

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. 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, D.C. 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. Finally, the Attorney General intends, at the earliest possible opportunity, to make these public documents available on the Internet on the Department of Justice World Wide Web site.

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, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

1. Name of Registrant <i>Hill & Knowlton</i> <i>Italian Trade Commission</i>	2. Registration No. <i>3301</i>
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3. Name of Foreign Principal
Italian Trade Commission

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.


Public Affairs Counseling

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

- Contact consumer & trade media outlets to garner coverage on Italian fashion products
- Engage in activities/events that create awareness of Italian fashion companies
- produce newsletters for distribution to media/importers of Italian fashion products/retailers

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.

Date of Exhibit B 4/17/01	Name and Title Jeff Trammell SMD	Signature 
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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 interests, policies, or relations of a government of a foreign country or a foreign political party.

HILL & KNOWLTON

Hill and Knowlton, Inc.
International Public Relations/Public Affairs
466 Lexington Avenue
New York, NY 10017
212 885-0300

FAX RECEIVED
ITALIAN TRADE
COMMISSION
NEW YORK, NY

NOV 10 2000

NA 146 20000 7498

7 pages

November 9, 2000

Carmela Verna
Trade Promotions Officer
Italian Trade Commission
Fashion Center
499 Park Avenue
New York, NY 10022

This will serve as the agreement pursuant to which Hill and Knowlton, Inc. ("H&K") will serve as professional communications counsel to Italian Trade Commission ("Client").

1. Services

As requested by Client from time to time, H&K will furnish such public relations/public affairs services as are ordinarily provided by a full-service professional communications company. Prior to undertaking specific tasks/assignments, H&K will provide Client with a detailed description of services and an estimate of our charges and anticipated costs.

2. Charges

- (a) Client will pay H&K the following installments: \$25,000 on 11/15; \$25,000 on 1/1/01; \$20,000 on 3/1/01. These payments will be applied against staff time charges actually incurred.
- (b) Charges for H&K's services will be made at H&K's then standard hourly rates for participating professionals and other staff as required to carry out the programs and tasks approved by Client.
- (c) In addition to staff time charges, Client will pay H&K the net cost of all materials, services and rights obtained by H&K from third-party suppliers on Client's behalf, plus a fifteen (15) percent handling and administration fee. In obtaining such materials, services and rights, H&K will act as agent for Client as disclosed principal.
- (d) Client will reimburse H&K for the net cost of travel and accommodation expenses undertaken on Client's behalf, as well as all routine out-of-pocket disbursements, such as postage, courier,

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in-house photocopying, and ordinary communications (telephone, facsimile, and e-mail).

- (e) H&K may be called upon to assist Client in responding to a crisis or extraordinary situation requiring an unusual expenditure of time and/or effort by H&K personnel. If such a situation arises, a separate letter of agreement will be prepared and H&K, in conjunction with the Client, will take into consideration such extraordinary factors in determining the rates or fee to be charged.

It is acknowledged that such circumstances may require H&K to commence services before H&K and Client shall have completed a separate agreement. Accordingly, Client's instruction to H&K to commence such services will constitute Client's commitment to pay H&K's standard crisis rates therefore subject to equitable adjustment upon execution of a definitive agreement with respect to such services.

- (f) H&K may be called upon to respond to or assist Client in connection with litigation commenced or threatened against Client by third parties (for example, in complying with a document subpoena). It is understood that H&K will be entitled to staff time charges and reimbursement of out-of-pocket expenses for services rendered to Client, or time spent by H&K in connection with such matters.

3. Payment Terms

- (a) On or before the first day of each month, H&K will submit its invoice for the appropriate Monthly Advance, which will be payable on or before the tenth day (10th) of such month. Should actual staff time charges for the month be less than the Monthly Advance paid, the amount of such excess payment shall be applied to the subsequent month's charges until such excess is exhausted.
- (b) Following the conclusion of each calendar month, H&K will provide Client with an invoice, payable within ten (10) days, for actual staff time, third-party expenditures, travel/accommodation costs, and routine out-of-pocket disbursements recorded during such month. [In anticipation of extraordinary expenses or time to be incurred on your behalf, we shall have the right to require the up-front payment of certain charges.]
- (c) In the event payments due H&K are not made in accordance with the terms stated in Clause (a) above, H&K will be entitled to charge Client a late penalty of 1 ½ percent per month on any overdue and

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unpaid balance. Client agrees to reimburse H&K for all expenses (including reasonable attorney's fees and disbursements) incurred in the collection of any overdue and unpaid invoices.

- (d) H&K reserves the right to suspend or terminate all service to Client without liability resulting directly or indirectly from such suspension or termination, in the event that any undisputed invoice or any undisputed portion of any disputed invoice for staff time charges, third-party expenditures, travel/accommodation or out-of-pocket charges or costs remain unpaid forty-five (45) days from the date of invoice.
- (e) Without limiting the foregoing, we reserve the right in the case of any delinquency of Client's payments or any impairment of Client's creditworthiness, to change the requirements as to terms of payment under this agreement.

4. Records

- (a) H&K will maintain accurate record of all staff time and third-party expenditures incurred on behalf of Client and, during the term of this agreement and for one year thereafter, Client may examine such records at H&K's offices, where such records are regularly maintained upon reasonable notice and during normal business hours. It is understood that the foregoing does not include H&K's salary data, overheads, and other internal H&K costs or non-billable items.
- (b) If requested, copies of supplier invoices and other back-up materials in support of H&K's third-party expenditures of \$500 or more will be included with H&K's end-of-month invoice.

5. Confidentiality

H&K acknowledges its responsibility, both during and after the term of its engagement hereunder, to exercise reasonable care to preserve the confidentiality of any proprietary or confidential information or data developed by H&K on behalf of Client in the course of its services hereunder, or disclosed by Client to H&K. H&K's obligation under the foregoing sentence shall not extend to:

- Information that is in the public domain at the time of disclosure to H&K or which enters the public domain through no fault of H&K;

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- Information that is in the possession of H&K or its employees at the time of disclosure to H&K;
- Information that H&K, or its employees, receives from a third party under no obligation of confidentiality to Client; and
- Information which is required to be disclosed pursuant to any court order or directive having the force of law.

Notwithstanding the above, H&K's obligation to maintain the confidentiality of any such information that it maintains in its possession or control shall cease on the third anniversary of the termination of this agreement.

6. Indemnity

It is acknowledged that H&K cannot undertake to verify facts supplied to it by Client, or factual matters included in material prepared by H&K and approved by Client. Accordingly, Client agrees to indemnify and hold harmless H&K from and against any and all losses, claims, damages, expenses (including reasonable attorney's fees and disbursements) or liabilities ("damages") which H&K may incur as a result of any materials, releases, reports, or information supplied to H&K by, or on behalf of, Client, or prepared by H&K and approved by Client prior to dissemination, publication or broadcast, except when directly attributable to H&K's failure to use due care. Client shall similarly indemnify and hold H&K harmless in respect of any damages arising out of the nature or use of Client's products or services.

7. Ownership Of Materials

- (a) All materials submitted or developed by H&K for Client and any other tangible work product produced by H&K specifically on behalf of Client during the term of this Agreement (collectively, "Materials"), shall, as between H&K and Client, be deemed Client's property exclusively (subject, however, to any licensed third-party rights retained therein), provided that Client pays for such Materials and, before this agreement is terminated, Client either uses the Materials at least once, or indicates in writing to H&K its intention to use them. Otherwise, such Materials are, as between H&K and Client, H&K's property exclusively.

All such Materials belonging to Client which are eligible for copyright protection in the United States or elsewhere, shall be deemed works made for hire. If any such Materials are deemed for any reason not to be a work made for hire, H&K, without further

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consideration, hereby assigns all such rights, title and interest in the copyright of Materials to Client, and H&K agrees, at the request and expense of Client, to execute and deliver such documents and instruments as shall be necessary to evidence Client's ownership and copyright interest therein.

- (b) The foregoing clause (a) shall not apply to the extent that Materials or works created or prepared by H&K on behalf of Client consist of material that was owned by, or licensed to, H&K, prior to its execution of this Agreement and any computer software or elements thereof that may have been developed by H&K in connection with its services hereunder, which shall remain H&K's property.

8. Duration

- (a) H&K's appointment under this Agreement shall be effective as of November 9, 2000 and continue thereafter until terminated by either party upon not less than thirty (30) days' written notice to the other.
- (b) The rights, duties and responsibilities of H&K and Client shall continue through the thirty-day notice period, including H&K's right to receive our fee compensation (if any) for each calendar month (or pro-rata portion thereof for any partial calendar month) occurring during said period.
- (c) Upon termination of this Agreement, provided that there is no outstanding indebtedness then owing by Client to H&K, H&K shall transfer, assign and make available to Client all property and materials in its possession or control belonging to Client. Client will assume H&K's liability under and indemnify H&K with respect to all outstanding contracts and authorized commitments made on Client's behalf.

9. Non-Solicitation of Employees

Both parties agree that they will not, during the term of this Agreement, and for a period of one year thereafter, employ or retain any person (other than a respondent to a general solicitation or employment search assignment) who is then, or at any time during the preceding six months, was an employee of, or consultant to, the other, or persuade, or attempt to persuade any employee of, or consultant to, the other, to terminate his/her employment or consultancy with such other party.

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10. Governing Law

This Agreement will be governed and construed in accordance with the laws of the State Of New York for contracts made and to be performed entirely in New York.

11. Arbitration

Any dispute arising out of this Agreement or the matters contemplated herein will be determined by arbitration in the Hill and Knowlton New York office before a single arbitrator in accordance with the rules then obtaining of the American Arbitration Association. The arbitration award shall be final and binding upon the parties, and judgement may be entered therein in any court of competent jurisdiction.

12. Miscellaneous

This Agreement constitutes the entire understanding between H&K and Client and supersedes any and all prior Agreements, whether oral or written, relating to the subject matter, including without limitation that certain Letter of Agreement dated November 9, 2000. This Agreement may not be assigned by either party without the express written consent of the other. It may be modified or amended only by a written document signed by each of the parties. The provisions of paragraphs 2(e), 5, 6, 7, 9, 10, and 11 will survive the expiration or earlier termination of this Agreement.

If you are in agreement with the above, would you kindly sign both copies of this letter in the space provided and return one copy to me for our records.

HILL & KNOWLTON

Once again, we thank you for selecting Hill and Knowlton, Inc., and we look forward to working with you and all of your colleagues at Italian Trade Commission.

Sincerely,

HILL AND KNOWLTON, INC.

Philip Sheldon
General Manager and
Executive Managing Director
November 9, 2000

Agreed:

ITALIAN TRADE COMMISSION

By:

Name

Deputy Trade Commissioner

Title

11.14.2000

Date

Attachment III (11)

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

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

Association of Dutch Insurers (Verbond van Verzekeraars)

Registrant provided counsel as to possible business investment opportunities

EgyptAir

Registrant monitored news developments regarding matters of interest to foreign principal and provided media relations assistance, focusing on preparations for and coverage surrounding the one-year anniversary memorial observances, following the EgyptAir 990 accident.

Hitachi Ltd.

Registrant monitored legislative and regulatory developments relevant to foreign principal's business activities.

Ministry of Finance, Chile

Registrant provided counsel regarding financial matters to foreign principal and monitored legislation.

Nice Convention and Visitors Bureau (through Mondotels, Inc.)

Registrant provided counsel for media relations and travel industry relations.

Portfolio of Finance and Economic Development, Cayman Islands B.W.I.

Registrant monitored U.S. media for coverage of offshore finance issues; advised on development of press releases on financial services regulation in the Cayman Islands; and assisted in development of media response strategy relating to financial services regulation issues.

Royal Netherlands Embassy

Registrant monitored news and wire stories regarding matters of interest to foreign principal.

Welsh Development Agency

Registrant counseled foreign principal on strategies for public relations and media relations.

Government of Botswana

Registrant developed and implemented a public affairs program regarding international trade, economic development, and world health matters. The PA program includes educating members on media and federal govt. agencies regarding international trade, economic development, and world health matters in the Republic of Botswana.

Hon Helen Johns

Registrant provided counsel and arranged introductions to and briefings of members of Congress and staff. See attachment III (B)

Italian Trade Commission

Registrant provided public relations counsel in support of product and corporate image in the fashion industry.

III (B)

EMB SUITE
1250-2300
TARA AREAS

REVISED 9-19-00

SCHEDULE FOR MINISTER JOHNS

Thursday, September 21, 2000

9:30 AM	Dale Lewis (Cong. Steny Hoyer, D-MD) 1705 Longworth House Office Bldg.	225-4131
11:00 AM	John Lancaster, Executive Director President's Commission on Employment of People with Disabilities 1331 F Street, N.W., 3 rd Floor	376-6200 (Wanda)
1:30 PM	Elizabeth Savage, Counsel to Assistant Attorney General Civil Rights Division, Department of Justice 1425 New York Avenue, N.W., 4 th Floor	514-4279
3:00 PM	Katie Corrigan (Sen. Tom Harkin, D-IA) 731 Hart Senate Office Bldg.	224-3254
3:30 PM	Sally Rhodes, Disability Policy Director, Senate Health, Education, Labor and Pensions Committee (Sen. James Jeffords, R-VT) 728 Hart Senate Office Bldg.	224-5141