

EXHIBIT A  
TO REGISTRATION STATEMENT

*Under the Foreign Agents Registration Act of 1938, as amended*

*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  China Daily Distribution Corp.	2. Registration No.  3457
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3. Name of foreign principal  China Daily of Beijing, China	4. Principal address of foreign principal  2, Jintai Xilu, Beijing, China
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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 checked="" type="checkbox"/> Corporation	<input type="checkbox"/> Voluntary group
<input type="checkbox"/> Association	<input type="checkbox"/> Other (specify) _____

Individual - State his nationality \_\_\_\_\_

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

a) Branch or agency represented by the registrant.

b) Name and title of official with whom registrant deals.

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

a) Principal address

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

Publisher of Newspaper

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.)

Owned by the Government of China which provides a subsidy in part in the form of building installations, equipment, machinery and delivery vehicles.

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.

Controlled by autonomous Board of Directors

Date of Exhibit A April 7, 1983	Name and Title President Young Kee, & Director	Signature <i>Young Kee</i>
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UNITED STATES DEPARTMENT OF JUSTICE  
Washington, D.C. 20530

EXHIBIT B

TO REGISTRATION STATEMENT  
Under the Foreign Agents Registration Act  
of 1938, as amended

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
China Daily Distribution Corp.	China Daily of Beijing, China

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.

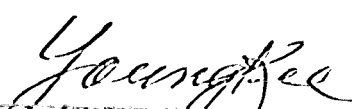
Printing, through contracts with one or more printers of "China Daily" newspaper directly from photograph negatives of actual contents of the newspaper which is prepared by the Foreign Principal; the distribution of the printed newspaper; and the obtaining of paid advertisements in the U.S. & Canada for inclusion in the newspaper.

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

Same as set forth in answer to Item 5.

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?<sup>1/</sup> 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	Name and Title	Signature
April 7, 1983	Young Kee, President and Director	

<sup>1/</sup> Political 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.

AGREEMENT made this 7<sup>th</sup> day of APRIL, 1983, by and between China Daily, with offices at 2 Jintai Xilu, Beijing, People's Republic of China, and China Daily Distribution Corp. ("CDDC"), with offices at 224 East 10th Street, New York, New York, U.S.A.

RECITALS

WHEREAS, China Daily is the publisher of an English language newspaper entitled "China Daily", published in Beijing (the "Newspaper"), and desires to have the Newspaper printed and distributed in the United States and Canada; and

WHEREAS, CDDC desires to print and distribute the Newspaper in the United States and Canada;

NOW, THEREFORE, it is hereby agreed between the parties as follows:

1. China Daily hereby entrusts CDDC to print and distribute the Newspaper in the United States and Canada during the term of this agreement.
2. CDDC agrees to provide such capital as may be required to undertake the printing and distribution of sufficient copies of the Newspaper for current and future subscribers and for newsstand sales. CDDC shall use its best efforts to expand and develop subscription and newsstand sales of the Newspaper in the United States and Canada.
3. China Daily shall provide CDDC with a list of current subscribers and the amount of subscription fees outstanding within fifteen days of the execution of this agreement. CDDC shall calculate the difference in mailing costs charged to each subscriber and the actual cost of mailing, and credit any surplus to the subscribers by extending the subscription periods by the amount of such credit.
4. Quarter-annually, CDDC shall pay to China Daily thirty (30%) per cent of the net profits derived from its subscription and newsstand sales of the Newspaper on a cumulative basis. Net profits shall mean actual receipts from subscription and newsstand sales in the United States and Canada less all costs of printing and distributing the Newspaper.
5. CDDC shall not make any change in the contents or makeup of the Newspaper, except for adding to the top of

each issue the local Post Office registration number, the Federal Government registration, and the name, address, telephone and telex numbers of the agent, the per issue price, and any other information required by American law. China Daily agrees to and shall indemnify CDDC and hold it harmless against any liability, claim or damage, including attorneys' fees, arising out of or in connection with the contents or makeup of the Newspaper; and China Daily shall defend, or pay for the defense, of any lawsuit arising out of or in connection with the contents or makeup of the Newspaper.

6. China Daily agrees to authorize CDDC to add an insert page or pages to accommodate such local advertising as the latter may sell in the USA and Canada. The total proceeds from such local advertising shall be retained by CDDC and excluded from the computation of net profits as provided in Article 4 herein. CDDC undertakes not to print any contents of an editorial nature on the insert page or pages without prior consent of the China Daily.

7. CDDC is authorized to sell advertisements in the USA and Canada on behalf of China Daily, and when such advertisements are accepted and printed in Beijing edition of China Daily, CDDC shall receive a commission of twenty (20) per cent of such advertising. Such commission shall be retained by CDDC, with the balance to be paid to China Daily quarter-annually.

8. China Daily shall transport camera or plate-ready negative films of the Newspaper to New York on a daily basis using the speediest and most convenient way possible and shall absorb all transportation costs. CDDC shall pick up such materials and have the Newspaper printed and distributed on the day of their receipt, and shall be responsible for all costs of such materials upon their arrival fob New York.

9. In the event China Daily fails to so deliver such materials to New York for any particular day or days, any loss of subscription fees resulting from the inability to deliver the Newspaper for such day or days, shall be the responsibility of China Daily. In the event CDDC fails to so pick up such materials upon their arrival in New York or to have the Newspaper printed on the same day, any loss resulting therefrom shall be the responsibility of CDDC. Such losses to be sustained by either side shall be deducted from its share of net profits. In the event such materials fail to reach New York due to force majeure, the losses shall be borne equally by both.

10. CDDC warrants that the printing of the Newspaper in New York shall be completed on the same day as its Beijing edition, and that it be of fine, newspaper quality work. On days when the offices of CDDC are closed, the printing and distribution of the Newspaper shall be carried on as usual.

11. CDDC shall submit monthly circulation figures and financial statements to China Daily. China Daily shall be entitled to examine the financial records of the operation on a quarter-annual basis. Two free copies of each issue shall be forwarded by CDDC to China Daily in Beijing by air mail.

12. CDDC shall be responsible for all necessary legal procedures for the printing of the Newspaper in New York and its distribution in the United States and Canada. China Daily shall pay CDDC US \$2,000.00 to cover registration and legal expenses; this shall be the only amount paid to CDDC for such purpose.

13. This agreement shall continue for a period of one (1) year from the date of initial printing and distribution of the Newspaper, and shall be extended automatically from year to year thereafter unless cancelled by either party no less than sixty (60) days of its expiry and in writing.

14. This agreement is signed in duplicates in both the Chinese and English languages, of which both versions are equally valid. Each party shall keep in its possession one each of the two versions.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

CHINA DAILY

By: \_\_\_\_\_

江敏全

CHINA DAILY DISTRIBUTION CORP.

By: \_\_\_\_\_

Young Kee  
Young Kee, President