

REVISED

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

Saunders & Company

Embassy Of Japan

Check Appropriate Boxes:

1.  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.
2.  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.
3.  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.

Provide the Embassy of Japan with advice and counsel on US-Japan economic relations, systems for communicating Japanese views to Congress and business leaders, and other matters on which the Embassy may request advice and counsel.

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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.

Monitor and track economic and political events in the United States, analyze those events, and report to the Embassy of Japan through written memos and personal meetings with Embassy officials the impact of those events on U.S.-Japan relationship.

Meet with Embassy officials, at their request, to provide advice on ways to better communicate Japanese views to U.S. Congress and business leaders.

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.

Arrange luncheon meetings at the Capitol Hill Club in Washington, DC for officials of the Japanese Embassy to have open discussions with Congressional staff and Administration officials on various aspects of the U.S.-Japan relationship with the purpose of improving mutual understanding.

Date of Exhibit B

4/13/88

Name and Title

Steven R. Saunders  
Managing Director

Signature



<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.

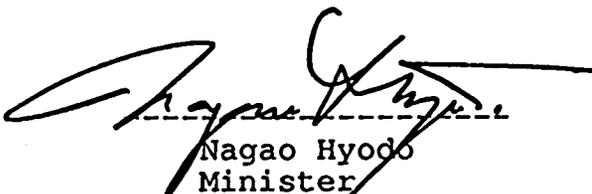
Contract  
Exhibit C

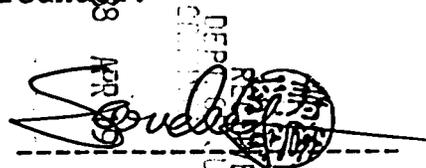
CONTRACT

The Embassy of Japan, 2520 Massachusetts Avenue, NW Washington, D.C. (hereinafter referred to as the "Embassy"), and Saunders and Company, 1015 Duke Street, Alexandria, VA (hereinafter referred to as "Saunders") have agreed as follows:

1. Saunders agrees to provide the Embassy with advice and counsel on US-Japan economic relations, systems for communicating Japanese views to Congress and business leaders, and other matters on which the Embassy may request advice and counsel, during the period 1 April 1987 through 31 March 1988, on the condition that FY 1987 provisional budget as well as FY 1987 budget will be approved by the Diet.
2. The Embassy agrees to pay Saunders US \$24,000 (Twenty-four Thousand Dollars). This payment shall be made in two parts: US \$12,000 (Twelve Thousand Dollars) at the end of September and US \$12,000 (Twelve Thousand Dollars) at the end of March.

In witness of the above agreement, Minister Nagao Hyodo, representing the Embassy of Japan, and Mr. Steven R. Saunders, of Saunders and Company, have signed hereunder.

  
Nagao Hyodo  
Minister  
Embassy of Japan

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Steven R. Saunders  
Saunders and Company

Date: April 1, 1987