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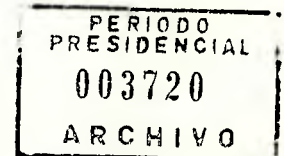
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PAUL R. CONNOLLY (1922-1978)

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NANCY F. PREISS
RICHARD S. HOFFMAN
PAULA MICHELE ELLISON

October 31, 1990



BY HAND

The Honorable Davor Harasic Yaksic
The Government of the Republic of Chile
The Sheraton Carlton Hotel - Room 501
Washington, D.C.

Dear Mr. Harasic:

You have asked this law firm to provide you with an estimate as to the fees that Williams & Connolly would charge the Government of Chile for preparing and submitting a report. As I understand it, the report that is being requested relates to the grape contamination incident of March-April 1989, would be due by December 1, 1990, and would involve the following matters:

(1) Our judgment as to the merits (factual and legal) of a proposed law suit and the likelihood of success. In a case brought under the Federal Tort Claims Act, will the Chilean plaintiff(s) prevail in any challenge to standing or in any motion to dismiss? What is our evaluation of the primary factual basis for the law suit, i.e., the scientific tests.

(2) Our recommendation as to the plaintiff best suited to bring the law suit. Should the complainant be the Government of Chile or private companies or individuals -- or all three?

(3) Our recommendation as to whether U.S. litigation is more likely to be successful as compared with pursuing international remedies or whether Chile should first seek recovery through available international mechanisms of recovery. Can Chile, for example, bring an action in the World Court? Should it?

(4) Our recommendation as to the best court in which to bring the lawsuit. Should the complaint be filed in the

WILLIAMS & CONNOLLY

The Honorable Davor Harasic Yaksic
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United States District Court -- in Philadelphia, in Washington,
D.C., in Maryland?

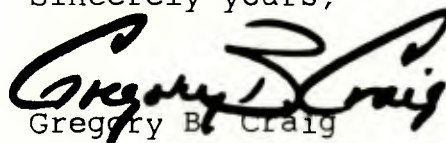
(5) Our best estimate as to the costs that Chile will incur -- legal fees, court costs, out-of-pocket expenses, experts' fees, etc. -- should it go forward with this litigation.

I have spoken with members of the Executive Committee of this law firm about your request for an estimate from us as to the amount that we would charge Chile for preparing the report described above. The questions that you have raised are, of course, the most important questions to be answered before making a decision about whether to go forward with a law suit. They are also questions that we, as a law firm, usually address routinely in the course of our initial consultations with a possible client.

For that reason, we propose to provide you with the report free of any charge for legal fees. To the extent that we incur expenses in the course of preparing this report -- and the most significant expense would most likely involve an expert's fee -- we would submit that expense to you for reimbursement. It is my belief that any such expenses would not exceed \$1000.

I am including copies of the resumes of the three lawyers in our law firm who are prepared to work on the report that you have requested, in the event that the Government of Chile decides to ask this law firm to go forward with this project.

Sincerely yours,


Gregory B. Craig

Name

Gregory B. Craig



Education

Harvard University
A.B., magna cum laude, 1967
Cambridge University
Diploma in Historical Studies,
1968
Yale University
J.D., 1972

Clerkship

Membership in State Bars

District of Columbia

Admission to Practice Before (other than D.C.)

Admitted to practice before the Supreme Court and various U.S. courts of appeal and district courts around the country.

Government Service

Senior Advisor on Foreign Policy and Defense to Senator Edward M. Kennedy, 1984-1988

Federal Public Defender, District of Connecticut, 1974-76

Miscellaneous

Teacher (part time), Trial Practice (Yale), 1975-76

Instructor, Trial Advocacy Institute (Harvard), 1982-

Date of Arrival At W&C

Summer Intern, July 1971
Associate, November 1972
Partner, January 1979-84; 1989

Name

Elizabeth D. Collery

Education

Yale College
B.A., magna cum laude, 1982
Harvard University
J.D., magna cum laude, 1986



Clerkship

Associate Justice Anthony M. Kennedy, Supreme Court of the United States, 1988-1989.

Judge Douglas H. Ginsburg, U.S. Court of Appeals for the District of Columbia, 1987-1988.

Judge Louis F. Oberdorfer, U.S. District Court for the District of Columbia, 1986-1987.

Membership in State Bars

Pennsylvania

Admission to Practice Before (other than D.C.)

Government Service

Miscellaneous

Date of Arrival At W&C

April 1989

Name

Richard M. Cooper



Education

Haverford College
B.A., summa cum laude, 1964
Oxford University
B.A., First Class, 1966
Harvard University
J.D., summa cum laude, 1969

Clerkship

Justice William J. Brennan, Jr., Supreme Court
of the United States, 1969 Term.

Membership in State Bars

District of Columbia

Admission to Practice Before (other than D.C.)

U.S. Courts of Appeals for the Tenth, Eleventh
and Federal Circuits.

Supreme Court of the United States.

Government Service

Special Assistant to James R. Schlesinger,
and Senior Member, Energy Policy & Planning,
Executive Office of the President, 1977.

Chief Counsel, U.S. Food & Drug Administration,
1977-1979.

Miscellaneous

Member, Committee on Contraceptive Development,
National Academy of Sciences.

Date of Arrival At W&C

October 1971