

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
ARNOLD & PORTER

Name of Foreign Principal
Consejo Empresarial Mexicano
para Asuntos Internacionales, A.C.

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.
As set forth in the attached correspondence, the Registrant will render advice on U.S. laws, regulations, policies and proposed legislation and represent the principal in connection with legislative or administrative actions that may affect the United States-Mexico trade relationship.

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SECTION
REGISTRATION UNIT

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

As set forth in the attached correspondence, the Registrant will render advice on U.S. laws, regulations, policies and proposed legislation and represent the principal in connection with legislative or administrative actions that may affect the United States-Mexico trade relationship. As set forth in the attached correspondence, the fee for such representation is to be determined periodically based on usual hourly charges plus out-of-pocket expenses, which will be billed against a monthly retainer. The duration of the agreement is through 1987.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?
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 the United States-Mexico trade relationship.

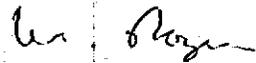
Date of Exhibit B

May 26, 1987

Name and Title

William D. Rogers,
Partner

Signature



¹Political 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 domestic or foreign policies of the United States or with reference to the political or public interests, policies, or actions of a government of a foreign country or a foreign political party.



CONSEJO EMPRESARIAL MEXICANO PARA ASUNTOS INTERNACIONALES

April 23, 1987

P.C.: 577

Mr. Robert Herzstein
Senior Partner
Arnold & Porter
1200 New Hampshire Ave. N.W.
Washington D.C. 20036
U.S.A.

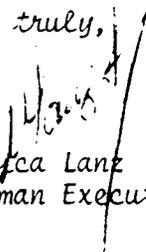
Dear Mr. Herzstein:

Enclosed please find the original retainer letter from Arnold & Porter duly signed by Mr. Juan Elek.

In regard to the payment Mr. Elek will be in touch with you.

Hoping the above information will be of your satisfaction, I remain

Yours truly,


Verónica Lanz
Chairman Executive Assistant

pchl.

ARNOLD & PORTER

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ROBERT HERZSTEIN
DIRECT LINE: (202) 872-6838

February 2, 1987

Juan Elek
Presidente Seccion Mexicana
Comite Empresarial Mexico-
Estados Unidos
Mariano Escobedo 510
Quinto Piso
11590 Mexico, D.F.
Mexico

Dear Juan:

I am writing this letter to confirm the understanding we have reached in our discussions, with respect to work that Arnold & Porter will perform on behalf of CEMAI during 1987.

You have asked that we work on CEMAI's behalf to support legislative or administrative actions by the U.S. Government that would have a constructive influence on Mexico's trade relationship with the United States, and to oppose action that would have an adverse impact. This activity would include monitoring developments in order to anticipate forthcoming actions. We would continue, on a more active basis, the program begun last year of working closely with the Trade and Fiscal Office of the Mexican Embassy to coordinate the efforts of allied Mexican and U.S. companies and trade groups. We would also, of course, seek to promote an understanding of the very important potential benefits for both the United States and Mexico to be achieved by improved economic relations between the two countries.

If specific trade disputes or complaints arise during the year, we will seek to inform you of them as early as possible and advise you with respect to their implications; however, the specific defense of such matters would normally require representation that goes beyond the scope of the services contemplated in this agreement.

CEMAI will establish a budget of \$150,000 to pay for our services during 1987. The fee for our services

Juan Elek
February 2, 1987
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will be based on the time required, calculated at our normal hourly rates. In the initial months we will send a statement each month for a retainer of \$15,000. Payment would be made by the 10th of each month. The amounts received will be held in a retainer account, from which our actual fees will be deducted.

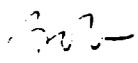
Since some months will require much greater effort than others, a surplus from some months will be carried forward for use later. However, if after a few months our fees are running substantially below the retainer, we will reduce the monthly retainer statements. Any retainer balance remaining at the end of the year will be refunded to you or, by agreement, carried over for use next year.

At this point, we hope that we will be able to cover in the above budget our routine expenses, such as normal telephone calls, telexes, xeroxing and taxi fare. However, if it is necessary to expend larger sums on such items as large mailings or long-distance travel, etc., we probably will not be able to cover them from the retainer payments and will consult with you about separate arrangements to cover them.

If this letter properly summarizes our agreement, I would appreciate it if you would sign the enclosed copy and return it to me for our files.

With cordial regards,

Sincerely yours,


Robert Herzstein

CEMAI

by _____
Juan Elek, Presidente