

Privacy Act Statement. The filing of this document is required by the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 *et seq.*, for the purposes of registration under the Act and public disclosure. Provision of the information requested is mandatory, and failure to provide this information is subject to the penalty and enforcement provisions established in Section 8 of the Act. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials 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, DC. Statements are also available online at the Registration Unit's webpage: <http://www.fara.gov/>. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the Administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public in print and online at: <http://www.fara.gov/>.

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, Counterespionage Section, National Security Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 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 CDN INTERNATIONAL INC 1101 17TH STREET, NW - SUITE 1010 - WASHINGTON DC 20036	2. Registration No. <b>5992</b>
---	------------------------------------

3. Name of foreign principal SOCIAL COMMUNICATION SECRETARIAT OF THE OFFICE OF THE PRESIDENT OF THE REPUBLIC OF BRAZIL	4. Principal address of foreign principal ESPLANADA DOS MINISTERIOS BLOCO A 6 ANDAR - GABINETE BRASILIA-DF, BRAZIL 70000
--	---

5. Indicate whether your foreign principal is one of the following:

- 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 nationality \_\_\_\_\_

NSD/CES/REGISTRATION  
UNIT  
2010 JUN 28 AM 10:35

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

- a) Branch or agency represented by the registrant  
SOCIAL COMMUNICATION SECRETARIAT OF THE OFFICE OF THE PRESIDENT OF THE REPUBLIC OF BRAZIL
- b) Name and title of official with whom registrant deals  
OTTONI GUIMARAES FERNANDES, JUNIOR - EXECUTIVE SECRETARY OF THE SOCIAL COMMUNICATION SECRETARIAT

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

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

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

Supervised by a foreign government, foreign political party, or other foreign principal

Yes  No

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 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 must 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.

NO/CE/REGISTRATION  
UNIT  
2010 JUN 28 AM 10:35

Date of Exhibit A	Name and Title	Signature
JUNE 10, 2010	ALEXANDRE REGO PRESIDENT AND PARTNER	

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. One original and two legible photocopies of this form shall be filed for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Privacy Act Statement. The filing of this document is required by the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 *et seq.*, for the purposes of registration under the Act and public disclosure. Provision of the information requested is mandatory, and failure to provide this information is subject to the penalty and enforcement provisions established in Section 8 of the Act. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials 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, DC. Statements are also available online at the Registration Unit's webpage: <http://www.fara.gov/>. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the Administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public in print and online at: <http://www.fara.gov/>.

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, Counterespionage Section, National Security Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

1. Name of Registrant  CDN INTERNATIONAL INC 1101 17TH STREET, NW- SUITE1010- WASHINGTON D.C-20036	2. Registration No.  5992 2010 JUN 28 AM 10:35 NSD/CES/REGISTRATION UNIT
3. Name of Foreign Principal  SOCIAL COMMUNICATION SECRETARIAT OF THE OFFICE OF THE PRESIDENT OF THE REPUBLIC OF BRAZIL	

Check Appropriate Boxes:

4.  The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach a copy of the contract to this exhibit.
5.  There is no formal written contract between the registrant and the foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach a copy of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
6.  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 expenses, if any, to be received.

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

THE ATTACHED AGREEMENT IS BETWEEN REGISTRANT'S MAIN SHAREHOLDER IN BRAZIL AND THE FOREIGN PRINCIPAL. PURSUANT TO THE AGREEMENT, REGISTRANT WILL BE PROVIDING SERVICES DIRECTLY TO THE FOREIGN PRINCIPAL. THE SERVICES WILL INCLUDE PUBLIC RELATIONS OUTREACH AND COUSELING ON BEHALF OF THE FOREIGN PRINCIPAL REGARDING ECONOMIC DEVELOPMENT AND OVERALL COUNTRY IMAGE OF BRAZIL.

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

AS STATED ABOVE AND IN THE ATTACHED CONTRACT DOCUMENT, REGISTRANT'S SERVICES TO THE FOREIGN PRINCIPAL WILL INCLUDE PUBLIC RELATIONS OUTREACH AND COUNSELING ON BEHALF OF THE FOREIGN PRINCIPAL REGARDING ECONOMIC DEVELOPMENT AND OVERALL COUNTRY IMAGE OF BRAZIL. SUCH SERVICES MAY INCLUDE CONTACTING THE U.S. MEDIA, ACADEMICIANS, INVESTMENT ANALYSTS AND OTHERS.

9. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act and in the footnote below?    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.

AS DESCRIBED IN THE PREVIOUS ANSWERS AND THE ATTACHED CONTRACT, REGISTRANT'S SERVICES WILL INCLUDE PUBLIC RELATIONS OUTREACH AND COUNSELING. WHILE ONE OF THE GOALS OF THESE SERVICES IS TO INFLUENCE POLICYMAKING IN THE US INDIRECTLY AS A RESULT OF INCREASED EDUCATION ABOUT BRAZIL AND ISSUES OF IMPORTANCE TO BRAZIL, AT THIS TIME NO DIRECT ADVOCACY INVOLVING THE US GOVERNMENT OR CANDIDATES FOR OFFICE IN THE US IS PLANNED.

NSD/CES/REGISTRATION  
UNIT  
2010 JUN 28 AM 10:35

Date of Exhibit B	Name and Title	Signature
June 10, 2010	ALEXANDRE REGO PRESIDENT AND PARTNER	

Footnote: Political activity as defined in Section 1(o) of the Act means any activity which the person engaging in believes will, or that the person intends to, in any 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.



**ADVISORY PROVISION AND PRESS OFFICE  
AND PUBLIC RELATIONS EXECUTION  
AGREEMENT ENTERED INTO BY AND  
BETWEEN THE UNION, BY MEANS OF THE  
SOCIAL COMMUNICATION OFFICE OF THE  
PRESIDENCY OF THE REPUBLIC, AND  
COMPANY CDN COMUNICAÇÃO  
CORPORATIVA LTDA.**

**PROCESS No. 00170.000250/2008-53**

**AGREEMENT No. 05/2008**

The **UNION**, by means of the Social Communication Office of the Presidency of the Republic, Corporate Taxpayers' Register (CNPJ) no. 09.234.494/0001-43, hereby represented by its Executive Deputy Officer, Mr. **OTTONI GUIMARÃES FERNANDES JUNIOR**, Brazilian citizen, resident and domiciled in this city, Individual Taxpayers' Register (CPF/MF) under no. 925.081.388-00, in accordance with the authority outlined in art. 1 of Ordinance no. 9, dated 2/27/2008, published in the Federal Official Gazette dated 2/28/2008, hereinafter merely referred to as **CONTRACTING PARTY**, and company **CDN COMUNICAÇÃO CORPORATIVA LTDA.**, Corporate Taxpayers' Register (CNPJ) no. 57.863.854/0001-19, headquartered at Av. Brig. Faria Lima, 2601, 9<sup>th</sup> Floor, Jardim Paulistano, São Paulo/SP, ZIP: 01.452-000, telephone number (11) 3643-2733 / Fax no. (11) 3643-2843, hereby represented by Mr. **HELIO MAÇOL SOUSA**, Brazilian citizen, bearer of the Identity Card (RG) no. 02.271.360-6 IPF/RJ and Individual Taxpayers' Register (CPF) no. 178.444.957-15, hereinafter merely referred to as **CONTRACTOR**, decide to enter into the terms of this Agreement, subject matter of the Bidding no. 001/2008, according to Process no. 00170.000250/2008-53, with the parties being subject to Law no. 8,666, dated June 21<sup>st</sup>, 1993, Decree no. 1,070, dated March 2<sup>nd</sup>, 1994, Decree no. 2,271, dated July 7<sup>th</sup>, 1997, Decree no. 4,485, dated November 25<sup>th</sup>, 2002, Normative Ruling MARE no. 5, dated July 21<sup>st</sup>, 1995, republished in the Federal Official Gazette (DOU) dated April 19<sup>th</sup>, 1996, under the following clauses and conditions:

**FIRST CLAUSE – SUBJECT MATTER**

This Agreement has as its subject matter the provision of advisory services and execution of press office and public relations, in order to promote Brazil abroad, pursuant to specifications contained in the Basic Project.

**Sole Sub-Clause** – The Bidding Invitation no. 001/2008, its Attachments, and the **CONTRACTOR'S** proposal, are hereby associated with this Agreement, which documents are an integral part hereto, regardless of their transcription.

**SECOND CLAUSE – PARTIES' OBLIGATIONS**

I – The following are **CONTRACTOR'S** obligations, in addition to others assumed herein:

1) Operate in Brazil and keep a formal operating agreement with company Fleishman-Hillard International Communications, Inc., comprising its units setup in the United States [Fleishman-Hillard, Inc.], in Europe [Fleishman-Hillard Saunders Limited] and Asia [Fleishman-Hillard Public Relations and Consulting (Beijing) Company, Limited], duly informed and formalized upon presentation of its Technical Proposal (Attachment II to this Agreement), with structure and sufficient personnel to carry out the activities;

2) Keep professionals with exclusive dedication to meet the demands of **CONTRACTOR** in Brazil, as established in sub-items 6.2, 6.3, and 6.4 of the Basic Project.

- In the United States: a professional, under permanent character, named Master Coordinator, who shall plan, in a global scope, the operation to comply with the Basic Project's subject matter;

- In Europe: a professional, under subsidiary character, named coordinator, who shall plan, in a regional scope, the operation to comply with the Basic Project's subject matter, according to the needs and convenience;

- In Asia: a professional, under subsidiary character, named coordinator, who shall plan, in a regional scope, the operation to comply with the Basic Project's subject matter, according to the needs and convenience;

2010 JUN 28 AM 10:36

NSD/DES/REGISTRATION  
UNIT



3) Be liable for its employees or contractors, and none of them shall have labor relationship with **CONTRACTING PARTY** and it shall not, in no case, be liable for possible burdens arising out of default of obligations with third parties.

4) Attest that:

4.1) All professionals made available, in Brazil, have fluency, in addition to Portuguese, of the English language, with presentation of a certification attesting such capability.

4.2) All professionals made available, abroad, have fluency of the English language.

4.3) The Master Coordinator, under permanent character allocated in the United States, is experienced in operations similar to those which shall be carried out during effectiveness of this Agreement.

4.4) The Coordinators, under subsidiary character, allocated in Europe and Asia, are experienced in operations similar to those which shall be carried out during effectiveness of this Agreement.

5) Present documentation attesting experience and qualification of each professional to be placed at **CONTRACTING PARTY'S** disposal.

6) Hold assessment meetings upon request of **CONTRACTING PARTY**, jointly or severally, between the Master Coordinator, the coordinators, the dedicated team in Brazil and the Manager of this Agreement, in accordance with planning to be presented by **CONTRACTOR** and approved by **CONTRACTING PARTY**.

6.1) The meetings may be held by presence, teleconference, or other appropriate means, as well as registered in minutes which shall make an integral part of the report in the month of the bidding.

7) Without prejudice to the legal provisions, **CONTRACTOR** is liable for compliance with the liabilities outlined herein, in addition to be obliged:

7.1) Not to transfer this Agreement to third parties, in any way or even partially, as well as not subcontracting the provisions to which it is obliged.

7.2) To repair, correct, remove, rebuild, or replace, at its expenses (without any charges to **CONTRACTING PARTY**), in whole or in part, the subject matter hereof in which vices, defects or incorrectness resulting from execution are verified (art. 69 of Law no. 8,666/93).

7.3) To assume all expenditures and expenses resulting from performance of the obligations arising out of this Agreement.

7.4) To keep, in compatibility to the obligations assumed, all conditions of qualification and capability required in the Bidding no. 001/2008. Thus, during effectiveness of this Agreement, **CONTRACTOR** shall be obliged to renew all documents associated with the regularity, with partial qualification, before SICAF – Unified Suppliers' Registering System (art. 55, item XIII, Law no. 8,666/93).

7.5) To keep strict secrecy on the information that may be aware of by virtue of the contracting.

7.6) To carry out the services for which it was contracted in accordance with the provisions in this Agreement and in the Basic Project and in compliance with the applicable rules and legislation.

7.7) To keep the professionals liable for provision of the services duly identified by badges when working inside **CONTRACTING PARTY'S** facilities.

7.8) To assume full civil, administrative, and criminal liability for any material and/or personal, damages and losses, caused by its employees, to **CONTRACTING PARTY** or to third parties.

7.9) To also assume liability for all measures and obligations set forth in the specific legislation in labor accidents, when, upon occurrence of the case, its employees in service are victims, or in connection with them, even if it happens inside **CONTRACTING PARTY'S** facilities.

7.10) To bear all expenses arising out of any infringement, provided that it is practiced by its professionals during execution of the services, even if inside **CONTRACTING PARTY'S** facilities.



7.11) To be held liable for any suit, in the Labor Justice or another competent court, brought by its employees or contractors.

8) Accept all guidance by the Manager of this Agreement, being subject to the broadest and unrestricted inspection associated with execution of the subject matter contracted upon, providing the clarifications requested and meeting the complaints made.

9) Cause **CONTRACTING PARTY'S** disciplinary rules to be complied with, requiring their faithful abidance, especially as to usage and safety of the facilities.

10) Replace, whenever requested by **CONTRACTING PARTY**, any employee whose acting, permanence or behavior is considered as prejudicial, inconvenient, unsatisfactory to the discipline rules or the interest of the public service, or even, incompatible to exercise of the functions assigned to him/her.

11) Provide the return of all accreditation documents of the employees who are dismissed from the personnel chart recruited for execution of the services contracted.

12) Keep, during entire execution of this Agreement, compatibility to the obligations assumed and all qualification and capability conditions required in Bidding no. 001/2008.

13) Be liable for the burdens resulting from damages caused to **CONTRACTING PARTY** or third parties, by action practiced by its agents, employees or proxies, as well as for any liabilities arising out of judicial suits brought by third parties, which may be required by virtue of law, connected to compliance with this Agreement.

14) Commit to timely collect all taxes, fees, and other charges accruing over provision of the services, which are the subject matter of this Agreement, presenting on a monthly basis the respective certification.

15) Be bound to payment of insurance, taxes and other charges deriving from execution of the subject matter contracted upon.

**Sole Sub-Clause** – Association of **CONTRACTOR** with third parties, assignment or transfer, full or partial, as well as consolidation, spin-off, or merger shall be only admitted upon presentation of the attesting documentation which justifies any of the occurrences, and upon previous consent in writing by **CONTRACTING PARTY** and provided that they do not affect good execution of this Agreement.

II – The following are **CONTRACTING PARTY'S** obligations, in addition to others assumed herein:

1) Appoint the Manager of this Agreement, who shall be liable for attesting compliance with provision of the services to the requirements described in this Agreement and in the Basic Project.

2) Grant access to **CONTRACTOR'S** employees required to carry out the services, abiding by the regulations and rules of the Federal Government and **CONTRACTING PARTY** which govern security of the information, the people and equipment.

3) Follow up, inspect and check the services being carried out by **CONTRACTOR**.

4) Communicate to **CONTRACTOR**, in writing:

4.1) Any instructions or procedures on matters related to the specifications of this Agreement and the Basic Project.

4.2) Application of a possible fine, under the provisions hereof.

5) Provide information and clarifications that may be requested by **CONTRACTOR** in relation to the subject matter hereof.

6) Effect payments under the conditions and prices covenanted.

### **THIRD CLAUSE – INSPECTION**

**CONTRACTING PARTY** shall appoint a full and a deputy Manager, in order to carry out inspection of this Agreement, who shall record all occurrences and deficiencies verified in a report, which copy shall be sent to **CONTRACTOR**, aimed at immediate correction of the discrepancies found.



**Sole Sub-Clause** – Existence and acting of the inspection by **CONTRACTING PARTY** does not restrict the sole, full, and exclusive liability of **CONTRACTOR**, as regards execution of the subject matter being contracted.

#### **FOURTH CLAUSE – PRICES AND PAYMENT**

1) Payments to **CONTRACTOR**, for the services provided, shall be made according to the prices set forth in its Pricing Proposal (Attachment I hereto), as follows:

a) Monthly value deriving from permanent services effectively provided, in accordance with the profiles allocated for their execution and as per the locations to carry out the activities, respectively outlined in sub-item 7.1 and item 4 of the Basic Project.

b) Variable value deriving from:

b.1) Variable services, in accordance with the need or convenience, as envisaged in sub-item 7.2 of the Basic Project;

b.2) Reimbursement deriving from transportations, as envisaged in sub-items 4.6 and 10.2.2 of the Basic Project.

2) Payment to **CONTRACTOR**, for the services provided, previously and expressly authorized and attested, shall be made as follows:

2.1) Payment of the permanent and variable services (if any) shall be effected on a monthly basis, upon acceptance and approval of the Manager of this Agreement, and also in compliance with the specifications of the Basic Project, after presentation of the service receipt/invoice or invoice, listing the services effectively carried out, followed by a detailed monthly report, in Portuguese language, of the functions developed in the period, location for execution of the activities, profiles allocated in each location, amount of hours consumed and results attained.

2.1.1) The reports shall show, by graphs and/or charts, evolution of the public exhibition of Brazil in quantitative and qualitative terms, not being limited to analyze whether the publications are "positive", "negative", or "neutral", but attesting usage of criteria to weigh importance of the disclosures, considering audience of the communication vehicle or the reporter/columnist/editor liable for it.

2.1.1.1) The reports shall also comprise:

a) Whether the quantitative level of exhibition is associated with Brazil's image as a country, or whether it relates to a specific area (infrastructure, biofuel, social, etc.). Such differentiation shall allow for verification of existence of areas with over exhibition or lacking greater disclosure.

b) Qualification of the contents of the message conveyed, for example, if it is of transparency, efficiency, development, slowness, bureaucracy, or irregularity.

2.1.2) Payment of the services carried out in Brazil shall be effected directly to **CONTRACTOR**, in accordance with the provisions of items 1 and 2.1 of this Clause.

2.1.3) Payment of the services carried out abroad shall be effected abiding by the rules set forth in items 1 and 2.1 of this Clause, upon presentation of an invoice issued by the respective units of Fleishman-Hillard International Communications, Inc., specified in item I-1 of the Second Clause.

2.1.3.1) The invoices, regardless of the place for issuance, shall be mandatorily prepared in the English language.

3) Transportation: reimbursement shall be effected upon presentation of the cost spreadsheet, with the expense certificates (air tickets, hotel receipts, etc.).

4) **CONTRACTING PARTY**, after acceptance of the services carried out and request for reimbursement of the transportation expenses, shall effect payment of the services carried out:



- 4.1) In Brazil, within up to fifteen (15) business days, after receipt of the invoice and the documents, by credit into the current account kept by **CONTRACTOR**, with certification of the Manager of this Agreement being contained;
- 4.2) Abroad, within up to fifteen (15) business days, upon presentation of the invoice issued by the respective units of Fleishman-Hillard International Communications, Inc., specified in item I-1 of the Second Clause, with certification of the Manager of this Agreement being contained.

**First Sub-Clause** – The payments, upon issuance of any modality of bank order, shall be effected provided that **CONTRACTOR** effects charging so as to allow for compliance with the legal requirements, mainly as regards tax withholdings.

**Second Sub-Clause** – In order to effect payments dealt with in this Clause, **CONTRACTOR** and the respective units of **Fleishman-Hillard International Communications, Inc.** shall cause to be contained in the corresponding service receipt and invoice – issued, without erasures, in a well legible letter, on behalf of the Social Communication Office of the Presidency of the Republic, Corporate Taxpayers' Register (CNPJ) no. 09.234.494/0001-43 – the number of its bank account, the name and Bank number as well as the Branch number.

**Third Sub-Clause** – If **CONTRACTOR** chooses the Integrated System for Payment of Taxes and Contributions of the Micro-Companies and Small-Sized Companies – SIMPLES, it shall present the service receipt, with due certification, so as to avoid withholding at source of the taxes and contributions, according to the legislation in effect.

**Fourth Sub-Clause** – The service receipt and corresponding invoice shall be sent, by **CONTRACTOR** and the respective units of **Fleishman-Hillard International Communications, Inc.**, directly to the Manager of this Agreement, who shall attest receipt of the services and shall release them for payment, when all conditions covenanted are complied with.

**Fifth Sub-Clause** – In case there is a mistake or circumstance preventing settlement of the expense in the service receipt or the invoice, they shall be returned to **CONTRACTOR**, and payment shall be pending until the remedy measures are provided. In such case, the term for payment shall begin after regularization of the situation or new presentation of the tax document, not resulting in any burden to **CONTRACTING PARTY**.

$$AF = [(1 + IPCA/100)^{N/30} - 1] \times VP, \text{ where:}$$

<b>IPCA</b>	=	Percentage attributed to the Broad Consumer Pricing Index, in effect as of date of performance of the stage;
<b>AF</b>	=	Financial updating;
<b>VP</b>	=	Value of the stage to be paid, equal to the principal plus readjustment;
<b>N</b>	=	Number of days between date of performance of the stage and date of effective payment.

**Seventh Sub-Clause** – Payments shall only be effected after certification of **CONTRACTOR'S** regularity before the Unified Suppliers' Registering System – SICAF, by means of online consultation made by **CONTRACTING PARTY** or upon presentation of the mandatory obligation, duly updated: BRAZILIAN INTERNAL REVENUE SERVICE (JOINT), SEVERANCE GUARANTEE FUND (FGTS), and BRAZILIAN SOCIAL SECURITY INSTITUTE (INSS).

**Eighth Sub-Clause** – Any amendments to the banking data shall be communicated to **CONTRACTING PARTY**, by means of letter, and **CONTRACTOR** shall be fully liable for the losses arising out of incorrect payments due to lack of information.

**Ninth Sub-Clause** – Payments effected by **CONTRACTING PARTY** do not exempt **CONTRACTOR** from its obligations and liabilities assumed.

#### FIFTH CLAUSE – APPROPRIATION

The funds required to comply with the expenses in the amount of fifteen million reais (R\$ 15,000,000.00) shall be borne by the Work Program: 04.131.0752.2017.0001 (Management Program of the Government's Communication Policy; Institutional Publicity Action); Expense nature: 3.3.90.39.



## SIXTH CLAUSE – CONTRACTUAL WARRANTY

Within up to ten (10) days, counted as of signing of this Agreement, **CONTRACTOR** shall present a warranty in the amount of **seven hundred and fifty thousand reais (R\$ 750,000.00)**, corresponding to five percent (5%) of the total amount of contracting, for the purpose of safekeeping its execution, in one of the modalities envisaged in art. 56 of Law no. 8,666/93.

**First Sub-Clause** – The warranty provided by **CONTRACTOR** shall be released within up to ten (10) business days, after conclusion of this Agreement's effectiveness, upon certification by the Manager dealt with in the Third Clause that the services were properly carried out.

**Second Sub-Clause** – If the warranty amount is fully or partially used, as payment of any obligation, including indemnification to third parties, or reduced in actual terms due to currency depreciation so that it does not represent five percent (5%) of the total amount of contracting, **CONTRACTOR** obliges to effect the respective replacement, within the maximum term of seventy-two (72) business hours, counted as of the date in which it is notified by **CONTRACTING PARTY**.

## SEVENTH CLAUSE – ACCRETION AND SUPPRESSION

At the interest of **CONTRACTING PARTY**, the subject matter of this Agreement may be suppressed or increased up to the limit of twenty-five percent (25%) of the initial value updated, and suppression beyond such limit is optional, by agreement between the parties, as provided for in art. 65, paragraphs 1 and 2, item II, of Law no. 8,666/93.

## EIGHTH CLAUSE – READJUSTMENT

The prices proposed for execution of the services subject matter of this Agreement shall be annually readjusted, in accordance with the current legislation, Decree no. 1,054, dated 02/07/94, as amended by Decree no. 1,110, dated 04/10/94, Law no. 9,069 dated 06/29/95 and Law no. 10,192, dated 02/14/01, or in compliance with another ruling that may be edited by the Public Authorities, based on fluctuation of the IGP-DI – General Pricing Index – column 2, Internal Availability, published by Fundação Getúlio Vargas, occurred in the period, or by another index that may replace it.

## NINTH CLAUSE – EFFECTIVENESS

This Agreement shall be effective for twelve (12) months, counted as of the date of its signing, and may be extended by equal and successive periods, under item II of art. 57, Law no. 8,666/93, upon entering into of an amendment term, until the total of sixty (60) months.

## TENTH CLAUSE – SANCTIONS

For failure to fully or partially execute this Agreement, **CONTRACTING PARTY** may, previous defense being assured, apply to **CONTRACTOR** the following sanctions, without prejudice to the provisions of item IV, of art. 87, Law no. 8,666/93:

- a) Warning;
- b) Fine of up to twenty percent (20%) of the total amount of this Agreement;
- c) Temporary suspension of participation in a bidding and prevention from contracting with **CONTRACTING PARTY** for the term of up to two (02) years;
- d) statement of disreputability to bid or contract with the Public Authorities, as long as the reasons determining the punishment last, or until rehabilitation is promoted, before the itself which applied the penalty, which shall be granted whenever **CONTRACTOR** redress **CONTRACTING PARTY** for the resulting losses and after elapsing of the applied sanction.

**First Sub-Clause** – The sanctions outlined in items "a" and "c" of this Clause may be applied jointly with item "b", with **CONTRACTOR'S** previous defense being assured, in the respective proceeding, within five (05) business days.

**Second Sub-Clause** – Non-compliance with the terms set forth herein shall result in daily fine of zero point five percent (0.5%) of the amount of installment giving rise to it (art. 86 of Law no. 8,666/93) to **CONTRACTOR**, regardless of the sanctions outlined in this Clause.

2010 JUN 28 AM 10:36

NS/DES/REG/LEI/01  
UNIT



**Third Sub-Clause** – Application of the fine above, which shall occur after regular administrative proceeding, does not prevent **CONTRACTING PARTY** from unilaterally terminating this Agreement and applying other regulatory sanctions (art. 86, paragraph 1, Law no. 8,666/93).

**Fourth Sub-Clause** – Application of the sanctions outlined herein does not exclude the possibility to apply other ones, outlined in Law no. 8,666/93, including **CONTRACTOR'S** liability for possible losses and damages caused to **CONTRACTING PARTY**.

**Fifth Sub-Clause** – The fine shall be collected within the maximum term of ten (10) calendar days, counted as of date of receiving the communication sent by **CONTRACTING PARTY**.

**Sixth Sub-Clause** – Amount of the fine may be discounted from the invoice or existing credit at **CONTRACTING PARTY**, on behalf of **CONTRACTOR**, and if amount of the fine is higher than the existing credit, the difference shall be charged pursuant to law.

**Seventh Sub-Clause** – The fines and other sanctions applied may only be released by justification and administrative convenience, upon act, duly justified, of **CONTRACTING PARTY**.

**Eighth Sub-Clause** – The sanctions outlined herein are independent between themselves, and may be severally or jointly applied, without prejudice to other applicable measures, and **CONTRACTOR** shall be also liable for any supplementary indemnification in the amount equivalent to the exceeding loss caused, in accordance with the sole paragraph of art. 416 of the Brazilian Civil Code.

**Ninth Sub-Clause** – In any case of application of sanctions, **CONTRACTOR** shall be assured the adversary proceeding and broad defense.

#### **ELEVENTH CLAUSE – TERMINATION**

This Agreement may be terminated at any time, regardless of notices or judicial or extrajudicial summons, based on the reasons outlined in articles 77 and 78, pursuant to article 79 of Law no. 8,666/93.

This Agreement may be also terminated, regardless of judicial or extrajudicial summons, provided that the act has reasons and the adversary proceeding and the broad defense are assured, if **CONTRACTOR** failures to keep structure, outlined in sub-item 15.1 and attested as per sub-item 18.1.2 of the Basic Project, during the entire effectiveness of this Agreement.

#### **TWELFTH CLAUSE – PUBLICATION**

**CONTRACTING PARTY** shall provide summary publication of this instrument, under art. 61, sole paragraph, Law no. 8,666/93.

#### **THIRTEENTH CLAUSE – COURT**

The quandaries arising out of execution of this Agreement, which may not be settled within the administrative scope, shall be processed and sentenced in the Federal Courts, in the Court of the City of Brasilia/DF, Judiciary Branch of Distrito Federal, with exclusion of any other, the more privileged it may be.

In witness whereof, this Agreement is drafter, and after being read and found to be in compliance, is executed by the contracting parties below, out of which the necessary copies shall be taken which shall have the same value as the original.

Brasilia/DF, December 17<sup>th</sup>, 2008.

[signature]

**OTTONI FERNANDES JUNIOR**

Executive Deputy Officer of the Social Communication Office  
Presidency of the Republic

[signature]

**HELIO MAÇOL SOUSA**

CDN Comunicação Corporativa Ltda.

Witnesses:

Tânia Neiva Rizza  
255.757.928-97

[signature]

Sidney de Jesus Oliveira  
CPF: 144.650.600-25

[signature]



**ATTACHMENT I**

**AGREEMENT No. 05/2008**

**BIDDING No. 001/2008**

**PROCESS No. 00170.000250/2008-53**

**CONTRACTING PARTY'S PROPOSAL**

<b>PROFILE</b>	<b>TIME WITH CHARGES – BRAZIL</b>
COORDINATOR	R\$ 693.76
SENIOR JOURNALIST	R\$ 514.73
SENIOR PUBLIC RELATIONS OFFICER	R\$ 514.73
FULL JOURNALIST	R\$ 440.12
FULL PUBLIC RELATIONS OFFICER	R\$ 440.12
JUNIOR JOURNALIST	R\$ 343.15
<b>PROFILE</b>	<b>TIME WITH CHARGES – USA</b>
MASTER COORDINATOR	R\$ 822.35
SENIOR JOURNALIST	R\$ 610.13
SENIOR PUBLIC RELATIONS OFFICER	R\$ 610.13
FULL JOURNALIST	R\$ 521.71
FULL PUBLIC RELATIONS OFFICER	R\$ 521.71
JUNIOR JOURNALIST	R\$ 406.76
<b>PROFILE</b>	<b>TIME WITH CHARGES – EUROPE</b>
COORDINATOR	R\$ 920.44
SENIOR JOURNALIST	R\$ 728.29
SENIOR PUBLIC RELATIONS OFFICER	R\$ 728.29
FULL JOURNALIST	R\$ 587.86
FULL PUBLIC RELATIONS OFFICER	R\$ 587.86
JUNIOR JOURNALIST	R\$ 442.69
<b>PROFILE</b>	<b>TIME WITH CHARGES – ASIA</b>
COORDINATOR	R\$ 834.39
SENIOR JOURNALIST	R\$ 717.94
SENIOR PUBLIC RELATIONS OFFICER	R\$ 717.94
FULL JOURNALIST	R\$ 528.55
FULL PUBLIC RELATIONS OFFICER	R\$ 528.55
JUNIOR JOURNALIST	R\$ 372.82



Presidency of the Republic  
Communication Office

<b>PROFILE</b>	<b>TIME WITH CHARGES – CANADA AND MEXICO</b>
COORDINATOR	R\$ 597.40
SENIOR JOURNALIST	R\$ 568.50
SENIOR PUBLIC RELATIONS OFFICER	R\$ 568.50
FULL JOURNALIST	R\$ 433.60
FULL PUBLIC RELATIONS OFFICER	R\$ 433.60
JUNIOR JOURNALIST	R\$ 337.24



ITEM	VARIABLE SERVICES	AMOUNT PROPOSED BRAZIL R\$	AMOUNT PROPOSED USA R\$
01	FOLLOW-UP OF THE PUBLISHING SERVICES FOR SPECIFIC JOBS, SUCH AS NEWSPAPERS, FOLDERS, INFORMATION SHEETS, PERIODICALS.	R\$ 18,000.00	R\$ 24,000.00
02	PREPARATION OF VISITATION PROGRAM FOR JOURNALISTS AND OPINION MAKERS TO BRAZILIAN COMPANIES, RESEARCH CENTERS AND SOCIAL PROJECTS. FOLLOW-UP OF FOREIGN JOURNALIST VISITATIONS TO BRAZIL.	R\$ 36,000.00	R\$ 48,000.00
03	ORGANIZATION OF EVENTS AND BRIEFING FOR FOREIGN PRESS.	R\$ 36,000.00	R\$ 48,000.00
04	INDICATION AND PLANNING FOR PARTICIPATION IN CONFERENCES AND FAIRS.	R\$ 30,000.00	R\$ 40,000.00
05	PREPARATION OF MEDIA TRAINING FROM THE BRAZILIAN GOVERNMENT AUTHORITIES FOR CONTACTS WITH THE PRESS ABROAD.	R\$ 12,000.00	R\$ 16,000.00
06	TRANSLATION OF TEXTS IN DOCUMENTS FROM THE BRAZILIAN GOVERNMENT OR PROVISION OF INTERPRETERS FOR PRESS BRIEFINGS OF BRAZILIAN AUTHORITIES ABROAD.	R\$ 180.00	R\$ 240.00
07	HOLDING OF MEETINGS WITH STRATEGIC AUTHORITIES AND AUDIENCES (WORKSHOPS, PRESS BRIEFINGS, BREAKFASTS, LUNCHEES, DINNERS).	R\$ 48,000.00	R\$ 64,000.00
08	PUBLISHING OF PUBLICATIONS (PRINTED AND ELECTRONIC NEWSLETTERS) FOR INTERNATIONAL JOURNALISTS.	R\$ 7,200.00	R\$ 9,600.00
09	CONSTRUCTION, PUBLISHING, AND REVISION OF POSITION PAPERS AS REGARDS STRATEGIC GOVERNMENT SUBJECTS.	R\$ 12,000.00	R\$ 16,000.00
10	PRODUCTION OF SENSITIVE SUBJECT MAPS (OPPORTUNITIES AND RISKS) OF BRAZIL IN THE INTERNATIONAL SPHERE.	R\$ 12,000.00	R\$ 16,000.00
11	FOLLOW-UP, ORGANIZATION OF COLLECTIVE INTERVIEWS AND PROVISION OF REPORTS FOR COVERAGE OF INTERNATIONAL TRIPS OF THE PRESIDENT OF THE REPUBLIC OF BRAZIL OR APPOINTED MINISTERS.	R\$ 54,000.00	R\$ 72,000.00
12	PREPARATION OF SPOKESPEOPLE, WITH ACCOUNTABILITY DEFINITION AND DEGREE OF AUTONOMY FOR EACH SUBJECT.	R\$ 12,000.00	R\$ 16,000.00
13	PHOTOGRAPHIC COVERAGE	R\$ 1,800.00	R\$ 2,400.00

ITEM	VARIABLE SERVICES	AMOUNT PROPOSED CANADA AND MEXICO R\$	AMOUNT PROPOSED EUROPE R\$
01	FOLLOW-UP OF THE PUBLISHING SERVICES FOR SPECIFIC JOBS, SUCH AS NEWSPAPERS, FOLDERS, INFORMATION SHEETS, PERIODICALS.	R\$ 20,400.00	R\$ 30,000.00
02	PREPARATION OF VISITATION PROGRAM FOR JOURNALISTS AND OPINION MAKERS TO BRAZILIAN COMPANIES, RESEARCH CENTERS AND SOCIAL PROJECTS. FOLLOW-UP OF FOREIGN JOURNALIST VISITATIONS TO BRAZIL.	R\$ 40,800.00	R\$ 60,000.00
03	ORGANIZATION OF EVENTS AND BRIEFINGS FOR FOREIGN PRESS.	R\$ 40,800.00	R\$ 60,000.00
04	INDICATION AND PLANNING FOR PARTICIPATION IN CONFERENCES AND FAIRS.	R\$ 34,000.00	R\$ 50,000.00



05	PREPARATION OF MEDIA TRAINING FROM THE BRAZILIAN GOVERNMENT AUTHORITIES FOR CONTACTS WITH THE PRESS ABROAD.	R\$ 13,600.00	R\$ 20,000.00
06	TRANSLATION OF TEXTS IN DOCUMENTS FROM THE BRAZILIAN GOVERNMENT OR PROVISION OF INTERPRETERS FOR PRESS BRIEFINGS OF BRAZILIAN AUTHORITIES ABROAD.	R\$ 204.00	R\$ 300.00
07	HOLDING OF MEETINGS WITH STRATEGIC AUTHORITIES AND AUDIENCES (WORKSHOPS, PRESS BRIEFINGS, BREAKFASTS, LUNCHESES, DINNERS).	R\$ 54,400.00	R\$ 80,000.00
08	PUBLISHING OF PUBLICATIONS (PRINTED AND ELECTRONIC NEWSLETTERS) FOR INTERNATIONAL JOURNALISTS.	R\$ 8,160.00	R\$ 12,000.00
09	CONSTRUCTION, PUBLISHING, AND REVISION OF POSITION PAPERS AS REGARDS STRATEGIC GOVERNMENT SUBJECTS.	R\$ 13,600.00	R\$ 20,000.00
10	PRODUCTION OF SENSITIVE SUBJECT MAPS (OPPORTUNITIES AND RISKS) OF BRAZIL IN THE INTERNATIONAL SPHERE.	R\$ 13,600.00	R\$ 20,000.00
11	FOLLOW-UP, ORGANIZATION OF COLLECTIVE INTERVIEWS AND PROVISION OF REPORTS FOR COVERAGE OF INTERNATIONAL TRIPS OF THE PRESIDENT OF THE REPUBLIC OF BRAZIL OR APPOINTED MINISTERS.	R\$ 61,200.00	R\$ 90,000.00
12	PREPARATION OF SPOKESPEOPLE, WITH ACCOUNTABILITY DEFINITION AND DEGREE OF AUTONOMY FOR EACH SUBJECT.	R\$ 13,600.00	R\$ 20,000.00
13	PHOTOGRAPHIC COVERAGE	R\$ 2,040.00	R\$ 3,000.00

ITEM	VARIABLE SERVICES	AMOUNT PROPOSED ASIA R\$
01	FOLLOW-UP OF THE PUBLISHING SERVICES FOR SPECIFIC JOBS, SUCH AS NEWSPAPERS, FOLDERS, INFORMATION SHEETS, PERIODICALS.	R\$ 27,600.00
02	PREPARATION OF VISITATION PROGRAM FOR JOURNALISTS AND OPINION MAKERS TO BRAZILIAN COMPANIES, RESEARCH CENTERS AND SOCIAL PROJECTS. FOLLOW-UP OF FOREIGN JOURNALIST VISITATIONS TO BRAZIL.	R\$ 55,200.00
03	ORGANIZATION OF EVENTS AND BRIEFINGS FOR FOREIGN PRESS.	R\$ 55,200.00
04	INDICATION AND PLANNING FOR PARTICIPATION IN CONFERENCES AND FAIRS.	R\$ 46,000.00
05	PREPARATION OF MEDIA TRAINING FROM THE BRAZILIAN GOVERNMENT AUTHORITIES FOR CONTACTS WITH THE PRESS ABROAD.	R\$ 18,400.00
06	TRANSLATION OF TEXTS IN DOCUMENTS FROM THE BRAZILIAN GOVERNMENT OR PROVISION OF INTERPRETERS FOR PRESS BRIEFINGS OF BRAZILIAN AUTHORITIES ABROAD.	R\$ 276.00
07	HOLDING OF MEETINGS WITH STRATEGIC AUTHORITIES AND AUDIENCES (WORKSHOPS, SEMINARS, CONGRESSES, FAIRS, PRESS BRIEFINGS, BREAKFASTS, LUNCHESES, DINNERS).	R\$ 73,600.00
08	PUBLISHING OF PUBLICATIONS (PRINTED AND ELECTRONIC NEWSLETTERS) FOR INTERNATIONAL JOURNALISTS.	R\$ 11,040.00
09	CONSTRUCTION, PUBLISHING, AND REVISION OF POSITION PAPERS AS REGARDS STRATEGIC GOVERNMENT SUBJECTS.	R\$ 18,400.00
10	PRODUCTION OF SENSITIVE SUBJECT MAPS (OPPORTUNITIES AND RISKS) OF BRAZIL IN THE INTERNATIONAL SPHERE.	R\$ 18,400.00
11	FOLLOW-UP, ORGANIZATION OF COLLECTIVE INTERVIEWS AND PROVISION OF REPORTS FOR COVERAGE OF INTERNATIONAL TRIPS OF THE PRESIDENT OF THE REPUBLIC OF BRAZIL OR APPOINTED MINISTERS.	R\$ 82,800.00
12	PREPARATION OF SPOKESPEOPLE, WITH ACCOUNTABILITY DEFINITION AND DEGREE OF AUTONOMY FOR EACH SUBJECT.	R\$ 18,400.00
13	PHOTOGRAPHIC COVERAGE	R\$ 2,760.00
<b>TOTAL R\$</b>		<b>R\$ 1,878,273.86</b>



Presidency of the Republic  
Communication Office

**ATTACHMENT II**

**AGREEMENT No. 05/2008**

**BIDDING No. 001/2008**

**PROCESS No. 00170.000250/2008-53**

**UNITS OF THE OPERATING AGREEMENT OF CONTRACTOR**

**DATA AND DOCUMENTS OF THE INTERNATIONAL UNITS OF  
FLEISHMAN-HILLARD INC.**

**WHICH SHALL COMPRISE THE RELATIONSHIP UNIVERSE OF THE FUTURE AGREEMENT  
(ITEM 5.1.3.1.1. OF THE INVITATION)**

**USA**

**Company:**

Fleishman-Hillard Inc.

**Banking Information**

LaSalle Bank N.A.  
135 S. LaSalle  
Chicago, IL 60603  
Phone: 312-904-2222

**Address:**

The Alhambra  
Two Alhambra Plaza, Ste. 700  
Coral Gables, FL 33134-5202

**Legal representatives:**

Ruth Kim; Phone: 314-982-0588; Fax: 314-982-8609; ruth.kim@fleishman.com  
Jason Truesdell; Phone: 314-982-7672; Fax: 314-982-8609; jason.truesdell@fleishman.com

**Contact:**

Rissig Licha, EVP, Mr. Partner & Regional President, FH Latin America  
Phone: 305-520-9000  
Fax: 305-520-2001  
Email: rissig.lichal@fleishman.com

**Area: 885 sq. m.**

**Number of employees: 128**

**EUROPE – DUBLIN**

**Company:**

Fleishman-Hillard Saunders Limited

**Banking Information**

LaSalle Bank N.A.  
135 S. LaSalle  
Chicago, IL 60603  
Phone: 312-904-2222

**Address:**

15 Fitzwilliam Quay  
Dublin 4, Ireland

**Legal representatives:**

Ruth Kim; Phone: 314-982-0588; Fax: 314-982-8609; ruth.kim@fleishman.com  
Jason Truesdell; Phone: 314-982-7672; Fax: 314-982-8609; jason.truesdell@fleishman.com

**Contact:**

Rhona Blake, Partner & GM  
Phone: +3531-618-8444



Presidency of the Republic  
Communication Office

Fax: +3531-618-2244  
Email: rhona.blake@fleishmaneuropa.com

**Area: 606 sq. m.**  
**Number of employees: 38**

**ASIA – BEIJING**

**Company:**  
Fleishman-Hillard Public Relations and Consulting (Beijing) Company, Limited

**Banking Information**  
LaSalle Bank N.A.  
135 S. LaSalle  
Chicago, IL 60603  
Phone: 312-904-2222

**Address:**  
Jianwai SOHO Office Tower B. Room 3006  
39 Dongsanhuan Zhonghu  
Chaoyang District  
Beijing, China 100022

**Legal representatives:**  
Ruth Kim; Phone: 314-982-0588; Fax: 314-982-8609; ruth.kim@fleishman.com  
Jason Truesdell; Phone: 314-982-7672; Fax: 314-982-8609; jason.truesdell@fleishman.com

**Contact:**  
Li Hong, SVP, Mr. Partner & Managing Director  
Phone: +8610-5869-1666  
Fax: +8610-586-5088  
Email: hong.li@fleishman.com

**Area: 1092 sq. m.**  
**Number of employees: 142**

NSD/CES/REGISTRATION  
UNIT  
2010 JUN 28 AM 10:36