

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	The Pagonis & Donnelly Group, Inc. 1620 I Street, NW Suite 202 Washington, DC 20006	2. Registration No.	2692
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3. Name of foreign principal	Government of the People's Democratic Republic of Ethiopia	4. Principal address of foreign principal	Addis Abbaba Republic of Ethiopia
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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:

- a) Branch or agency represented by the registrant. Government of the People's Democratic Republic of Ethiopia
- b) Name and title of official with whom registrant deals. Yilma Adamu, Vice Minister

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

- a) Principal address
- b) Name and title of official with whom the registrant deals.
- c) Principal aim

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REGISTRATION DIVISION
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8. If the foreign principal is not a foreign government or a foreign political party, state: n/a

- a) State the nature of the business or activity of this foreign principal

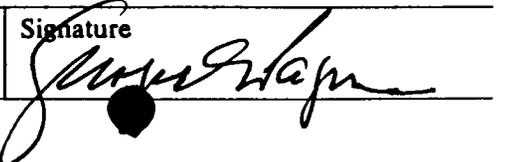
b) Is this foreign principal

- 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.)*

n/a

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. n/a

Date of Exhibit A	Name and Title George Pagonis, President; The Pagonis & Donnelly Group, Inc.	Signature 
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Under the Foreign Agents Registration Act of 1938, as amended

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 triplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Privacy Act Statement. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, dissemination report, copy of political propaganda or other document or information filed with the Attorney General under this act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, D.C. One copy is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of such documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. Finally, the Attorney General transmits an annual report to the Congress on the Administration of the Act which lists the names of all agents and the nature, sources and content of the political propaganda disseminated or distributed by them. This report is available to the public.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .33 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Criminal Division, U.S. Department of Justice, Washington, D.C. 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

Name of Registrant

The Pagonis & Donnelly Group, Inc.

Name of Foreign Principal

Government of the People's
Democratic Republic of Ethiopia

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 three 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 three 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 the 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.

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

Consult with and advise foreign principal on U.S.-Ethiopian relations and engage in related matters as outlined in the attached agreement dated July 20, 1990.

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

Consult with and advise foreign principal on U.S.-Ethiopian relations and engage in related matters as outlined in the attached agreement dated July 20, 1990.

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

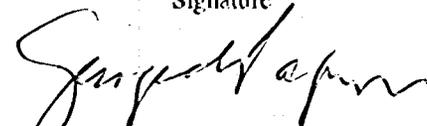
If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

Provide consultative and advisory services to improve relations between the government and officials in both the public and private sectors of the United State of America; to widen the knowledge in the United States of America of the Government and her history as well as the status and objectives of her citizens; to encourage investment in Ethiopia by businesses in the United States of America; to assist in arranging itineraries for visits to the United States of America for both public and private sector representatives from Ethiopia; to advise the Government's embassy in the United States of America on relations with United States entities.

Date of Exhibit B

Name and Title
George G. Pagonis,
President; The Pagonis &
Donnelly Group, Inc.

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 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.

AGREEMENT

BETWEEN

GOVERNMENT OF THE PEOPLE'S DEMOCRATIC REPUBLIC OF ETHIOPIA
(hereinafter referred to as the Government)

and

THE PAGONIS AND DONNELLY GROUP, INCORPORATED

1620 Eye Street NW, Suite 202

Washington, D.C. 20006

(hereinafter referred to as the Group)

WHEREAS the Government wishes to acquire and the Group agrees to provide consultancy and advisory services to improve relations between the Government and officials in both the public and private sectors of the United States of America; to widen the knowledge in the United States of America of the Government and her history as well as the status and objectives of her citizens; to encourage investment in Ethiopia by businesses in the United States of America; to assist in arranging itineraries for visits to the United States of America for both public and private sector representatives from Ethiopia; to advise the Government's embassy in the United States of America on relations with United States entities;

NOW THEREFORE the Government and the Group agree and these present witnesseth that -

Article 1

The Government will pay the Group a retainer fee of sixteen thousand U.S. dollars (US \$16,000) per month for the initial year of this agreement beginning on the date of execution and continuing one year from that date. One fourth (\$4,000) of the annual retainer fee shall be due in advance of commencement of services. Beginning with the 4th month, the monthly fee will be paid on the 1st day of each month of the contract period.

Article 2

The retainer fee may be adjusted by mutual agreement between the Government and the Group and the period for its payment shall be extended beyond the initial year on a year-to-year basis unless there is express agreement for an alternate format entered into between the Government and the Group.

Article 3

- 1) At any time after the 1st three months of this agreement the Government or the Group may terminate this agreement by giving the other party ninety (90) days written notification of intention to terminate the agreement.



[Handwritten signature]

- 2) In which case any payment made by the Government in advance of the ninety day notification of intention to terminate, pursuant to above, shall be promptly reimbursed by the Group and any payment due to the Group, in accordance with the ninety day intention to terminate, shall be promptly made good by the Government.

Article 4

Retainer fees are inclusive of normal office and operating expenses. Significant out-of-pocket costs such as approved travel, meals, entertainment, major production expenses, international telex and facsimile transmission will be receipted and billed monthly in addition to fees and are not expected to exceed \$1000.00 per month except when pre-approved travel is authorized.

Article 5

- 1) It is generally agreed that, in exchange for the retainer fees described in Article 1 above, the Group shall engage in activities in conjunction with an agreed Scope of Work which shall be provided by the Group to the Government and modified by mutual agreement from time-to-time.
- 2) The Group shall submit an informative monthly report on its activities.

Article 6

This contract shall constitute the entire agreement between the parties and no amendments hereto shall be of force and effect unless reduced to writing and signed by both parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date written below.

THE GOVERNMENT OF PEOPLE'S DEMOCRATIC REPUBLIC OF ETHIOPIA

DATE: JULY 20, 1990



Yilma Admu

YILMA ADMU

Title
VICE MINISTER

THE FAGONIS & DONNELLY GROUP, INC.

DATE: _____

BY: *James J. Fagonis*

Name

C.O.B.
Title