

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. The filing of this document is required by 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 this 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 Lanny J. Davis & Associates LLC	2. Registration No. 5985
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3. Name of Foreign Principal  
Ambassador Jorge Ramon Hernandez-Alcerro on behalf of the Government of Honduras

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.

Legal services and public policy advice with the objective of improving relations between the United States and Honduras, as described in the attached letter of engagement.

HSD/OES/REGISTRATION UNIT  
2010 DEC 16 PM 2:29

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

Please see response to #7.

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.

Assisting Honduras with renewing its compact with the Millennium Challenge Corporation.

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

# Lanny J. Davis & Associates LLC

Law ▲ Media ▲ Legislative/Political Strategies

November 29, 2010

VIA E-MAIL

Ambassador Jorge Ramon Hernandez-Alcerro  
On Behalf of the Government of Honduras  
3007 Tilden Street Northwest  
Washington, DC 20008-3016

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Re: Engagement Letter

Dear Mr. Ambassador:

This confirms the engagement of Lanny J. Davis & Associates LLC (LJD&A) by the Government of Honduras ("GoH") at a fee of \$20,000 per month for a term of four months, beginning December 1, 2010 through March 31, 2011. (Note: The use of the word "you" in this letter is meant to mean "you" acting on behalf of the GoH). These fees shall not include ordinary out of pocket expenses and disbursements, including all travel and ground expenses (if possible, by business class). The services (hereafter, the "services") shall be performed under your supervision and with the objective of improving US-Honduran relations. Such legal advice to the extent such advice pertains to providing legal advice and strategies relating to the services, or public policy, that may impact on legal issues, then such advice should ordinarily be subject to the attorney-client and work product privilege i.e., should have confidentiality protection under U.S. legal rules applicable to attorney-client privilege.

I will be principally performing the services provided to you. As circumstances warrant, other lawyers or non-lawyer professionals might be engaged by me to work on behalf of the GoH under my supervision and as my subcontractors.

The first payment for the month of December of \$20,000 shall be due by wire transfer on December 1, 2010, or as soon thereafter as is practicable and on January 1, February 1, and March 1, 2011 to the following account:

Bank:	Citibank, NA
Acct Name:	Lanny J. Davis & Associates
ABA:	
Bs Checking Acct Number:	
Swift Code:	

Ambassador Jorge Ramon Hernandez-Alcerro Engagement Letter  
November 29, 2010  
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In order to avoid misunderstandings concerning potential conflicts of interest, it is my policy to clarify the identity of any clients whose interests may be adverse to yours. In that regard, it is my policy that my representation of you does not extend to your parents, subsidiaries, employees, officers, directors, shareholders, partners or other affiliates.

Unless I am otherwise instructed by you in writing at or prior to the completion of the matter for which you have engaged me, I will, after a reasonable period of time has passed, at my discretion, dispose of documents (hard copies, electronic and any other media) and other materials that remain in my possession relating to a matter for which my services have been completed or terminated.

In the unlikely event that circumstances make it necessary to do so, I reserve the right to withdraw from this engagement for nonpayment of my fees or for any other reason authorized or required by applicable rules of professional responsibility.

In the event that the performance of the Services in good faith on your behalf leads to the filing of any claims against me personally or my firm the GoH will agree to indemnify and hold my firm harmless, including legal reasonable legal fees, so long as I have performed the Services described herein in good faith. The GoH agrees to submit to U.S. court jurisdiction regarding this obligation.

If the foregoing correctly sets forth the terms of our engagement, please date and sign this letter and e-mail to me at your earliest convenience.

I appreciate this opportunity to serve you and look forward to working with you on this matter.

Sincerely,

  
Lanny J. Davis & Associates, LLP

Agreed to and accepted:

By: \_\_\_\_\_  
Ambassador Jorge Ramon Hernandez-Alcerro  
on behalf of the Government of Honduras

By: \_\_\_\_\_  
Mr. Lincoln Frank

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2010 DEC 16 PM 2:23

# Memorandum

TO: The Hon. President Porfirio Lobo  
The Hon. Vice President Maria Antonieta Guillen de Bogran  
Ambassador Jorge Ramon Hernandez-Alcerro

FROM: Lanny J. Davis  
Lanny J. Davis & Associates LLC

RE: Proposal to Represent the Government of Honduras

DATE: November 17, 2010

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2010 DEC 16 PM 2:23

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I propose that my firm, Lanny J. Davis & Associates (“LJDA”) be engaged by the Government of Honduras (“GoH”) in Washington to achieve with two objectives, all performed under close supervision and coordination with the Ambassador and government in Honduras:

(1) Continuing contacts, factual information, and bipartisan relationships with Administration and the Congress. Provide information and facts to the Administration, particularly the State Department, and the U.S. Congress in order to increase support for continued and enhanced U.S. and international economic and political support from the U.S. government, the Organization of American States (OAS) and other nations around the world for the GoH. This task is critical and paramount. So much of the difficulty in the post June 28, 2009 events was due to a failure of instantaneous factual communication to the administration as well as U.S. (and global) media about what happened in Honduras, why, and the road forward towards reconciliation.

This factual communications function requires continuous and repeated meetings with key members of the Administration – at the White House, the State Department, and regarding trade and commercial issues, at the Commerce Department and the Office of the U.S. Trade Representative, as well as with key members of the House and Senate from both political parties.

Regarding the need for bipartisan support and credibility, a good example is the role I played on behalf of the Honduran Business Council (CEAL) during the post-June 28, 2009 time period through the end of December 2009. I worked closely with the staffs of the Democratic Chair of the Senate Foreign Relations Committee, Senator John F. Kerry (D-Mass.) and Ranking Republican member

Senator Richard Lugar (R.-Ind.). I also worked with Chairman Rep. Eliot Engel (D-N.Y.), of the House Latin American Affairs Subcommittee, and the Ranking Republican, Rep. Connie Mack (R-Fla.). Indeed, when I testified at the July 2009 subcommittee hearings, I was placed physically in the “middle” of the panel table, which symbolized the ideological place members of both parties on the subcommittee saw me: in the center...seeking a reconciliation solution that would achieve maximum consensus, peace, order, and most important, recognition of the coming election of a new president under fair and free election procedures. That recognition by the Secretary of State was announced in the fall of 2009 and was a key positive turning point.

These experiences will allow me to assist the Government of Honduras and the U.S. Ambassador to communicate effectively to senior officials in the State Department and the Administration as well as the U.S. Congress with accurate and prompt factual information.

(2) Communications Strategy with US/Global Media. Create a systematic informational program with major U.S. media, Internet, and social network sites to get a more positive narrative about Honduras and its people into multiple media outlets. The key method is to adapt the “campaign” model: a rapid response capability to counter any distortions or inaccurate media reports or innuendo. We also need to develop positive, pro-active media narratives about Honduras – on the theme of “turning the page” and improving political and economic relations with the U.S. and its neighbors in C.A. We would also seek to develop continuing communications with the key foreign affairs reporters and editors in the U.S. as well as key web sites, blog sites, and social networks.

#### Other Services to Support Ambassador Hernandez-Alcerro and the Embassy

Ongoing political analysis and “inside the Beltway” information. I and my colleagues will generate weekly or monthly or “special” reports to the Ambassador and to the GoH regarding political developments and trends that might affect Honduran policymaking and decisions.

On a personal level, I would expect to talk to and/or visit Ambassador Hernandez-Alcerro at least once or twice each month to brief him and Embassy staff on latest developments that I and my colleagues have learned in Washington and the administration and, vice versa, to learn about recent developments in Honduras.

Assistance regarding logistics and scheduling support. I and my colleagues will be available to provide the Ambassador and the Embassy logistics, scheduling, and media support when the President, Vice President and other senior GoH officials

visit Washington D.C. This would include media training, preparation for visits to the State Department or members of congress, etc.

Editorial Board meetings/special meetings with key reporters and columnists and TV analysts. Similarly we would help arrange when senior officials of the Honduran government are visiting Washington for special meetings with key editorial writers, reporters, and opinion analysts in the Washington media, think tanks, and Internet blog sites.

### Budget and Term of Engagement

The proposed term of engagement would be for six months, at a monthly fee of \$20,000 per month (exclusive of travel and other out-of-pocket necessary and authorized expenses). After six months, the GoH would be in a position to determine whether to continue the engagement and both LJDA and the GoH could determine, given the time and work product, whether there should be an adjustment up or down of the monthly retainer fee.

As I also stated in my meeting with Vice President de Bogran and the Ambassador, this representation means so much to me because Honduras means so much to me – and thus, I am willing to work out an arrangement that is comfortable for the government.

I would appreciate an opportunity to have further discussions with the Ambassador and Vice President de Bogran if you still have concerns.

### Conclusion

For more information about my qualifications, see my firm's website at [www.lannyjdavis.com](http://www.lannyjdavis.com). I respectfully suggest my (and my team's) unique triad of skills and experience -- in the law, media, and politics, especially experience in working with the leadership of key congressional committees on both sides of the aisle and in the State Department -- is the combination of skills needed by Honduras at this time.

In sum, it would be my great honor to work for the Government of Honduras. Throughout my work in the summer and fall of 2009, I learned a great deal about the history and the special challenges of Honduras and how important the U.S. – Honduran relationship is not only in Central and Latin America but throughout the western free world. It would be my goal to communicate my deep belief that Honduras is a loyal friend to the United States throughout the years and a stable democracy that should be preserved and protected.

# Memorandum

TO: The Hon. President Porfirio Lobo  
The Hon. Vice President Maria Antonieta Guillen de Bogran  
Ambassador Jorge Ramon Hernandez-Alcerro

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Lanny J. Davis & Associates LLC

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