W.
Washington, D.C. 20036-2412
main 202.861.3900 fax 202.223.2085

LLOYD HAND
lloyd.hand@piperrudnick.com
direct 202.861.3434 fax 202.689.8555

January 15, 2004

Kelly Hobbs
Escrow Account Department
Piper Rudnick LLP

Dear Kelly:

In accordance with the terms of the firm's retainer agreement with the Government of Spain (GOS) dated December 30, 2003, and my letter establishing an interest bearing escrow account for the GOS into which was deposited seven hundred thousand (\$700,000) from GOS as advance payment of the fees and expenses to be paid under the retainer agreement, this serves as authorization to release from their escrow account one hundred thousand dollars (\$100,000) into Piper Rudnick's account for payment of the fees and expenses due for the period December 30, 2003 to January 30, 2004. Please confirm that the action requested has been taken.

Sincerely,



Lloyd Hand
Partner

Cc: Minister [REDACTED]

His Excellency
H. E. Javier Rupérez
Government of Spain

Client No. 311157
March 2, 2004

RETAINER INVOICE

RETAINER PAYMENT FOR February 2004

\$100,000.00

*Payment from Government of Spain's Escrow Account
#311157, authorized by letter from Lloyd N. Hand dated
December 30, 2003.*