

Furnish this exhibit for EACH foreign principal listed in an initial statement
and for EACH additional foreign principal acquired subsequently.

1. Name and address of registrant Gray and Company Public Communications International, Inc. The Power House, Washington, D.C. 20007	2. Registration No. 3301
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3. Name of foreign principal Government of the Cayman Islands	4. Principal address of foreign principal Government Administration Bldg. Cayman Islands, B.W.I.
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5. Indicate whether your foreign principal is one of the following type:

- Foreign government
- Foreign political party
- Foreign or domestic organization: If either, check one of the following:
 - Partnership
 - Corporation
 - Association
 - Committee
 - Voluntary group
 - Other (specify) _____
- Individual—State his nationality _____

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 REGISTRATION

6. If the foreign principal is a foreign government, state:

- a) Branch or agency represented by the registrant. Government of the Cayman Islands
- b) Name and title of official with whom registrant deals. Michael J. Bradley
Attorney General

7. If the foreign principal is a foreign political party, state:

- a) Principal address Not Applicable
- b) Name and title of official with whom the registrant deals.
- c) Principal aim

8. If the foreign principal is not a foreign government or a foreign political party,

- a) State the nature of the business or activity of this foreign principal
Not Applicable

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b) Is this foreign principal

Owned by a foreign government, foreign political party, or other foreign principal Yes No

Directed by a foreign government, foreign political party, or other foreign principal..... Yes No

Controlled by a foreign government, foreign political party, or other foreign principal Yes No

Financed by a foreign government, foreign political party, or other foreign principal Yes No

Subsidized in whole by a foreign government, foreign political party, or other foreign principal..... Yes No

Subsidized in part by a foreign government, foreign political party, or other foreign principal..... Yes No

Not Applicable

9. Explain fully all items answered "Yes" in Item 8(b). (If additional space is needed, a full insert page may be used.)

Not Applicable

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

Not Applicable

Date of Exhibit A April 9, 1985	Name and Title Stephen M. Johnson Senior Vice President	Signature <i>Stephen M Johnson</i>
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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
Gray and Company Public Communications International, Inc.	Government of the Cayman Islands

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.

4. Describe fully the nature and method of performance of the above indicated agreement or understanding.

Gray and Company will provide public relations and government relations assistance to the Government of the Cayman Islands. These services may include the preparation and dissemination of briefing materials, the arrangement of speaking engagements for the principal's representatives, and the arrangement of meetings for principal's representatives with individuals in the U.S. public and private sectors. Such services will be rendered for a period of six months, at a cost not to exceed U.S. \$15,000 per month.

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

Gray and Company will assist the Cayman Islands in communicating to the U.S. media, to U.S. public officials and to members of the international financial community, the importance of the Cayman Islands as an offshore banking center and its attractiveness from the standpoint of trade, tourism and investment.

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

Such political activities may include contact with government officials relative to the activities in Question #5 above, including legislation and treaties affecting relations between the United States and the Cayman Islands.

Date of Exhibit B

4/9/85

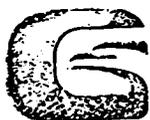
Name and Title

Stephen M. Johnson
Senior Vice President

Signature

Stephen M. Johnson

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 the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of the Government of a foreign country or a foreign political party.



GRAY AND COMPANY

WILLIAM F. BOLGER
VICE CHAIRMAN

2 sides

April 1, 1985

Government of the Cayman Islands
Government Administration Building
Grand Cayman
Cayman Islands, B.W.I.

Dear Sirs:

Please accept this letter as our letter of agreement by which Gray and Company Public Communications International, Inc. (hereafter known as "Gray and Company") will provide the Cayman Islands Government with public relations and government affairs counsel and services in the United States.

The fee for Gray and Company services will be a monthly retainer of five thousand U.S. dollars (U.S. \$5,000.00) payable each month in advance, plus the sum of hourly charges of officers and staff who participate on the account. In performing this assignment Gray and Company will draw upon its personnel according to the precise experience, talents and contacts needed for each task. This shall include support and research staff (average hourly rate: \$40-45/hour); junior professionals (\$60-70/hour); account executives and intermediate-level professionals (\$110-120/hour); account supervisors (\$180-190/hour), and senior officers (\$250-270/hour).

Gray and Company cannot independently verify material supplied to it by the Cayman Islands Government or its surrogates, and therefore the Cayman Islands Government agrees to indemnify and hold harmless Gray and Company for any claim, loss, damage, expense or other legal liability based upon information, representations, reports, news releases or other material prepared by Gray and Company on behalf of the Cayman Islands Government or its agents based upon material supplied by the Cayman Islands Government or its surrogates.

The parties to this agreement mutually agree that all activities undertaken in the performance thereof shall be in full compliance with the laws of the Cayman Islands and the United States. This agreement, along with any subsequent agreements, whether oral or written, and all activities undertaken by Gray and Company on behalf of the Cayman

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Islands Government will be reported to the Department of Justice of the United States under the provisions of the Foreign Agents Registration Act of 1938, 22 U.S.C. 611 et seq. Gray and Company intends to comply fully with the Act and all other applicable laws and regulations governing its activities on behalf of the Cayman Islands Government. Gray and Company will notify to and supply copies to the Cayman Islands Government of all reports made to the U.S. Government.

In the event a conflict of laws arises which would prohibit continued performance of the agreement by either party, this agreement shall be null and void with no additional fees due to Gray and Company beyond those due as a result of services already performed. This agreement shall be governed by and construed in accordance with the laws of the District of Columbia, United States of America.

This agreement will become effective on the date upon which it has been signed by both parties hereto, and will continue in force for a period of six (6) months. At any time after the expiry of four (4) months after this agreement becomes effective, either party has the right to terminate the agreement at any time upon sixty (60) days advance written notice to the other party. Services performed by Gray and Company pursuant to this agreement in any one calendar month shall not exceed fifteen-thousand U.S. dollars (U.S. \$15,000.00), nor shall the total fees payable under this agreement exceed written ninety-thousand U.S. dollars (U.S. \$90,000.00), without prior approval of the Government of the Cayman Islands.

Please signify your acceptance of this agreement by signing below. Gray and Company is indeed pleased to be of service to your Government.

GOVERNMENT OF THE
CAYMAN ISLANDS

By: [Signature]
Title: Deputy Governor
Date: 4th April 1985

GRAY AND COMPANY PUBLIC
COMMUNICATIONS INTERNA-
TIONAL, INC.

By: [Signature]
Title: Vice Chairman
Date: 4/5/85