

OMB NO. 1124-0002; Expires February 28, 2014

U.S. Department of Justice  
Washington, DC 20530

**Supplemental Statement**  
**Pursuant to the Foreign Agents Registration Act of 1938, as amended**

For Six Month Period Ending October 31, 2013  
(Insert date)

**I - REGISTRANT**

1. (a) Name of Registrant (b) Registration No.

INTERNATIONAL MERCHANDISING CORPORATION 6032

- (c) Business Address(es) of Registrant

1360 East Ninth Street  
Cleveland, OH 44114

2. Has there been a change in the information previously furnished in connection with the following?

- (a) If an individual:

(1) Residence address(es) Yes  No   
(2) Citizenship Yes  No   
(3) Occupation Yes  No

- (b) If an organization:

(1) Name Yes  No   
(2) Ownership or control Yes  No   
(3) Branch offices Yes  No

- (c) Explain fully all changes, if any, indicated in Items (a) and (b) above.

**IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4, AND 5(a).**

3. If you have previously filed Exhibit C<sup>1</sup>, state whether any changes therein have occurred during this 6 month reporting period.

Yes  No

If yes, have you filed an amendment to the Exhibit C? Yes  No

If no, please attach the required amendment.

<sup>1</sup> The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, and by laws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause upon written application to the Assistant Attorney General, National Security Division, U.S. Department of Justice, Washington, DC 20530.)

4. (a) Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period?

Yes  No

If yes, furnish the following information:

Name	Position	Date Connection Ended
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(b) Have any persons become partners, officers, directors or similar officials during this 6 month reporting period?

Yes  No

If yes, furnish the following information:

Name	Residence Address	Citizenship	Position	Date Assumed
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5. (a) Has any person named in Item 4(b) rendered services directly in furtherance of the interests of any foreign principal?

Yes  No

If yes, identify each such person and describe the service rendered.

(b) During this six month reporting period, has the registrant hired as employees or in any other capacity, any persons who rendered or will render services to the registrant directly in furtherance of the interests of any foreign principal(s) in other than a clerical or secretarial, or in a related or similar capacity? Yes  No

Name	Residence Address	Citizenship	Position	Date Assumed
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(c) Have any employees or individuals, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? Yes  No

If yes, furnish the following information:

Name	Position or Connection	Date Terminated
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(d) Have any employees or individuals, who have filed a short form registration statement, terminated their connection with any foreign principal during this 6 month reporting period? Yes  No

If yes, furnish the following information:

Name	Position or Connection	Foreign Principal	Date Terminated
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6. Have short form registration statements been filed by all of the persons named in Items 5(a) and 5(b) of the supplemental statement?

Yes  No

If no, list names of persons who have not filed the required statement.

Not Applicable

**II - FOREIGN PRINCIPAL**

7. Has your connection with any foreign principal ended during this 6 month reporting period? Yes  No
- If yes, furnish the following information:

Foreign Principal

Date of Termination

8. Have you acquired any new foreign principal(s)<sup>2</sup> during this 6 month reporting period? Yes  No
- If yes, furnish the following information:

Name and Address of Foreign Principal(s)

Date Acquired

9. In addition to those named in Items 7 and 8, if any, list foreign principal(s)<sup>2</sup> whom you continued to represent during the 6 month reporting period.

Kingdom 5-KR-215 ("KR-215")

10. (a) Have you filed exhibits for the newly acquired foreign principal(s), if any, listed in Item 8?

Exhibit A<sup>3</sup> Yes  No Exhibit B<sup>4</sup> Yes  No 

If no, please attach the required exhibit. Not Applicable.

- (b) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during this six month period? Yes  No

If yes, have you filed an amendment to these exhibits? Yes  No 

If no, please attach the required amendment.

<sup>2</sup> The term "foreign principal" includes, in addition to those defined in section 1(b) of the Act, an individual organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a) (9)). A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

<sup>3</sup> The Exhibit A, which is filed on Form NSD-3 (Formerly CRM-157) sets forth the information required to be disclosed concerning each foreign principal.

<sup>4</sup> The Exhibit B, which is filed on Form NSD-4 (Formerly CRM-155) sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

**III - ACTIVITIES**

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11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 7, 8, or 9 of this statement?      Yes       No

If yes, identify each foreign principal and describe in full detail your activities and services:

See Addendum A for details

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12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity<sup>5</sup> as defined below?  
Yes       No

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates, places of delivery, names of speakers and subject matter.

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13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits your foreign principal(s)?      Yes       No

If yes, describe fully.

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<sup>5</sup> The term "political activity" means any activity that 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 political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

**IV - FINANCIAL INFORMATION**

**14. (a) RECEIPTS-MONIES**

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? Yes  No

If no, explain why.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies.<sup>6</sup>

Date	From Whom	Purpose	Amount
See Addendum B for details			

\$852,489.32

Total

**(b) RECEIPTS - FUNDRAISING CAMPAIGN**

During this 6 month reporting period, have you received, as part of a fundraising campaign<sup>7</sup>, any money on behalf of any foreign principal named in Items 7, 8, or 9 of this statement? Yes  No

If yes, have you filed an Exhibit D to your registration? Yes  No

If yes, indicate the date the Exhibit D was filed. Date \_\_\_\_\_

**(c) RECEIPTS-THINGS OF VALUE**

During this 6 month reporting period, have you received any thing of value<sup>9</sup> other than money from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal?

Yes  No

If yes, furnish the following information:

Foreign Principal	Date Received	Thing of Value	Purpose
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<sup>6, 7</sup> A registrant is required to file an Exhibit D if he collects or receives contributions, loans, moneys, or other things of value for a foreign principal, as part of a fundraising campaign. (See Rule 201(e)).

<sup>8</sup> An Exhibit D, for which no printed form is provided, sets forth an account of money collected or received as a result of a fundraising campaign and transmitted for a foreign principal.

<sup>9</sup> Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) **DISBURSEMENTS-MONIES**

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, or 9 of this statement? Yes  No

(2) transmitted monies to any such foreign principal? Yes  No

If no, explain in full detail why there were no disbursements made on behalf of any foreign principal.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To Whom	Purpose	Amount
See Addendum B for details			

\$514,205.09

Total

**(b) DISBURSEMENTS-THINGS OF VALUE**

During this 6 month reporting period, have you disposed of anything of value<sup>10</sup> other than money in furtherance of or in connection with activities on behalf of any foreign principal named in Items 7, 8, or 9 of this statement?

Yes  No

If yes, furnish the following information:

Date	Recipient	Foreign Principal	Thing of Value	Purpose
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**(c) DISBURSEMENTS-POLITICAL CONTRIBUTIONS**

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value<sup>11</sup> in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office?

Yes  No

If yes, furnish the following information:

Date	Amount or Thing of Value	Political Organization or Candidate	Location of Event
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<sup>10, 11</sup> Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks" and the like.

V - INFORMATIONAL MATERIALS

16. (a) During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any informational materials?<sup>12</sup>  
Yes  No

If Yes, go to Item 17.

(b) If you answered No to Item 16(a), do you disseminate any material in connection with your registration?  
Yes  No

If Yes, please forward the materials disseminated during the six month period to the Registration Unit for review.

17. Identify each such foreign principal.

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating informational materials? Yes  No

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of informational materials include the use of any of the following: Not Applicable

- Radio or TV broadcasts
- Magazine or newspaper
- Motion picture films
- Letters or telegrams
- Advertising campaigns
- Press releases
- Pamphlets or other publications
- Lectures or speeches
- Other (specify) \_\_\_\_\_

Electronic Communications Not Applicable

- Email
- Website URL(s): \_\_\_\_\_
- Social media websites URL(s): \_\_\_\_\_
- Other (specify) \_\_\_\_\_

20. During this 6 month reporting period, did you disseminate or cause to be disseminated informational materials among any of the following groups: Not Applicable

- Public officials
- Newspapers
- Libraries
- Legislators
- Editors
- Educational institutions
- Government agencies
- Civic groups or associations
- Nationality groups
- Other (specify) \_\_\_\_\_

21. What language was used in the informational materials: Not Applicable

- English
- Other (specify) \_\_\_\_\_

22. Did you file with the Registration Unit, U.S. Department of Justice a copy of each item of such informational materials disseminated or caused to be disseminated during this 6 month reporting period? Yes  No  Not Applicable

23. Did you label each item of such informational materials with the statement required by Section 4(b) of the Act? Yes  No  Not Applicable

<sup>12</sup> The term informational materials includes any oral, visual, graphic, written, or pictorial information or matter of any kind, including that published by means of advertising, books, periodicals, newspapers, lectures, broadcasts, motion pictures, or any means or instrumentality of interstate or foreign commerce or otherwise. Informational materials disseminated by an agent of a foreign principal as part of an activity in itself exempt from registration, or an activity which by itself would not require registration, need not be filed pursuant to Section 4(b) of the Act.

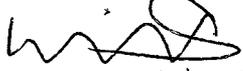
**VI - EXECUTION**

In accordance with 28 U.S.C. § 1746, the undersigned swear(s) or affirm(s) under penalty of perjury that he/she has (they have) read the information set forth in this registration statement and the attached exhibits and that he/she is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her (their) knowledge and belief, except that the undersigned make(s) no representation as to truth or accuracy of the information contained in the attached Short Form Registration Statement(s), if any, insofar as such information is not within his/her (their) personal knowledge.

(Date of signature)

11/12/2013  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Print or type name under each signature or provide electronic signature<sup>13</sup>)

  
William Alben Shepard  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

<sup>13</sup> This statement shall be signed by the individual agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions, if the registrant is an organization, except that the organization can, by power of attorney, authorize one or more individuals to execute this statement on its behalf.

**SUPPLEMENTAL STATEMENT OF  
INTERNATIONAL MERCHANDISING CORPORATION  
(FOR PERIOD ENDED OCTOBER 31, 2013)**

**ADDENDUM A**

**11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 7, 8 or 9 of this statement?**

Registrant facilitated participation or dialogue by or on behalf of KR-215 on global matters of interest to the company's brand/marketing and other commercial interests, with potential digital media partners and with business, academic/philanthropic and media figures in the United States. Such activities were undertaken in pursuit of bona fide commercial interests of KR-215, without attempting to influence any US officials or any members of the public with respect to US foreign or domestic policy, or with respect to any policies or interests of any foreign government.

**ADDENDUM B**

## 14(a) Receipt of Monies by International Merchandising Corporation (IMC)

<u>Date</u>	<u>From Whom</u>	<u>Purpose</u>	<u>Amount</u>
05/06/2013	KR-215	Marketing/Brand Strategy	\$412,500.00
06/10/2013	KR-215	Travel Reimbursement	\$13,047.95
<u>W.A. Shapard</u>			
Trip to Washington, DC (1/17/13-1/19/13)			
Trip to Riyadh, Saudi Arabia (3/23/13-3/27/13)			
Financial Times Digital Conference, London England (4/16/13)			
06/10/2013	KR-215	Travel Reimbursement	\$1,621.39
<u>Carolyn Mellin and Lynn Bikofsky</u>			
Trip to New York, NY (4/3/13-4/7/13)			
06/10/2013	KR-215	Telephone Reimbursement	\$447.83
07/31/2013	KR-215	Marketing/Brand Strategy	\$412,500.00
09/23/2013	KR-215	Travel Reimbursement	\$12,353.29
<u>W. A. Shapard</u>			
Trip to London, England (6/30/13-3/27/13)			
09/23/2013	KR-215	Telephone Reimbursement	\$18.56
<b>Total:</b>			<b>\$852,489.32</b>

## 15 (a) Disbursement of Monies by International Merchandising Corporation (IMC)

<u>Date</u>	<u>To Whom</u>	<u>Purpose</u>	<u>Amount</u>
05/07/2013	Mark Reiter	Literary Advisory	\$1,000.00
05/16/2013	Envoy Strategy	Marking Strategy	\$206,250.00
05/21/2013	Alexander Sierck	Legal Services	\$780.00
05/21/2013	Alexander Sierck	Legal Services	\$273.00
06/21/2013	Carolyn Mellin	Philanthropic Advisory	\$37,500.00
07/10/2013	W. Allen Shapard	Travel Expenses	\$12,353.59
07/15/2013	Alexander Sierck	Legal Services	\$351.00
08/13/2013	Envoy Strategy	Marking Strategy	\$206,250.00
08/21/2013	Ben Hall	Digital Advisory	\$390.83
08/30/2013	W. Allen Shapard	Travel Expenses	\$614.33
09/06/2013	Carolyn Mellin	Philanthropic Advisory	\$37,500.00
09/21/2013	Carolyn Mellin	Travel Expenses	\$471.02
09/21/2013	Carolyn Mellin	Travel Expenses	\$537.15
09/30/2013	IMG Creative Services	Brand Consultation	\$4,000.00
10/06/2013	W. Allen Shapard	Travel Expenses	\$1,443.12
10/21/2013	Carolyn Mellin	Books	\$145.10
10/21/2013	Carolyn Mellin	Travel Expenses	\$4,345.95
<b>Total:</b>			<b>\$514,205.09</b>

**Note: new recipients of funds (since prior report)**

Mark Reiter: The Reiter Agency, Ltd., 24 Overcliff Street, Yonkers, NY 10705