

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
Saatchi & Saatchi Advertising, Inc. Registration No.: 3605	The Mexican Tourism Council (Sector) Fondo Nacional de Fomento al Turismo (Fonatur)

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. *This is a 90-day Extension Agreement from 1/15/90 of basic contract submitted to the Department. Note that the English translation is not an exact translation and is being sent as general information.*

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.

1. Study client's products and/or services.
2. Analyze present and potential markets.
3. Employ, on client's behalf, our knowledge of the factors of distribution and sales and their methods of operation.
4. Employ, on client's behalf, our knowledge of the available media and means which can profitably be used to advertise client's products and/or services.
5. Acting on the study, analysis and knowledge described above, formulate and recommend definite plans
6. In the execution of these plans, when approved by the client, we do the following:
 - (a) Write, design, illustrate or otherwise prepare advertisements for print, radio, television and other appropriate forms of client's message and pre-test the executions if we feel it necessary.

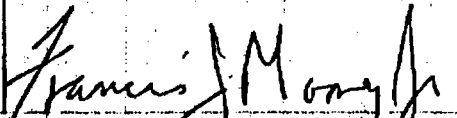
90 FEB 15 2 24 PM '84
REGISTRATION SECTION
U.S. DEPARTMENT OF JUSTICE

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

- (b) Contract, in our name, for space, broadcasting or other means to be used for client's advertising endeavoring to secure the most advantageous rates available.
- (c) Properly incorporate the message in mechanical or other form and forward it with proper instructions for the fulfillment of the contract.
- (d) Check and verify insertions, displays, broadcasts, telecasts or other means used, to such a degree as is usually performed by agencies and is regarded as good practice.
- (e) Audit and pay invoices for space, broadcasting, production and services.
- (f) Screen and select all talent to be used in all forms of media.

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	Name and Title	Signature
February 14, 1990	Francis J. Mooney, Jr. Executive Vice President Director of Business & Legal Affairs	

¹ 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.

AMENDMENT AGREEMENT TO THE TOURIST AND ADVERTISING SUPERVISION SERVICES AGREEMENT, ENTERED INTO BY AND BETWEEN THE FEDERAL EXECUTIVE BRANCH, THROUGH THE TOURISM DEPARTMENT (THE "DEPARTMENT"), HEREIN REPRESENTED BY ITS CHIEF OF STAFF, MR. BRUNO KIEHNLE MUTZEMBECHER, PARTY OF THE FIRST PART, AND BY SAATCHI AND SAATCHI DFS, INC. (THE "AGENCY"), HEREIN REPRESENTED BY ITS SENIOR VICE-PRESIDENT, MR. JAMES HUNTER.

WHEREAS

1. On December 17, 1987, the parties entered into a service agreement effective from January 1st through December 31, 1988, whereby the Agency agreed with the Department to render supervision, and tourist promotion and advertising, consisting in the creation and placement in the media of advertising entrusted by the Department in order to promote and disseminate the tourist resources and attractions of Mexico, outside the Mexican territory.
2. Under Section 2 of said agreement, the Department agreed to pay the Agency, as fees and consideration of such services, the 17.65% of the net costs invoiced by the media and suppliers for the advertising placed.
3. That in accordance with Section 16 of the Agreement, the parties agreed to extend the original term of the Agreement through January 14, 1990, under the same terms and conditions thereof.
4. In December 1989, the bidding procedure N° ST.S.021.89 was conducted in order to hire an agency that would manage the Department's advertising account abroad for the 1990 year; however, taking into account that the number of irregularities and contradictions arose during the course of such procedure, the Federal Comptrollership, through their Claims Office, directed under official communication N° 222.3.303.4115522, dated January 5, 1990 and addressed to the head of the Acquisitions Office of the Department to hold any activity related with bidding procedure.
5. In view of the fact that it is necessary to continue with the development of the Department's advertising programs and that it is not possible to anticipate the term and final decision to be issued by the Federal Comptrollership, the parties agree to extend the agreement referred to above, as hereinafter provided:

C L A U S E S

SECTION 1. The purpose of this amendment agreement is to modify sections 4, 7, 14, 17 and 18 of the agreement referred to in paragraph 1 of the chapter of Wheras above, as follows:

"SECTION 4. The Agency shall submit to the Department, within 10 days following the date of this agreement, the Media Plan proposed to be conducted, which
.....

a surety bond for 20% of the total amount authorized under the Media Plan, to guarantee the correct use of any amounts received by it, as well as the due development of the tourist promotion and advertisement supervision program referred to herein. Such bond shall be a pre-requisite for the Deparment to make any payment to the Agency, pursuant to the schedule agreed for that purpose.

The surety bond shall be issued by a Mexican bonding company in favor of the Federal Treasury Office of the Mexican Government and available to the Department, and must include the following statements:

- a) That it is issued under the terms of this agreement;
- b) That it shall be in effect during the time covered by the payment schedule agreed to by the parties;
- c) That it shall not be cancelled without the prior written consent of the Federal Treasury Office;
- d) That the bonding company shall expressly accept the provisions of articles 95 and 118 of the Bonding Companies Companies Law.

Such surety bond shall be cancelled upon completion of the services rendered, at the Department's satisfaction.

"SECTION 18. The Department hereby appoints the Promotion and Development Undersecretary and, in his absence, the Advertising Manager, as the liaison

SEVENTH -

"The Agency will verify to "The Secretary" within a 30-day time period -- all payments extended to the media or suppliers, and all related jobs; this proof, in all cases, involves/requires the sending of invoice copies extended to the media or respective suppliers.

Additionally, in the case of executions printed within print media, "The Agency" will provide "The Secretary", within the same manner discussed in the preceding paragraph, with three tearsheets run within the publication; with respect to promotional materials "The Secretary" will be sent at least one example of the corresponding final product.

TENTH QUARTER -

The operation of this present Contract will be -- three months, beginning with the 15th of January, 1990. However, any part of this contract can be terminated -- without responsibility, through written communication directed at the other with 15 days notice. During this period, only those irrevocable/non-cancelable commitments will be continued by "The Agency" and "The Secretary".

man for everything pertaining to this agreement. In turn, the Agency hereby appoint Messrs. James Hunter, Robert Weekes and Leland M. Rogan for the same purpose.

SECTION 2. The parties agree to delete sections 16 and 20 of the agreement.

SECTION 3. Except for the provisions contained herein, all other provisions of the original agreement shall continue in full force and effect.

SECTION 4. For the interpretation of and compliance with this agreement, the parties expressly submit to the jurisdiction of the Federal Courts of the City of Mexico, Federal District, hereby waiving to any other jurisdiction that may correspond to them by reason of their present or future domiciles.

Having been read this agreement to the parties, who understood its contents and legal effect, signed the same in five counterparts in the City of Mexico, Federal District, on January 15, 1990.

THE "DEPARTMENT"
The Secretary

THE "AGENCY"

PEDRO JOAQUIN COLDWELL

JAMES HUNTER
Senior Vice-President

THE PROMOTION AND DEVELOPMENT
UNDERSECRETARY

THE CHIEF OF STAFF

CARLOS CAMACHO GAOS

BRUNO KEINLE MUTZEMBECHER

THE MANAGER FOR LEGAL
MATTERS

PABLO MUNOZ ROJAS



SECRETARIA DE TURISMO

CONVENIO MODIFICATORIO AL CONTRATO DE PRESTACION DE SERVICIOS PARA LA SUPERVISION DE PROMOCION Y PUBLICIDAD EN MATERIA TURISTICA, QUE CELEBRAN, POR UNA PARTE, EL EJECUTIVO FEDERAL, A TRAVES DEL SECRETARIO DE TURISMO, REPRESENTADO POR SU OFICIAL MAYOR, LIC. -- BRUNO KIEHNLE MUTZEMBECHER, Y POR LA OTRA, SAATCHI AND SAATCHI -- DFS, INC., REPRESENTADA POR EL SR. JAMES HUNTER, EN SU CARACTER DE VICEPRESIDENTE SENIOR, A QUIENES EN LO SUCESIVO Y PARA EFECTOS DE ESTE CONVENIO SE LES DENOMINARA COMO "LA SECRETARIA" Y ----- "LA AGENCIA", RESPECTIVAMENTE, DE CONFORMIDAD CON LOS SIGUIENTES ANTECEDENTES Y CLAUSULAS :

A N T E C E D E N T E S

1.- Con fecha 17 de diciembre de 1987, las partes suscribieron un contrato de prestación de servicios con vigencia del 1º de -- enero al 31 de diciembre de 1988, por medio del cual "LA AGENCIA" se obligó ante "LA SECRETARIA" a prestar los servicios de supervisión, promoción y publicidad turística, consistentes en la realización y colocación en medios de comunicación, de la publicidad que ésta le encargue con el propósito de promover y difundir los recursos y atractivos turísticos de México, fuera del Territorio Nacional Mexicano.

JH
2.- Conforme a la Cláusula Segundo de dicho contrato, "LA SECRETARIA" se obligó a pagar a "LA AGENCIA" por concepto de honorarios y como contraprestación por dichos servicios, el 17.65% (DIECISIETE PUNTO SESENTA Y CINCO POR CIENTO) sobre los costos netos que facturen los distintos medios y proveedores por la publicidad que contrate.

~~_____~~
3.- Que de conformidad con lo que señaló la Cláusula Décima Sexta del Contrato de referencia, las partes acordaron prorrogar la vigencia original del Contrato hasta el día 14 de enero de --

M



SECRETARIA DE TURISMO

1990, subsistiendo todos sus cláusulos en los mismos términos establecidos.

4.- En el mes de diciembre de 1989, se llevó a cabo la licitación N° ST.S.021.89 para la contratación de una agencia que se hiciera cargo de la cuenta publicitaria de "LA SECRETARIA" en el extranjero para el año de 1990, y considerando que en dicho concurso se presentaron graves irregularidades y contradicciones, la Dirección de Inconformidades de la Secretaría de la Contraloría General de la Federación, ordenó mediante el oficio N° 222.3.304115522 de fecha 5 de enero de 1990, al Director de Adquisiciones de "LA SECRETARIA", la suspensión de cualquier acto relacionado con dicha Contratación.

5.- Que en virtud de que es necesario continuar con el desarrollo de los programas publicitarios de "LA SECRETARIA", y considerando que se desconoce el término y el sentido final de la resolución que emitirá la Secretaría de la Contraloría General de la Federación, las partes acuerdan prorrogar el contrato a que se refiere el antecedente N° 1, modificándolo de conformidad con los siguientes :

C L A U S U L A S

PRIMERA.- El objeto del presente Convenio es modificar el contrato a que se refiere el antecedente N° 1, en sus Cláusulas Cuarta, Séptima, Décima Cuarta, Décima Séptima y Décima Octava, para quedar como sigue :

"CUARTA.- "LA AGENCIA" presentará a "LA SECRETARIA", dentro de los siguientes 10 días o la fecha de la firma de este Contrato, el "PLAN DE MEDIOS" que se proponga realizar, el cual



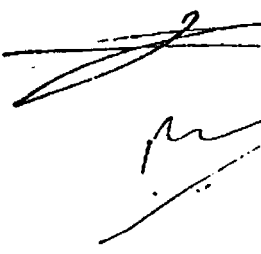
SECRETARIA DE TURISMO

contendrá el programa de trabajo y el presupuesto debidamente detallado, referente a los proyectos y campañas publicitarios que se consideren necesarios para el debido cumplimiento del objeto de este instrumento. El mencionado "PLAN DE MEDIOS" se integro como ANEXO DOS al presente contrato del cual forma parte.

"SEPTIMA.- "LA AGENCIA" comprobará a "LA SECRETARIA", en un plazo máximo de treinta días, después de que lo primera haya -- efectuado pagos a un medio o proveedor, la realización del o de los trabajos de que se trate, dicha comprobación implicará, en todos los casos, el envío de copias de las facturas -- extendidas por los medios o proveedores respectivos.

Adicionalmente, cuando se trate de inserciones publicitarias en medios impresos, "LA AGENCIA" enviará a "LA SECRETARIA", dentro del mismo plazo o que se refiere el párrafo anterior, tres ejemplares de los publicaciones en los que se haya incluido la publicidad; tratándose de material promocional, se le hará llegar a "LA SECRETARIA", por lo menos, un ejemplar del producto final correspondiente".

PAH
"DECIMA CUARTA.- Lo vigencia del presente Contrato será de -- tres meses contados a partir del 15 de enero de 1990. Sin embargo, cualquiera de los partes podrá darlo por terminado, -- sin responsabilidad, mediante escrito dirigido a lo otro con quince días de anticipación. Durante este período, se continuarán cumpliendo únicamente los compromisos irrevocables y no cancelables que haya contraído "LA AGENCIA" o nombre y -- por cuenta de "LA SECRETARIA".


"DECIMA SEPTIMA.- Dentro de los quince días siguientes a la -- firma de este Contrato, "LA AGENCIA" le presentará una fian-



SECRETARIA DE TURISMO

za por el 20% (VEINTE POR CIENTO) del monto total autorizado en el "PLAN DE MEDIOS", para garantizar la correcta utilización de las cantidades que reciba, así como el debido desarrollo del programa de supervisión de promoción y publicidad en materia turística a que se refiere este instrumento. La presentación de esta fianza será requisito indispensable para que "LA SECRETARIA" efectúe pagos a "LA AGENCIA", de conformidad con el calendario que se fije.

La fianza deberá ser expedida por una institución de fianzas de México, a favor de la Tesorería de la Federación del Gobierno Mexicano y a disposición de "LA SECRETARIA", debiendo contener las siguientes menciones :

- CH*
- a) Que se otorga en términos de este Contrato;
 - b) Que estará en vigor durante el tiempo que comprende el calendario de pagos que se determine;
 - c) Que no podrá ser cancelada sin el consentimiento otorgado por escrito por la Tesorería de la Federación del Gobierno Mexicano; y
 - d) Que la Institución Afianzadora acepta expresamente lo establecido en los artículos 95 y 118 de la Ley Federal de Instituciones de Fianzas.

Esta fianza será cancelada cuando los servicios programados hayan sido prestados a satisfacción de "LA SECRETARIA"

[Signature]

"DECIMA OCTAVA.- "LA SECRETARIA" designa al Subsecretario de Promoción y Fomento, y en su ausencia, al Director General de Publicidad, como enlace para todo lo concerniente a este Contrato. "LA AGENCIA" a su vez, nombra a los señores James Hunter, Robert Weekes y Leland M. Rogan para el mismo efecto".

[Signature]



SECRETARIA DE TURISMO

SEGUNDA.- Las partes acuerdan suprimir los Cláusulas Décimo Sexto y Vigésimo del Contrato que se modifica.

TERCERA.- A excepción de lo que expresamente se establece en el presente Convenio regirán y se aplicarán con su fuerza legal y al conce todos y cada uno de las Cláusulas del Contrato original.

CUARTA.- Para la interpretación y cumplimiento del presente Convenio, los partes se someten expresamente a la jurisdicción de los Tribunales Federales de la Ciudad de México, Distrito Federal, -- por lo tanto renuncian a cualquier otro fuero que pudiera corresponderles por razón de su domicilio actual o futuro.

Leído que fue el presente Convenio y enterados los partes de su contenido y fuerza legal, lo firman en original y cuatro copias en la Ciudad de México, Distrito Federal o los 15 días del mes de enero de 1990.

POR LA SECRETARIA DE TURISMO
EL SECRETARIO

LIC. PEDRO JOAQUIN COLDWELL

EL SUBSECRETARIO DE PROMOCION
Y FOMENTO

LIC. CARLOS CAMACHO GAOS

EL DIRECTOR GENERAL DE
ASUNTOS JURIDICOS

LIC. PABLO MUÑOZ ROJAS

POR LA AGENCIA

JAMES HUNTER
VICEPRESIDENTE SENIOR

EL OFICIAL MAYOR

LIC. BRUNO KIEHLE MUTZENBECHER

DE ACUERDO AL PLAN DE MEDIOS PRESENTADO POR LA COMPAÑIA SAATCHI & SAATCHI ADVERTISING, UNA VEZ ESTUDIADO SE ACORDÓ CON ESTA COMPAÑIA, QUE EL PLAN #2 QUE INCLUYE 8 MERCADOS EN LOS ESTADOS UNIDOS, ES EL QUE SE REALIZARÁ DURANTE 10 SEMANAS Y TIENE UN COSTO DE \$3'608,000.00 DÓLARES.

LA COMPAÑIA DE PUBLICIDAD ACEPTA QUE LA FORMA DE PAGO SEA EN LA SIGUIENTE FORMA:

DURANTE LA SEMANA DEL 29 DE ENERO/90 - \$1'000,000.00 DLS.

DURANTE LA SEMANA DEL 22 DE FEBRERO/90- 2'608,000.00 DLS.

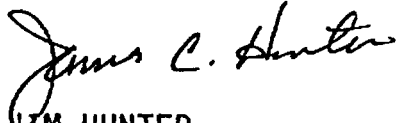
EL SUBSECRETARIO DE PROMOCION
Y FOMENTO.

LIC. CARLOS CAMACHO GAOS

EL DIRECTOR GENERAL DE
ASUNTOS JURIDICOS.

LIC. PABLO MUÑOZ ROJAS

POR LA AGENCIA


JIM HUNTER
VICEPRESIDENTE SENIOR

EL OFICIAL MAYOR

LIC. BRUNO KIENHLE M.