

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	Name of Foreign Principal
P.S. Communications	Walsall Security Printers, Ltd.

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.

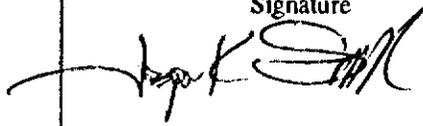
P.S. Communicstions will provide consultant services to Walsall Security Printers with respect to their competing for stamp printing contracts with the U.S. Postal Service, as described in the attached letters of agreement.

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

P.S. Communications will conduct a market analysis of printing opportunities in the U.S., participate in the USPS procurement conference and advise Walsall Security Printers on procurement policy as described in the attached letters of agreement.

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.

Date of Exhibit B	Name and Title	Signature
Feb. 26, 1992	Jasper K. Smith, Ptr.	

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.

Letter of Agreement

This Letter of Agreement details the arrangement under which P.S. Communications, 1603 North Street, Beaufort, S.C. (the Agent) will perform public affairs and counseling services for Walsall Security Printers, Ltd., Midland Road, Walsall, U.K. (the Company).

I. The Project

A marketing and public affairs project that will provide the impetus for evaluating the Company's opportunities for a successful security printing operation in U.S. markets will be developed and accomplished by the Agent as follows:

A. Pre-Conference (from present to November 15, 1991)

In preparation for the United States Postal Service Procurement Conference in Washington, D.C. during November 1991 (entitled "Let's Do Business") and the subsequent introduction of the Company's products into the market, the Agent will:

- Identify potential markets nationwide, both in the public and private sectors, and the resources required of the Company to satisfy them.
- Identify and evaluate the security printing companies, foreign and domestic, competing for USPS postage stamp contracts.
- Prepare a full market research report providing an objective appraisal of the Company's specific opportunities and threats with summary recommendations.
- Provide a pre-conference briefing detailing the results of the Agent's market research to the Company's management team at a time and place directed by the Company.

B. Conference and Post-Conference (November 18 to November 30, 1991)

- Participate and provide advice and counsel during the USPS Procurement Conference in Washington, D.C. from 18 - 19 November 1991.
- Participate in and provide advice and counsel during a post-conference evaluation at a time and place to be directed by the Company.
- Follow-up actions as mutually determined in post-conference evaluations.

II. Compensation

As compensation for the project described above, the Agent will receive:

- A fee of \$10,000 (50% payable on signing of the Letter of Agreement, and the balance on 30 November 1991). This fee will include all major out-of-pocket expenses incurred by the Agent during the conduct of the project, including travel to the conference, overnight accommodations for five nights in Washington, D.C., and other related expenses.
- Expenses directly related to the project for fax, mail, postage, telephone, and related supplies will be billed separately, but in no case to exceed a total of \$200.

III. Indemnity

It is agreed that the Company will hold harmless the Agent from and against all losses, claims, expenses and liabilities which the Agent may incur based upon information, representations, reports or data furnished by the Company to the extent such material is furnished or prepared by or approved by the Company.

IV. Duration of Agreement

This Agreement will terminate upon the payment, by the Company to the Agent, the balance of all monies due in accordance with the terms and conditions stated above.

Accepted and agreed to by:



David G. Porter
P.S. Communications
Date OCT. 9, 1991



A.P. Aspinall, Managing Director
Walsall Security Printers, Ltd.
Date 11th Oct 1991

Excluding Clause III (Indemnity) as we feel this is not necessary at this stage of an agreement.

Letter of Agreement

This Letter of Agreement details the arrangement under which P.S. Communications, 1603 North Street, Beaufort, S.C. (the Agent) will perform public affairs and counseling services for Walsall Security Printers, Ltd., Midland Road, Walsall, U.K. (the Company).

L The Project

A public affairs project that will provide 1) an evaluation of the Company's opportunities to acquire postage stamp contracts with the United States Postal Service and 2) recommended courses of action commensurate with the Company's objectives, will be developed and accomplished by the Agent as follows:

From Present to December 31, 1991

As a follow-on project to confirm perceived contract opportunities for Walsall Security Printers made apparent during the United States Postal Service procurement conference, the Agent will:

1. Provide the Company with the following:

- A sample solicitation.
- Copy of a USPS contract for stamp booklets or similar product.
- Copy of USPS Security manual.
- USPS Conference Proceedings.
- USPS Procurement Manual.

2. Maintain Communications with Senior Officials of the USPS (Including Telecommunication, Written and Personal Visits)

Procurement Office.

- To monitor foreign source procurement policy.
- To assess impact of this policy on the Company.
- To facilitate the submission of a developmental proposal by the Company.
- To monitor progress of developmental proposals submitted.
- To facilitate the Company's status as an "Emergency Supplier".
- To encourage the use of the Company by the USPS as an "Emergency Supplier", which will require a waiver to current policy.
- To monitor and assess requirements for "Qualified Supplier" status (the Qualification Process).
- To ascertain minimum guarantees that accrue to "Qualified Suppliers".

Stamp Manufacturing Office.

- To monitor and assess requirements for "Qualified Supplier" status (the Qualification Process).
- To monitor progress of developmental proposals submitted.
- To protect the company from arbitrary and capricious judgments.
- To ensure the Company receives equal application of standards in proposal review and during the Qualification Process.

3. Provide Political Risk Analysis

Through contacts within the United States Postal Service, the United States Congress, the printing industry, and the media, the Agent will:

- Assess the mood of Congress regarding foreign source procurement.
- Assess the obstacles to foreign source procurement internal to the USPS.
- Explore the merits of establishing a U.S. Corporation to mitigate political risk.
- Provide recommended courses of action based on this assessment and in consultation with the management of the Company.

II. Compensation

As compensation for the project described above, the Agent will receive:

- A fee of \$5,000 (50% payable on signing of the Letter of Agreement, and the balance on December 31, 1991). This fee will include all major out-of-pocket expenses incurred by the Agent during the conduct of the project, including travel to Washington, D.C., and other related expenses.
- Expenses directly related to the project for fax, mail, postage, telephone, and related supplies will be billed separately, but in no case to exceed a total of \$300.

III. Duration of Agreement

This Agreement will terminate upon the payment, by the Company to the Agent, the balance of all monies due in accordance with the terms and conditions stated above.

Accepted and agreed to by:



David G. Porter
P.S. Communications

Date 11/26/91



A.P. Aspinall, Managing Director
Walsall Security Printers, Ltd.

Date 28th Nov 91

January 6, 1992

P.S. Communications

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Mr. Adrian Aspinall
Walsall Security Printers Ltd
P.O. Box 26
Midland Road
Walsall WS1 3QL
ENGLAND

Dear Adrian,

As we discussed earlier today, I am forwarding a proposal that will cover an interim period (between Phase II and Phase III), at the conclusion of which Walsall will be able to determine the value of continuing to pursue stamp contracts with the United States Postal Service.

PHASE II

As Phase II comes to an end, P.S. Communications has requested, but not received, the conference proceedings and a copy of the USPS/American Banknote contract for stamp booklets. We have received a copy of the Procurement Manual, which we intend to forward with the other documents when they are received, unless it is desired sooner.

The draft letters to ascertain procurement policy and to position the company for emergency supply have been provided to Walsall.

A review and status report has been provided to WSP, with an analysis of what Walsall can expect in the near term and the long term concerning USPS contracts, the current political situation and how it impacts foreign-source procurement, and recommendations on Walsall's next steps toward the ultimate objective of doing business with the USPS.

INTERIM PHASE (January 1, 1992 - February 29, 1992)

As Phase II concludes (December 31, 1991), the USPS has been unable to provide a clear signal on future foreign procurement policy, although it clearly must be modified to meet anticipated demand. Developments in this arena must be closely watched, which we propose to do over the weeks to follow.

During this phase, P.S. Communications, will close out the actions pending from PHASE II (i.e., forward the requested documents) and continue to monitor USPS procurement policy using means, sources and methods employed during Phase II.

Specific tracking of the emergency supplier status will be accomplished as well as monitoring related developments of interest to Walsall, particularly the pre-qualification process being prepared for implementation in May 1992.

COMPENSATION

For the Interim Phase, we propose a flat fee of \$2,500 per month inclusive of expenses, payable on the 15th of each month. (This would not include travel to Washington, which we do not foresee as necessary, but if both parties feel travel is required, the cost could be negotiated separately).

If preferred, our standard hourly rate for a project of this scope is \$75.00/hour up to a maximum of \$3000 per month. An hourly accounting would be provided monthly and the bill would be presented for payment at the end of each month.

In any case, further work required to provide documents promised in the Phase II Letter of Agreement will not be billed.

Jake and I look forward to continuing our efforts on this challenging project and await your reply.

Warmest regards,



David G. Porter
Senior Partner
P.S. Communications