

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 Daniel J. Edelman, Inc. 1730 Pennsylvania Avenue, NW, Suite 460 Washington, D.C. 20006	2. Registration No. 3634
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3. Name of foreign principal Republic of China	4. Principal address of foreign principal Coordination Council for North American Affairs 159 Lexington Ave. N.Y.N.Y.
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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 _____

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

YES

- a) Branch or agency represented by the registrant.
Coordination Council for North American Affairs
- b) Name and title of official with whom registrant deals.

Mr. Ivan Wang, Director, Information Division

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

- a) Principal address NO
- 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 N/A

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

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

Coordination Council for North American Affairs
is an organization owned by the Republic of China
and is charged with the promotion of the aims of
that Government.

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.

Date of Exhibit A 12-16-86	Name and Title Stephen K. Cook	Signature 
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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
Daniel J. Edelman, Inc. 1730 Pennsylvania Ave., NW Suite 460, Washington, D.C. 20006	Republic of China/ Coordination Council for North American Affairs

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.

Daniel J. Edelman, Inc., registrant, has been employed to provide consultation, public relations and public affairs services for the Republic of China/CCNAA. The terms of the contract will be performed by Daniel J. Edelman staff primarily based in, but not limited to, the cities of New York and Washington, D.C.

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MAR 1984
FBI - NEW YORK

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

Firm will provide consultation and public relations/public affairs services by means of dissemination information and arranging briefings, meetings and interviews between the client and interested opinion leaders and other concerned U.S. citizens.

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.

Firm will seek to educate the general U.S. media on a variety of topics including, but not limited to:

1. Lifting of martial laws and ban on political parties;
2. Human rights in ROC;
3. Economic Developments;
4. International status;
5. U.S.--ROC Trade Issues;

Date of Exhibit B	Name and Title	Signature
12-16-86	Stephen K. Look Executive Vice President	

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 a government of a foreign country or a foreign political party.

EDELMAN

public relations

November 21, 1986

Mr. Ivan Wang
Director/Information Division
CCNAA
159 Lexington Avenue
New York, NY

Dear Mr. Wang:

This letter, when signed by you, will constitute our agreement to serve as public relations counsel to the ROC effective November 21, 1986.

This agreement is for four months, and will cover the two projects specified in Edelman's proposal of Oct. 24 and as outlined by the GIO (Attached in Mr. Wei's translation as Appendix A).

The budget will be as specified on page 6 of the proposal and attached as Appendix B. This specifies as compensation for our professional services, a personnel fee of \$15,000 per month, billed monthly at the beginning of each month of service, with additional disbursements as indicated.

The fee for professional services covers activities in the United States only. If the program entails services of our foreign offices or affiliates, there will be an additional fee as mutually agreed upon.

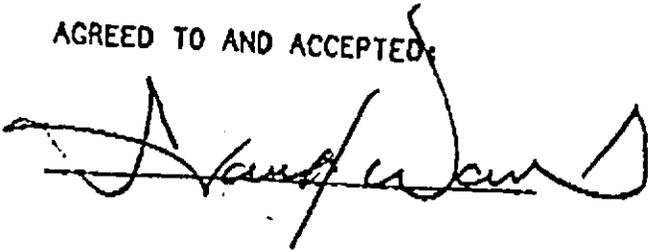
You agree to indemnify and save us harmless from and against all liability including all actions, claims, damages, costs and attorneys' fees, which we may incur (or to which we may be a party), arising out of actions taken or statements made by us at your direction or based upon information provided by you.

It is understood that you shall not, whether directly or indirectly, employ, hire or retain, and that you shall not recommend to others the employment, hiring or retention of, as an employee, agent, independent contractor or otherwise, any person employed by us for one year following the termination of the arrangement.

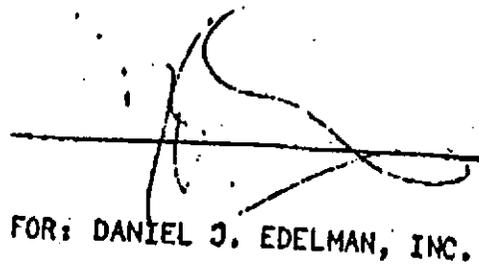
We are pleased to have this opportunity to be of service and assure you that we will extend every effort to make the program extremely productive for you.

Please sign both copies of this letter, retaining the original for your files and returning the copy to us.

AGREED TO AND ACCEPTED:

A handwritten signature in dark ink, appearing to be "R. J. Edelman", written over a horizontal line.

FOR: ROC

A handwritten signature in dark ink, appearing to be "Daniel J. Edelman", written over a horizontal line.

FOR: DANIEL J. EDELMAN, INC.

November 21, 1986

-8-

BUDGET

In order to permit Edelman executives to make the sort of commitment to the ROC account that would ensure effective work, our fee for the two assignments over the next four months must be set at a minimum of \$15,000 per month. This is the lowest fee that Edelman may charge in order to take on work for a foreign government. Of course, we must always keep in mind that when we undertake one program, we rule out the possibility of doing others.

Of course, we initially had set the fee much higher, at between \$25,000 and \$40,000 per month, to carry out a full-fledged program. But, reflecting the limited nature of the assignments the GIO is now asking us to perform, as well as the bureaucratic difficulties of allocating fresh funds at this time in the ROC's fiscal year, Edelman would be willing to undertake the "engagement period" work for \$15,000 per month from November 1986 to February 1987.

Professional fee	\$60,000 (\$15,000 for four months)
National Media Tour Department booking fees for eight markets (not including optional stops)	TBD (\$500 per market)
Production expenses for all media materials (both tour and opinion leaders)	\$ 1,000
Travel and subsistence expenses for accompanying delegations	TBD (\$750 per city per executive)
Out of pocket expenses (Telephone, Xerox messenger, telex, et cetera)	\$ 4,000 (\$1,000 per month)

Note: TBD means "to be determined" mutually.

APPENDIX A

ROC ON TAIWAN LETTER OF AGREEMENT

NOVEMBER 21, 1986

The two proposals have been approved. The budget was also approved.

SCHOLARS' MEDIA TOURS

1. Main purpose: Establish new relations and visit selected previously made contacts.
2. Arrange interviews with scholars as emphasis of tours.
(will greatly appreciate all broadcasts and articles resulting.)
3. Each tour will be for two weeks, specifically emphasizing major cities and institutes.
4. A roster of tour members will be sent immediately.

OPINION LEADERS

1. 5 topics for press briefings
 - A. Lifting of martial laws and ban on political parties.
 - B. Human rights in ROC.
 - C. Economic developments.
 - D. International status.
 - E. US-ROC trade issues.
2. Prepare briefing on the above 5 topics. GIO will provide reference and background materials.

(ENGLISH SUMMARY BY MR WEI)

