

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

Saunders and Company (3440)

Embassy of Japan

Check Appropriate Boxes:

1. 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.
2. 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.
3. 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.

See Attached Contract

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

See Attached Contract

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?¹
Yes No

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

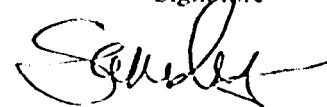
Date of Exhibit B

June 5, 1989

Name and Title

Steven R. Saunders
Managing Director

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 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.

CONTRACT

The Embassy of Japan, 2520 Massachusetts Avenue, NW, Washington, DC (hereinafter referred to as the "Embassy"), and Saunders and Company, 1015 Duke Street, Alexandria, VA (hereinafter referred to as "Saunders") have agreed as follows:

1. Saunders agrees to provide the Embassy with advice and counsel on US-Japan economic relations, systems for communicating Japanese views to Congress and business leaders, and other matters on which the Embassy may request advice and counsel, during the period 1 April 1988 through 31 March 1989.

2. The Embassy agrees to pay Saunders US \$25,000 (Twenty-five Thousand Dollars). This payment shall be made in two parts: US \$12,500 (Twelve Thousand Five Hundred Dollars) at the end of September and US \$12,500 (Twelve Thousand Five Hundred Dollars) at the end of March.

In witness of the above agreement, Minister Issei Nomura, representing the Embassy of Japan, and Mr. Steven R. Saunders, of Saunders and Company, have signed hereunder.



Issei Nomura
Minister
Embassy of Japan



Steven R. Saunders
Saunders and Company



Date: April 8, 1988

Exhibit
@ (Contract)

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