

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 .49 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.

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 Henry J. Kaufman 2233 Wisconsin Avenue, N.W. Washington, DC 20007	2. Registration No. 4093 F
3. Name of foreign principal People's Democratic Republic of Ethiopia	4. Principal address of foreign principal Embassy of Ethiopia 2134 Kalorama Road, N.W. Washington, DC 20008

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. Embassy of Ethiopia
- b) Name and title of official with whom registrant deals. Girma Amare  
Counselor, Charge D'Affaires

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

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

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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

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.)*

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

7-13-90



Name and Title

Michael G. Carberry  
Chairman/CEO

Signature



**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.

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Name of Registrant	Name of Foreign Principal
Henry J. Kaufman & Associates, Inc.	People's Democratic Republic of Ethiopia

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 three 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 three 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 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.

4. Describe fully the nature and method of performance of the above indicated agreement or understanding.  
As public relations/public affairs counsel, Kaufman will assist the Government of Ethiopia with communicating the new directions the country is moving in with respect to its political, economic and social policy; its movement away from Marxist ideology and toward more democratic structures.

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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. Media relations and public affairs activities designed to update the U.S. public on current conditions in Ethiopia and to promote greater understanding of the U.S.-Ethiopian relationship.

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.

Aforementioned communications activities will support People's Democratic Republic of Ethiopia's efforts to re-establish full diplomatic relations with the U.S.

In order to achieve this objective, registrant seeks to inform the U.S. Media, Congress, and Federal Agencies of Ethiopia's emerging viewpoints on issues which affect both nations. This will be accomplished through press releases, brochures, etc.

Date of Exhibit B

7-13-90 *MLC*

Name and Title

Michael G. Carberry  
Chairman/CEO

Signature

*Michael G. Carberry*

<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 with 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.

## SERVICE CONTRACT

The following constitutes a contract between the Government of Ethiopia (the Client) and Henry J. Kaufman & Associates (the Agency), effective as of June 18, 1990. The contract incorporates the understanding of the parties with respect to the retention of Henry J. Kaufman & Associates as the public relations/public affairs agency for the Government of Ethiopia.

As public relations/public affairs counsel, Kaufman will assist the Government of Ethiopia with communicating the new directions the country is moving in with respect to its political, economic and social policy; its movement away from Marxist ideology and toward more democratic structures.

### **I. Appointment and Authorization of the Agency**

The Agency is hereby retained on an exclusive basis to represent the Client in carrying out its advertising and/or public relations program and is authorized to act on behalf of the Client in this regard subject to the terms and conditions of this agreement.

### **II. Services to be Performed**

The Agency shall act as the agent of the Client in performing those services usually rendered by our Agency.

### **III. General Covenants**

A. The Agency will use its good faith efforts and judgment in the performance of all services and duties, but since results are influenced by many variables beyond either the Agency's or Client's control, it is understood that the Agency does not stipulate or guarantee specific or overall results or returns from advertising, public relations or research. Agency shall have no liability hereunder except for its gross negligence or willful misconduct. Further, the Agency will not perform or provide, and the Client agrees not to request, any service or material which is unlawful, or is to be used in any unlawful manner, or which in the Agency's judgment is offensive or which might otherwise be detrimental to the interests of the Client or the Agency.

#### **B. The Agency agrees:**

- o That materials produced or purchased by the Agency for the Client, and paid for by the Client, shall be the property of the Client. Unused or unplaced advertising for which the Agency has not been compensated, or materials, ideas, plans, musical themes, slogans and other products that have not been adopted by the Client (whether or not the physical embodiment is in the Client's possession and whether or not paid for) shall be the sole property of the Agency, and the Agency shall be entitled to the proceeds of the sale, and the exclusive and unrestricted use, of such property.
- o That the Client may, during normal business hours and at the Agency's place of business, examine the Agency's time and accounting records pertaining to the Client.

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- o That information and materials provided by the Client to the Agency on a confidential basis shall be held in confidence by the Agency except as otherwise required by law.
- o That Jennefer Hirschberg, Executive Vice President of Kaufman Public Relations will be the management supervisor on the account.

**C. The Client agrees:**

- o To reimburse and compensate the Agency in accordance with the provisions in this contract for all costs incurred for services performed and materials produced on behalf of the Client by the Agency, or a third party at the Agency's direction.
- o To assume full liability and responsibility for any additional expenditures resulting from missed deadlines, closing dates, or insertions caused by Client's delay in approving any work or expenditure or otherwise.

**IV. Third Party Contracts**

The Agency is authorized to enter into contracts with third parties to effectuate the purposes of this contract. The Client agrees to reimburse the Agency for out-of-pocket expenses and bills (at the Agency's cost plus 20 percent) which the Agency may incur as a result of contracting with third parties for work to be done on the Client's behalf. While the Agency shall exert its good faith efforts to prevent any loss to the Client resulting from failure of proper performance by any third party, the Agency shall not be liable or responsible for any such failure.

**V. Indemnification**

It is understood that Henry J. Kaufman & Associates cannot undertake to verify all the facts supplied to it by Ethiopia of all factual matters included in material prepared by us and approved by the Government of Ethiopia. Therefore, the Government of Ethiopia agrees to indemnify and hold harmless Henry J. Kaufman & Associates from and against any and all losses, claims, damages, legal fees, expenses or liabilities which Henry J. Kaufman & Associates may incur based upon information, representations, reports, data or releases furnished or approved by the Government of Ethiopia, whether or not Henry J. Kaufman & Associates prepares or participates in the preparation of the material. Such indemnification extends to, but is in no way limited to, any claim, suit or proceeding arising out of the Agency's obligations resulting from the use of media under applicable union codes or contracts relating to the production of commercials.

In addition, the Client will indemnify the Agency for all reasonable attorneys' fees and costs incurred in enforcing the terms and conditions of this contract. The Client's duty to indemnify the Agency under this contract will not terminate with the cancellation of this contract.

**VI. Trademarks, Names, Slogans, Releases and Consents**

The Agency shall secure all necessary consents and releases for material prepared for the Client in accordance with this contract. The Client shall have the responsibility for any specific trademarks, names, slogans or other materials which the Client furnishes the Agency. The Client agrees that its own trademark counsel will perform any necessary clearances or research, and to reimburse the Agency for any expenditures incurred by the Agency in this regard.

## **VII. Charges for Services**

The Client will compensate the Agency for the services it performs on the Client's behalf in accordance with the terms and manner specified in this contract. However, the terms of such compensation for specific services, which shall be controlling in the absence of any specific modification are as follows:

- A. Advertising, planning and placement.** The Agency will retain commissions, if any, paid by media. Where there are no media-paid commissions, or where commissions are not adequate to reimburse the Agency for the cost of planning, creating and placing the advertising, the Agency shall instead charge a fee of 20% of the cost of the media placed. The Agency and the Client may agree in any Attachment that a fee will be paid in lieu of media-paid commissions, in which case commissions may be credited to the Client's account.
- B. Marketing services.** The Client shall compensate the Agency for marketing, planning and consultation services on an hourly basis and at rates in accordance with the Agency's standard hourly rates for marketing services. For market research projects, at the Client's request, the Agency will furnish the Client a written estimate of the total cost, including time charges for Agency personnel.
- C. Public relations consultation and services.** The Client shall compensate the Agency for public relations consultation and services on an hourly basis at rates in accordance with the Agency's standard hourly rates for public relations.
- D. Production services.** The Client shall pay the Agency cost plus 20 percent for all production services and materials the Agency purchases from outside suppliers on the Client's behalf. In addition, for production of non-advertising materials such as booklets, books, folders, posters and other printed matter, and films, recordings, slides and other audio-visual matter, the Client shall compensate the Agency on an hourly basis at the Agency's standard hourly rates for production services for time devoted to planning, editorial research, writing, editing, designing and directing.
- E. Graphic design services.** The Client shall compensate the Agency for graphic design, layout, typography and mechanical art services on an hourly basis and at rates in accordance with the Agency's standard hourly rates for graphic design services.
- F. Miscellaneous expenses.** The Client shall reimburse the Agency for miscellaneous expenditures such as travel and related meals and lodging, long-distance telephone calls, secretarial, telegrams, postage and express charges, and photoduplicating, etc. at cost plus 20 percent.

## **VIII. Terms of Payment**

The terms of payment, which shall be controlling unless specifically modified in any Attachment hereto, shall be as follows:

- A. A minimum monthly retainer fee of \$25,000 shall be payable monthly in advance, with an initial payment of \$50,000 to cover the first 2-months of retainer fee. Hourly time charges of Agency personnel shall be applied toward such monthly fee and any excess shall be billed to Client as set forth below, not to exceed \$300,000 for the term of this contract (one year) unless specified by the client. As such minimum fee is necessary to ensure a**

reasonable profit to the Agency, no credit shall be given for any month in which the fee exceeds the monthly time charges.

The Government of Ethiopia will be sent monthly itemized invoices detailing necessary and reasonable miscellaneous out-of-pocket expenses for such things as telephone, fax, copying, postage, travel (within the United States). Such charges normally run between \$1,000 and \$2,000 per month.

- B. Itemized bills will be rendered to the Client monthly, and are payable within 10 days. Any objections to a bill must be received by the Agency within 30 days. Bills unpaid for more than 30 days are subject to a service charge of 1.5 percent per month (or such lesser rate as authorized by law).
- C. Space/time costs for advertising will be billed 30 days prior to the date on which the commitment will become irrevocable.
- D. Production or special projects involving substantial outlay or which extend over a period of more than 30 days will be billed in advance, either in whole or in part, at the Agency's discretion and the Agency may request a security deposit to be applied to any amounts unpaid at the end of the project. Cost and fees in excess of the advance payment shall be billed on a monthly basis.

#### IX. Cancellation

- A. This contract shall remain in effect and be binding upon the parties and their assigns for a period of one year. Thereafter, the Agreement shall automatically be renewed for successive one year periods and may be terminated by either party upon ninety days prior written notice. The rights and responsibilities of the Agency shall continue in full force during the period of notice, including the ordering and billing of all advertising in media whose closing dates or broadcast dates fall within such period, at which time media commissions shall be deemed earned by the Agency. In the event of such cancellation (and after the expiration of the 90 day interval following notice), all rights and liabilities arising out of the relationship shall cease, including the carrying to completion of plans already made for the publication, production, or broadcast, of advertisements, or any space which has been reserved, except as provided below or elsewhere in this agreement:
  - 1. Any uncancellable or untransferable contract still existing at the expiration of the 90 day interval following notice shall be paid for by the Client. Any additional media charges (such as short rates) for failure to utilize preagreed quantities of time and space, shall be paid by the Client. Any materials, services, etc., which the Agency has committed to purchase on the Client's account shall be paid for by the Client in accordance with provisions of this contract.
  - 2. The Client will be responsible for any sales tax applicable to work performed by the Agency for the Client which may at any time be levied as a result of an audit by the taxing authority or otherwise.
- B. Agency shall render a final bill after termination of the contract. The Client agrees to pay such invoice within 10 days after receipt. Any objections to the final bill must be received by the Agency within 15 days. Thereafter, unpaid amounts are subject to a service charge of 1.5 percent per month (or such lesser rate as authorized by law). The Client acknowledges that upon termination of this contract it shall continue to be liable for all

outstanding obligations incurred pursuant to this contract (including to third parties) and agrees to indemnify the Agency with respect to the same.

- C. Subject to the prior performance by the Client of all covenants made by it in this contract, the Agency agrees that promptly after the effective date of cancellation of this contract it will transfer to the Client all property in its possession belonging to the Client. The Agency also agrees to give all reasonable cooperation toward transferring (with approval of third parties in interest) all reservations and arrangements with advertising media, or others, for advertising space, broadcasting, or materials yet to be used, upon being released from the related obligations.
- D. It is understood and agreed by the Client and the Agency that the covenants made in this contract relating to obligations arising upon cancellation of the contract shall survive such cancellation.

X. **Miscellaneous**

- A. **Special Conditions.** This contract shall not be subject to any special conditions unless such special conditions are specifically identified in the Attachments hereto.
- B. **Arbitration.** At the Agency's option, any claim, controversy, or dispute arising hereunder of connected herewith or related hereto shall be settled and determined by arbitration in accordance with the then existing rules of the American Arbitration Association and such arbitration shall be held in Washington D.C.. The decision and award of the arbitrator shall be final and binding upon the parties hereto and judgment thereon may be entered in the highest court of the forum having jurisdiction. The Arbitrator shall not have the power to modify the express terms of this contract.
- C. **No Solicitation.** The Client agrees that during the term of this agreement and for an 18 month period thereafter, it will not solicit or induce any employee of the Agency to leave his or her employment with the Agency or hire any such employee, or request or advise any other client of the Agency to withdraw, curtail or cancel its business with the Agency.
- D. **Governing Law.** This contract shall be governed by and interpreted according to the substantive and procedural laws of Washington D.C.
- E. **Entire Understanding.** This contract and any attachments contain the entire understanding between the parties with respect to this subject matter and supersedes all prior and contemporaneous understanding relating to this subject matter. No amendment, modification or waiver of this contract or any part of this contract may be effected except by a written instrument which has been duly executed on behalf of the party against whom the enforcement of such amendment, modification or waiver is sought (in case of Agency, execution must be by a corporate officer of Agency).

Agreed to by the Client

GIRMA AMARE  
(name)  
(title) Counselor, Charge d' Affaires

6/18/90  
(date)

Agreed to by the Agency

Jennifer Nishby  
(name)  
(title) Ch. V.P. Kaufman Public Relations

6/18/90  
(date)