

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 Gray and Company Public Communications International, Inc. 3255 Grace Street, N.W., Washington, D.C. 20007	2. Registration No. 3301
3. Name of foreign principal Government of Canada	4. Principal address of foreign principal c/o Embassy of Canada 1746 Massachusetts Avenue, N.W. Washington, D.C. 20036

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:
- | | |
|--------------------------------------|--|
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Committee |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Voluntary group |
| <input type="checkbox"/> Association | <input type="checkbox"/> Other (specify) _____ |
- Individual—State his nationality _____

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

- a) Branch or agency represented by the registrant. The Embassy of Canada
- b) Name and title of official with whom registrant deals. Allan Gotlieb
Ambassador of Canada

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

- a) Principal address Not Applicable
- b) Name and title of official with whom the registrant deals.
- c) Principal aim

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
Not Applicable

b) Is this foreign principal

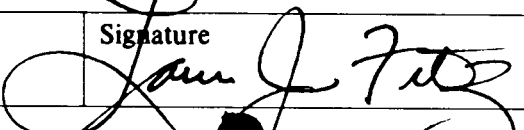
- Owned by a foreign government, foreign political party, or other foreign principal Yes No
- Directed by a foreign government, foreign political party, or other foreign principal..... Yes No
- Controlled by a foreign government, foreign political party, or other foreign principal Yes No
- Financed by 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.)

Not Applicable

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.

Not Applicable

Date of Exhibit A	Name and Title	Signature
February 13, 1984	Lauri J. Fitz Vice President	

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

Name of Registrant	Name of Foreign Principal
Gray and Company Public Communications International, Inc.	Government of Canada

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 two 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 two 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 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.

Gray and Company Public Communications International will work to advise the Canadian Embassy, on behalf of the Canadian Government on public affairs and promotional matters in the United States.

The Government of Canada will remit a monthly fee of \$10,500 U.S. dollars for three and one half months for staff services. Out of pocket expenses will be billed separately.

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

On behalf of the Government of Canada, our activities may include the arrangement of media breakfasts, public relations for upcoming conferences on acid rain, media calls, preparation/dissemination of press releases, and satellite feeds as appropriate; also arrangements for meetings with public and private sector individuals.

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.

See #5 Above.

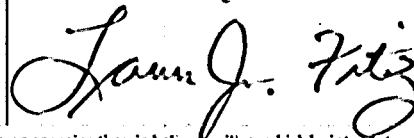
Date of Exhibit B

February 13, 1984

Name and Title

Lauri J. Fitz
Vice President

Signature



¹Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the Government 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 the government of a foreign country or a foreign political party.

Canadian Embassy



Ambassade du Canada

Washington, D.C.

February 6, 1984.

Mr. Robert K. Gray,
Chairman,
Gray and Company,
The Power House,
Washington, D.C. 20007

Dear Mr. Gray,

The Embassy of Canada is of the view that there be available to it expert advice on public affairs and promotional matters in the United States. To achieve this end, the Embassy on behalf of the Government of Canada hereby offers to the firm of Gray and Company a contract for services subject to the following terms and conditions.

The services to be performed under this contract shall be to advise the Canadian Embassy, in accordance with instructions given from time to time by the Embassy on public affairs and promotional matters and in particular:

- To advise and consult on the most effective means to publicly promote Canadian interest in specific issue areas such as Acid Rain. To be the catalyst for the launching of projects in this regard that would further general public awareness of such issues, and of Canadian positions therein.
- To develop and refine concepts and ideas to enhance the image of Canada in the United States as, inter alia, a safe secure and profitable country in which to invest; a sophisticated neighbour with its own distinct culture and political and social mores; a full and mature economic partner and ally. To propose and plan implementation of media and other programme of high visibility and impact to achieve such objectives.

....2

Gray and Company shall undertake that neither its officers nor employees will, at any time during and after the rendering of the services contracted for, cite, quote, refer to or otherwise communicate any confidential information obtained from Canadian Government files or by any other means without the prior written agreement of the Government of Canada. As well, all materials, papers and studies forming part of, or produced in the performance of, this contract and all copyrights therein will be the property of the Government of Canada, and shall not be communicated or published without the prior written permission of the Government of Canada. It is understood that the Government of Canada will not be liable for claims in respect of death, disease, illness, injury or disability or loss or damage to property which may be suffered by Gray and Company or its employees or by anyone else in the performance by Gray and Company or its employees in carrying out this contract.

For the performance of these services to the satisfaction of the Canadian Ambassador to the United States of America, the Canadian Government will pay you at the fixed monthly rate of U.S. \$10,500.00 during the life of the contract for three and one-half (3 1/2) months. Administrative time costs incurred by Gray and Company for compliance with the U.S. Foreign Agents Registration Act shall be paid by the Government of Canada as part of this agreement.

Out-of-pocket expenses will be billed separately. Gray and Company will secure prior approval from Canada before incurring out-of-pocket expenses other than incidentals (postage and photocopying, for example). A standard ten percent (10%) handling fee mark-up will be added to all passed-through out of pocket expenses.

Payment under this contract shall be made by the Embassy subject to the submission of payment requests submitted by Gray and Company on a monthly basis with the monthly retainer paid on the first day of each month of the contract. Payment for expenses shall be made at the end of each month of the life of the contract.

The total amount that may be paid under the terms of this contract is limited to U.S. \$41,000.00.

The terms of this contract may be revised by mutual agreement.

This contract shall not be assigned. No member of the House of Commons of Canada shall be admitted to any share or part of this contract or to any benefits arising therefrom.

This letter, upon signature by and on behalf of Gray and Company will constitute a contract for services between Gray and Company and the Embassy of Canada in accordance with the Government of Canada Contract Regulations, during the period December 15, 1983 to March 31, 1984. It shall be understood that it does not constitute an appointment or an employment of any person in the capacity of an officer, clerk or employee of the Canadian Government or the Embassy.

It is understood that Gray and Company is prepared to further develop and implement such ideas and concepts as prove most effective and promising in a further contract to be negotiated on the termination of this contract.

Yours sincerely,

Allan Gotlieb

Allan Gotlieb
The Ambassador of Canada

Accepted:

By:

Robert K. Gray

Robert K. Gray
Chairman
Gray and Company

Date:

6 February 1984