

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. This form shall be filed in duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Name of Registrant	Name of Foreign Principal
Arnold & Porter	Korean Traders Association

Check Appropriate Boxes:

- The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.
- There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
- The agreement or understanding between the registrant and 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 the expenses, if any, to be received.
- Describe fully the nature and method of performance of the above indicated agreement or understanding.

See the attached correspondence for details of the above agreement. The fees for such representation are to be determined periodically as set forth in the attached February 18, 1986 letter (which was received, signed by the foreign principal, on May 6, 1986).

INTERNAL SECURITY  
SECTION  
REGISTRATION UNIT  
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U.S. DEPARTMENT  
OF JUSTICE  
CRIMINAL DIVISION

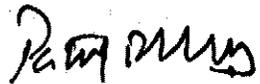
5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

The Registrant will render advice and services to the foreign principal, and, through representation of the foreign principal, to the Embassy of the Republic of Korea, as set forth in the attached correspondence.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?<sup>1</sup>  
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.

The Registrant may engage in political activities on behalf of the foreign principal. The Registrant's activities may on occasion include communications on behalf of the foreign principal with Executive Branch officials, officials of government agencies, and with members of the U.S. Senate and House of Representatives and their staffs relating to legislation and actions of the Executive Branch and government agencies that may affect or relate to the foreign principal.

Date of Exhibit B	Name and Title	Signature
May 13, 1986	Patrick F.J. Macrory, Partner	

<sup>1</sup>Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade or in any other 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.

# ARNOLD & PORTER

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(303) 863-1000

February 18, 1986

Dr. Duck-Woo Nam  
Chairman  
Korean Traders Association  
World Trade Center Korea Building  
10-1, 2-Ka, Hoehyun-Dong, Chung-Ku  
Seoul, Korea

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U.S. DEPARTMENT  
OF JUSTICE  
ORIGINAL DIVISION  
MAY 15 2 05 PM '85  
INTERNATIONAL SECURITY  
SECTION  
REGISTRATION

Dear Dr. Nam:

This letter replaces the earlier retainer letter entered into between us in February of 1985 and confirms the basis upon which the Korean Traders Association ("KTA") has now retained our firm. We are pleased and honored that you have selected our firm to represent your interests in the United States. We will endeavor to carry out our responsibilities in a manner that will protect and advance your interests in the United States and justify your trust in selecting us as your lawyers.

This retainer letter sets forth the essential terms of our relationship. Our work will fall into the following general categories:

1. Monitoring, Analysis, Recommendation and Reporting

° Arnold & Porter will collect information and monitor trade issues and developments in the United States that are of interest and importance to Korea.

° Arnold & Porter will analyze and interpret the information collected and report significant developments, as well as Arnold & Porter's analysis and recommendations, through monthly written reports to the KTA, highlighting such information, and in regular meetings with the staff members of the KTA's Washington, D.C. office and/or the Korean Ambassador and other officials of the Korean Embassy to the United States. Arnold & Porter's monthly reports to the KTA will contain policy reviews only, unless specifically requested by the KTA or the Korean Embassy to contain product reviews as well.

° Arnold & Porter will respond to requests made by the KTA or the Korean Embassy for information, analysis, and recommendations regarding developments in the United States.

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2. Development and Implementation of Strategic Plan

° If the KTA or the Korean Embassy requests, Arnold & Porter will assist in the development and implementation of strategic goals and work plans.

° Arnold & Porter will meet at least weekly with members of the KTA's Washington, D.C. office and/or officials of the Korean Embassy to exchange information on developments in both the United States and Korea, and to provide them with appropriate suggestions and recommendations on actions to be taken by Korea.

° Arnold & Porter will advise the KTA or the Korean Embassy generally on the goals and timing of visits and meetings with U.S. executives and legislative branch officials.

° If the KTA or the Korean Embassy specifically requests, Arnold & Porter will evaluate and report on the progress of all activities undertaken in pursuit of the overall goals and, if necessary, suggest adjustments to the goals and strategies based on such evaluations.

° In providing the services hereunder, Arnold & Porter may contact and communicate directly with the Korean Embassy and provide the Embassy with brief written reports or other communications. In such event, however, unless otherwise required to be kept confidential by the Embassy, Arnold & Porter will provide the KTA's Washington, D.C. office simultaneously with copies of such written reports and communications for transmittal to the KTA office in Seoul.

The above description is illustrative of the general work that we shall undertake on your behalf. The details of the assignments will, of course, vary depending on developments in the United States and the particular work that you ask us to undertake.

In that connection, we should mention that Arnold & Porter has over 200 lawyers and a large number of clients. It is therefore possible that matters may arise from time to time in which the position you wish to take might be in conflict with a position of one of the firm's other existing clients. Occasionally such conflicts of interests do arise between two of the firm's clients that preclude us under U.S. law from acting on behalf of one or both

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clients. We make every effort to be sensitive to such situations and to prevent them from developing. Nevertheless, they do occasionally occur. If that situation were to occur, we would endeavor to recommend another law firm or specialist to you who could competently represent your interests in the matter.

Compensation by the KTA to Arnold & Porter for the services rendered under this agreement will be calculated on the basis of time spent by our attorneys and staff. If the legal and related nonlegal charges for services performed during any one-month period under this agreement do not exceed U.S. \$15,000, Arnold & Porter will not be required to give advance notice to the KTA in performing the services hereunder during such month; provided, that Arnold & Porter will submit to the KTA a description of the services rendered each month and the time spent thereon to support the charges. If the charges exceed or are expected to exceed U.S. \$15,000 per month, however, Arnold & Porter will give the KTA advance notice and obtain written authorization from the KTA prior to undertaking such new projects.

In the event there are additional services requested by the KTA during the term of this agreement, which services are not specified or anticipated in this agreement, Arnold & Porter will consult with the KTA regarding the contents and estimated charges of the services prior to performing such additional services.

The KTA will also reimburse Arnold & Porter for any out-of-pocket expenses incurred on behalf of the KTA. The out-of-pocket expenses will include such items as travel expenses, taxi fares, long distance calls, duplicating costs, and the like. It is understood that Arnold & Porter will not undertake out-of-town travel at the expense of the KTA without obtaining prior approval.

Arnold & Porter's statement for the services will be submitted to the KTA on a monthly basis. Arnold & Porter agrees, however, that the KTA will make payments to Arnold & Porter for services rendered under this agreement on a quarterly basis.

This agreement is entered into for a period of twelve months, from February 1, 1986 to January 31, 1987.

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Page Four

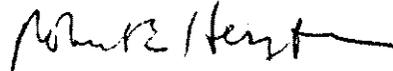
This agreement will be automatically renewed for successive periods of twelve months each unless one of the parties notifies the other party no later than one month prior to the expiration of the term of this agreement.

If the foregoing meets with your understanding and agreement, we would appreciate it if you would sign the enclosed copy of this letter and return it to us for our files. As you are aware, a copy of this letter will be filed with the U.S. Department of Justice in accordance with the Foreign Agents Registration Act.

Let us emphasize again that we welcome this opportunity to represent the KTA in this expanded capacity. We shall do our very best to justify your trust in us.

Very truly yours,

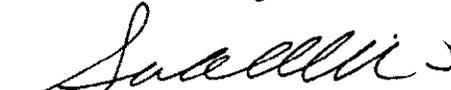
ARNOLD & PORTER



Robert E. Herzstein

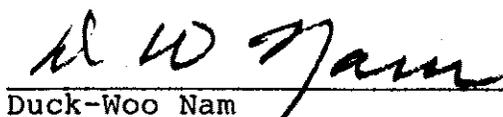


William D. Rogers



Sukhan Kim

AGREED TO:

  
Duck-Woo Nam

Dated:

INTERNAL SECURITY  
SECTION  
REGISTRATION UNIT  
MAY 15 2 06 PM '86  
RECEIVED  
U.S. DEPARTMENT  
OF JUSTICE  
CRIMINAL DIVISION