

Privacy Act Statement. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, dissemination report, copy of political propaganda 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 is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of such documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. Finally, the Attorney General transmits an annual report to the Congress on the Administration of the Act which lists the names of all agents and the nature, sources and content of the political propaganda disseminated or distributed by them. This report is available to the public.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .49 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, D.C. 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

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 **DANIEL J. EDELMAN, INC.**
1500 BROADWAY
New York, New York 10036

2. Registration No.
3657

3. Name of foreign principal
GOVERNMENT OF ISRAEL ECONOMIC MISSION

4. Principal address of foreign principal
350 FIFTH AVE.
New York, N.Y. 10118

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:

Partnership

Committee

Corporation

Voluntary group

Association

Other (specify) _____

Individual—State his nationality _____

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

a) Branch or agency represented by the registrant. **ECONOMIC MISSION**

b) Name and title of official with whom registrant deals. **MR. GIORA MEYUHAS,**
ISRAEL ECONOMIC MINISTER
TO NORTH AMERICA.

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

a) Principal address

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

c) Principal aim

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SECTION
REGISTRATION UNIT

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

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.)

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. —

Date of Exhibit A December 20, 1993	Name and Title STEVEN L. KAUFMAN VICE PRESIDENT, EDULMAN INC.	Signature 
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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 triplicate 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, dissemination report, copy of political propaganda 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 is automatically provided to the Secretary of State pursuant to Section 6(h) of the Act, and copies of such documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. Finally, the Attorney General transmits an annual report to the Congress on the Administration of the Act which lists the names of all agents and the nature, sources and content of the political propaganda disseminated or distributed by them. This report is available to the public.

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Name of Registrant	Name of Foreign Principal
DANIEL J. EDELMAN, INC.	GOVERNMENT OF ISRAEL, ECONOMIC MISSION

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 three 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 three 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 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 the expenses, if any, to be received.

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4. Describe fully the nature and method of performance of the above indicated agreement or understanding.

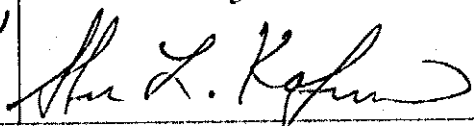
The NATURE OF the CONTRACT IS to provide public Relations support for a TRADE AND investment effort by the GOVERNMENT OF ISRAEL ECONOMIC MISSION. The method of performance engaged in involves CONTACT with the U.S. media community to raise their awareness OF ISRAEL'S economic climate.

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

The REGISTRANT PLANS TO INTERACT WITH AMERICAN JOURNALISTS ON BEHALF OF ITS CLIENT, AND TO PROVIDE THE MEDIA WITH INFORMATION REGARDING THE STATE OF ISRAEL'S ECONOMY.

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
December 20, 1993	STEVEN L. KAUFMAN VICE PRESIDENT EDELMAN, INC.	

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.

DANIEL J. EDELMAN, INC.

1500 Broadway
New York, New York 10036-4015
Phone (212) 768-0550
Fax (212) 704-0128

Public Relations Worldwide
EDELMAN

November 10, 1993

Mr. Giora Meyuhas
Economic Minister to North America
Israel Economic Mission
350 Fifth Avenue - 19th Floor
New York, NY 10018

Dear Mr. Meyuhas:

We are submitting hereby this letter of agreement under which Daniel J. Edelman, Inc. (hereinafter referred to as "Edelman") will serve as public relations counsel in the United States to the Government of Israel Economic Mission (hereinafter referred to as the "Economic Mission") for a period extending from November 10, 1993 through November 10, 1994.

Services

1. Edelman will develop and implement a public relations and economic development plan (hereinafter the "plan"). The plan includes activities designed to achieve the Mission's public relations objectives and counsel the Economic Mission on public relations questions, opportunities and obstacles and Edelman will use its best efforts to further the Economic Mission's reputation and interest. The plan is incorporated as part of this Agreement in Annex A.
2. The plan shall be subject to modifications and/or additions during the term of this Agreement, mutually agreeable to both parties. It is understood that Edelman shall not change any part of the plan without receiving prior approval from the Economic Mission.
3. The plan will be carried out by Edelman's personnel, who are committed to spend a certain amount of hours per week working on the plan. The assigned personnel and the time commitments are described in Annex B, which is incorporated as part of this Agreement.

Performance of Services

4. Edelman will perform, at all times, faithfully, industriously, and to the best of its ability, experience and talent all of the services described in the plan. Edelman shall report to and coordinate its activities with the Economic Minister and/or the Economic Mission public relations consultant.

Atlanta Chicago Dallas Houston Los Angeles Louisville Mexico City Montreal New York
Philadelphia San Francisco Silicon Valley Toronto Washington, D.C. Berlin Dublin Frankfurt London Madrid
Milan Paris Beijing Guangzhou Hong Kong Kuala Lumpur Melbourne Shanghai Singapore Sydney Tokyo

Israel-Based Professional

It is agreed that Edelman will hold a staff person in Israel through the entire term of this Agreement to support the consulting services herein rendered by Edelman. This staff person may be an Edelman employee or paid consultant chosen by the sole discretion of Edelman and approved by the Economic Mission. Edelman shall have the full responsibility for this staff person and the services he provided. The Ministry of Industry and Trade will provide an office and necessary office-related equipment to Edelman's staff person on its expenses.

Payment Terms

5. For all services to be rendered by Edelman under this Agreement, the Economic Mission shall pay Edelman the sum of \$25,000 (twenty-five thousand U.S. dollars) per month (hereinafter referred to as the "fees"). The said amount will be billed monthly at the end of each month of service.
6. In addition to the sum set forth in Clause 5, the Economic Mission shall reimburse Edelman for all reasonable expenses directly, incurred and paid by Edelman in the performance of its services hereunder. In no event shall the total monthly out-of-pocket expenses exceed \$8,000 (eight thousand U.S. dollars), unless approved in writing by the Economic Minister or other person as the Economic Minister may designate. Out-of-pocket expenses will be billed after the end of the month in which they are incurred.
7. All invoices for fees and out-of-pocket expenses will specify in detail the activities undertaken by Edelman for the period covered by the invoice. The invoices will be supported by back-up documentation.

Such invoices shall be paid by the Economic Mission within thirty (30) days of receipt.
8. In the event that it is necessary to travel for the sake of implementing the plan, all air travel, including domestic and international, will be booked in "coach class". All air travel will have to be approved by the Economic Minister. Hotel accommodations will be made in business hotels such as Marriott or Sheraton, and not luxury accommodations. Hotel arrangements in Israel will be made by the Center for Business Promotion administration on behalf of Edelman.
9. Edelman might be required to undertake and execute services beyond the scope of the Plan. Annex C describes initiated services by Edelman that are not contemplated in the plan and costs that would be associated with those services.
10. It is understood that the fees stated in Clause 5 above are for services provided by Edelman in the United States and by the Israel-based professional only. Should the Economic Mission request services of Edelman foreign offices or affiliates, then the fees for these

services shall be mutually agreed upon.

11. Records

Edelman will maintain accurate records of all personnel time work and all out-of-pocket expenses and shall submit such a detailed report on a monthly basis to the Economic Mission.

12. Reports

Edelman will provide to the Economic Mission comprehensive reports on the progress of the plan on a quarterly basis and prepare updates on these reports regularly or upon request of the Economic Minister.

Modification

13. It is understood that the plan, the Edelman personnel, and the budget of the fees and out-of-pocket expenses are a material part of this Agreement.

Any modification of the plan or the budget and any change of the Edelman personnel should be approved in writing by the Economic Minister.

Extension of Agreement and Termination

14. This agreement shall be automatically renewed for successive one-year periods, upon the same terms and conditions, subject to termination as follows: either party may terminate this Agreement by giving not less than forty-five (45) days prior written notice of termination.

Indemnity

15. The Economic Mission agrees to indemnify and hold Edelman harmless from and against all liabilities, including all actions, claims, damages, costs and reasonable attorneys' fees which Edelman may incur resulting from dissemination of material which included errors supplied by the Economic Mission, except if caused by the wrongful, negligent acts of Edelman.

16. Edelman agrees to indemnify and hold the Economic Mission harmless from and against all liabilities, including all actions, claims, damages, costs and reasonable attorneys' fees which the Economic Mission may incur as a result of a breach by Edelman of any representation or warranty made hereunder in the performance of this Agreement and claims relating to libel, slander, defamation, invasion of privacy, piracy, plagiarism, idea misappropriation and infringement of copyright.

Conflict of Interests

17. Edelman personnel, as appears in Annex B, shall not work on any projects for any government, company or another entity whose interests represent a conflict to the aims of the Economic Mission plan.

Confidentiality

18. Edelman acknowledges its responsibility, both during and after the term of its appointment, to use all reasonable efforts to preserve the confidentiality of any proprietary or confidential information or data that came to its knowledge in connection to this Agreement or the plan.

Economic Mission Property

19. All rights to letterheads, videos, pamphlets and other collateral materials developed, prepared or furnished by Edelman as part of the plan or within the embracement of this Agreement shall be deemed as the Economic Mission's property, except to the extent that Edelman may retain copies of items produced to be used by Edelman as examples of work completed.

Non-Employment

20. During the period of this agreement and for one (1) year after its termination neither the Economic Mission nor Edelman will, without the consent of the other, engage as an employee (either directly or indirectly) any person who is employed or has been employed within the last six months of the other.

Governing Law, Jurisdiction

21. This agreement will be governed and construed in accordance with the laws of the State of Israel. Edelman and the Economic Mission agree that any dispute arising out of this agreement which cannot be settled by the mutual consent of the parties shall be adjudicated by a court of competent jurisdiction located in the State of Israel.

22. Interpretation

Clause heading used herein are for the convenience of the parties and shall not affect the interpretation of the clauses thereof.

23. Integration Clause

This Agreement incorporates and supersedes any prior written or oral agreements,

Daniel J. Edelman, Inc.

understandings or memorandums of the parties and may not be modified except by writing signed by both parties.

May we ask you to signify your approval for this Letter of Agreement by affixing your signature to the copy enclosed.

Sincerely,

DANIEL J. EDELMAN, INC.

By: *Daniel J. Edelman*

Date: Dec 29, 1993

Agreed to and accepted:

THE GOVERNMENT OF ISRAEL, ECONOMIC MISSION

By: *Giora Meyuhas*
Giora Meyuhas
Economic Minister to
North America

Eliyahu Ziv Zitouk
Eliyahu Ziv Zitouk
Chief Fiscal Officer

Date: Dec 30, 1993

ANNEX A

Program Commitments

Edelman commits to perform the following tasks as part of our agreement with the Government of Israel Economic Mission. The time commitments we have made for specific personnel would allow us to complete all of these tasks. However, it is understood that the Economic Mission, at its discretion, may at different times instruct us to perform other tasks, requiring us to forgo or delay some of the initiatives described below. It is also understood that some of these commitments assume necessary participation by the Economic Mission. For example, our commitment to complete media trainings by December 22 assumes members of the Economic Mission staff making themselves available for that training.

-New materials, where necessary, to communicate "new world"

We will update existing case histories, sector profiles, and other materials to reflect important changes which have occurred since those materials were originally created. These materials will then be utilized in our media program, as we seek to generate coverage in the national, business and trade media.

In addition, the Edelman team will prepare new materials on an ongoing basis to serve as tools in the campaign. Currently, we are at work creating sector profiles on a range of industry sectors.

Timing: Completed by December 30.

-Media training

Since television will be one of our most important means of telling the positive story about Israel, it will be important to have well-prepared spokespeople capable of making a good presentation in front of the camera. Our firm has developed a special program of media training that we will utilize to help prepare your spokesmen for media appearances.

Rehearsal, role-playing and actual interviews comprise the main portion of training. Using videotape recorders, we will work with your representatives in a variety of simulated news situations. The tapes are immediately played back and critiqued for content and also for personal appearance and behavior, voice quality, speech mannerisms, posture and presence,

and believability.

Our staff is made up of experts from television, radio and print media backgrounds. They serve as the "interviewers" in these mock sessions. For this program, we will want to media train not only the appropriate officials of the Israel Economic Mission, but also any other spokespeople brought into the program for whom we will be arranging significant interviews. While most firms and most public relations programs charge for each media training on an incremental basis, we will perform an unlimited number of media trainings at no extra charge. This is made possible by the fact that the designated team leader on the program is a skilled media trainer. Thus, anytime we feel a media training session would enhance the benefit of an interview, we can perform that training without the Economic Mission having to be concerned about expense.

We have already scheduled an initial training with Mr. Meyuhas. We anticipate that he will undergo further training in the future. In any instance in which a spokesman for Israel -- whether a member of the Economic Mission staff or a visiting executive -- requires media training, that training will be covered by our retainer.

Timing: Initial trainings completed by December 30.

-Data-base

For mailings as well as other efforts we may choose to undertake as circumstances warrant, we will need a carefully created and maintained mailing list. Often, the compilation of such lists is a haphazard affair, with agencies doing little more than buying lists from brokers. In this case, we need to select our targets much more carefully. We would create and continuously add to and delete from this list -- ensuring that we were reaching the right people with each communication.

As a general matter, we would create a highly targeted data-base for the program -- one which would enable us to reach out to specific groups quickly. The list would be divided by industry sector and other categories. For example, we would be prepared to target any company with operations in Israel; companies from industry sectors with heavy trade involving Israel; banks; law firms, etc.

Edelman would create and maintain this list on an ongoing basis. A key advantage in our doing so is the huge data-base we already have of more than 15,000 company executives in a wide range of industry sectors.

Timing: Customized by December 30, 1993 and then ongoing.

-Kick-off in New York

Edelman will orchestrate a kick-off event in New York for the program, serving to jump-start the international business community's interest in Israel in light of recent developments. The guest of honor would be a prominent Cabinet officer, or, ideally and obviously, either Prime Minister Rabin or Foreign Minister Peres, with the event being timed to one of their visits here. They would be accompanied by several CEO's of U.S. companies doing business in Israel. We would invite prominent figures in the U.S. business community -- striking an ideal balance between executives of firms now thriving in Israel and current prospects who are poised to establish operations there. We would also invite top editors at the nation's leading newspapers and other opinion shapers such as A.M. Rosenthal, former editor and current columnist of the New York Times.

At the event, these influential individuals will be given a complete briefing on the current investment situation in Israel and all the advantages it offers.

In addition to inviting U.S. media to the event, Edelman will attract correspondents from a range of major international publications based here, including the Nikkei, Le Monde, International Herald Tribune, and others. This event will set the tone for implementation of our program, in effect priming our targeted audiences for an image of a new Israel for business.

Timing: Event held in early March.

-Twelve op-eds over the course of the year

We will conduct a year-long program creating and seeking to place twelve opinion articles in important papers. We would work to identify prominent people from an array of groups, under whose byline the pieces would appear:

- U.S. business people based in Israel
- Giora Meyuhas (for the Wall Street Journal or New York Times)
- Israeli business people
- Heads of major U.S. companies with operations in Israel

Timing: First piece written and approved by end of first month, then one per month thereafter.

-Editorial boards

Editorials in major daily newspapers and magazines influence policy-makers, influence journalistic attitudes on major policy issues and play a substantial role in forming general public opinion on matters ranging from business to political issues to perceptions about lifestyle and quality of life. While you may have undertaken an editorial board program in the past, given the dramatic changes brought about in recent weeks, a new major initiative is certainly warranted.

We will orchestrate a series of meetings with editorial boards and economic correspondents of major daily newspapers and business magazines -- New York Times, Wall Street Journal, Fortune, Forbes, Business Week, etc. -- for Economic Mission officials who can present authoritative information on the ways in which the peace process has impacted the Israeli business environment. We would create an editorial board team composed of an official from your office, a U.S. business figure from each local area, and someone from the Israeli business community. We would approach the editorial boards, make the arrangements, and create the appropriate presentation materials.

Timing: The first meeting will be arranged before the end of January with the aim of reaching as many publications as possible by the end of March.

-Television interviews

A key element of the program we propose will be a carefully selected range of television appearances on business and investor programs, such as the McNeil-Lehrer Report, and major Sunday and weekday morning business programs such as Business Morning and MoneyLine. We will work to arrange these interviews on an ongoing and constant basis. The first such interview has already been arranged for Mr. Meyuhas with CNBC.

Timing: Beginning immediately and then ongoing in intensive fashion throughout the program.

-News bureau

We will maintain an ongoing high profile for the program by issuing focused news releases relating to subjects like privatizations and announcing decisions by companies to open new facilities in Israel. Releases will be sent to all major business and news publications, and we will follow up with personal phone contacts. In addition to preparing the press materials, we would work aggressively to generate stories and coverage in the media.

We would also work to arrange one-on-one meetings between your officials and the senior

editors of papers like the New York Times in order to create relationships which will enhance our media relations efforts. As a new figure on the American scene, it is particularly important that Mr. Meyuhas continue to engage in a lengthy series of introductory meetings with key journalists and will work to arrange these meetings at the earliest possible juncture.

Whenever an official or executive were coming to the United States, we would work with you and their respective offices to identify times in their schedules when media interviews could be arranged. Supported by the materials we would create and adapt for the campaign, these interviews would create an avenue through which Americans would hear first hand from prominent people in Israel regarding their optimism for the country's future as a business, financial and trade center.

Timing: Beginning immediately and then ongoing in intensive fashion.

-Trade media

Edelman will create and pitch an extensive series of sector-specific materials and seek to place those materials in trade media from a range of industry sectors.

Our trade media effort will include:

- * Placing a sector profile of each of five industry sectors. We are confident that each of these sector profiles can be "placed" in at least one of the key publications in each of those sectors and that they will be utilized and reported on in some fashion by many others.
- * Placing three case histories of U.S. companies operating in each of five industry sectors in Israel -- demonstrating their success there and their optimism about the future.
- * Write and issue two press releases in each of five sectors on developments in those industries in Israel -- a new factory, increased production, etc.
- * Preparation and placing of bylined articles in each of five sectors. These pieces, prepared by us, would appear under the byline of the appropriate spokesperson -- an Economic Mission official, an Israeli industry executive, a financial analyst, a U.S. executive whose company has operations in Israel, etc.
- * Orchestrating media for 3-5 trade shows. In conjunction with trade shows which the Economic Mission considers particularly important, we would arrange media interviews for Israeli exhibitors and speakers.

Timing: Beginning immediately and then ongoing in intensive fashion.

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-High Technology Advocates tour

Edelman will orchestrate 2-3 tours of Israeli technology leaders and other spokespeople from Israel's technology scene. Targets for these tours will include technology reporters and trade media, as well as opinion leaders in the technology arena.

Timing: First tour in April; second in September.

-Israeli high-tech news bureau

Edelman will create and distribute an ongoing stream of news to the high technology media. This will include at least one piece -- press release, op-ed, bylined article -- per month. We will seek to place these pieces in top trade publications and with technology sector reporters from national and business publications.

Timing: First piece in January, ongoing thereafter.

-Publicize U.S.-Israeli partnerships

Edelman will seek to generate media coverage of joint ventures, major investment projects and other examples of U.S.-Israeli partnerships in the technology arena. We will prepare materials and seek placements on at least three such partnerships over the course of the year.

Timing: First profile in February, ongoing thereafter.

-Establish awareness of Israeli high-tech leaders

Edelman will seek to generate media attention for leaders of the high technology industry in Israel. We will create materials and pitch the technology media regarding three such figures over the course of the year.

Timing: First profile in March, ongoing thereafter.

-Media tours

Edelman will arrange media tours for Israeli officials, business executives and other spokespeople, and that work will be covered under our agreement when the targets of those tours are the national and major business media.

Daniel J. Edelman, Inc.

Timing: To be determined.

-Speeches

We will write three speeches over the course of the year as part of our agreement. Any additional speeches would be billed separately, as described below.

Timing: To be determined.

-Establish 3-4 analysts as ready spokespeople

Edelman will identify 3-4 financial analysts who are willing to serve as sources to the media. We will then utilize those analysts in our media relations efforts.

Timing: Beginning December 1 and ongoing.

-Media for Ministers visits

Media relations for Ministers visits will be covered under our agreement when the targets of that work are the national and major business media.

Timing: To be determined.

-Media in conjunction with seminars and events

This work is covered under our agreement when the targets of that work are the national and major business media.

Timing: To be determined.

ANNEX B

Personnel Time Commitments

Edelman makes the following time commitments for members of its staff who would work on the Government of Israel Economic Mission public relations plan:

Gus Weill -- Executive Vice President -- Account Manager

Time Commitment: 15 hours per week

Steve Kaufman -- Vice President -- Team Leader

Time commitment -- 25 hours per week

Hilary Dunst -- Account Supervisor -- Writing and Media

Time commitment -- 15 hours per week

George Soule -- Account Supervisor -- Writing and Media

Time commitment -- 15 hours per week

Elliot Sloane -- Senior Vice President -- National Media

Time Commitment -- 4 hours per week

Patrick Corman - Executive Vice President -- Technology

Time Commitment -- 5 hours per week

ANNEX C

Menu of Additional Initiatives Not Covered by Retainer

Media Relations by Regional Offices

In instances where you determine that media relations are best conducted by one of our regional offices rather than by the New York team, that work would be billed on a per-project basis. Take for example, a project in which our Los Angeles offices arranged 2-3 media interviews for a spokesperson as well as media training that spokesperson, doing legwork, etc. This would be billed at \$3-5,000 per spokesperson visit, with the exact fee agreed upon in advance and determined by the actual amount of work entailed. A media tour arranged by one of our regional offices -- including orchestrating interviews in a range of cities -- would be approximately \$5-7,000.

-Hotline

Hotline management would be \$2,000 a month in fees with approximately \$250 in out-of-pocket expenses.

-Newsletter

Edelman would write and design your newsletter for \$9,000 per issue. Out-of-pocket expenses would depend on quantity printed, paper stock and other factors.

-Kick-Off Events

Kick-off events would be \$5,000 per city, with the New York event included in our basic fee. Out-of-pocket expenses for the typical event would be in the neighborhood of \$1,800.

-Speeches

As noted above, we will write 3 speeches over the course of the year as part of our basic retainer. Additional speech writing would be billed on an hourly basis. Speeches written by Gus Weill or other senior speech writer would be billed at hourly rate of \$150. Other staff speech writers would be billed at an hourly rate of \$100. Writing of a typical 20 minute speech would take about 4 hours.

-Journalists Trips

Journalists trips would be billed on a per-project basis with the cost depending on the target journalists and the number of journalists being sought. A trip by five trade reporters, for example, would be billed at approximately \$7,000, which would include identification of, pursuit of, and work with the target journalists. If we were seeking to attract five editors of U.S. daily newspapers, on the other hand, the cost would be incrementally higher given the greater difficulty attracting these journalists -- in the neighborhood of \$9,000.

-Ministers Visits

Ministers visits, including arranging high-level media, publicity, and meetings with senior opinion leaders, would be billed depending on the nature of the work entailed. If our task was only to arrange media interviews with top level national media, and that work was conducted by our New York team, this would be covered under our retainer. If more work were entailed -- arranging meetings with opinion leaders, interviews with local papers in other markets, any writing assignments, etc. -- then this would entail an additional charge. It is agreed that this additional work will be prior approved. For Ministers visits which entailed work by our regional offices, each visit would be billed in the area of \$3-5,000.

-Seminars

Media support for seminars, when that work was conducted by the New York team, would generally be included in our basic media retainer. In extraordinary circumstances, and when the work was being conducted by a regional office, after receiving approval of you, media support for events would be in the neighborhood of \$5,000 per event.

Organization and implementation of seminars and events would be in the area of \$9,000 per event. For small events -- a roundtable with business executives, for example -- the charge would be \$5,000.

-Trade Shows

The New York team will arrange media support for 3-5 trade shows as part of our basic media retainer. Media support for additional trade shows would be billed at \$3,000 for arranging interviews for 2-3 attendees. If Edelman staff were asked to attend a trade show, that staffer's time would be billed at \$500 per day.

Video News Releases

Edelman proposes, as an optional initiative, to create a video news release, with footage of the major aspects of Israeli business in light of recent developments. In addition to taping interviews with senior management at companies in Israel, we will go into plants and interview workers, foremen, and managers on their operations. The package will also show the Tel Aviv Stock Exchange at peak hours, the Port of Haifa, and other selected images of Israel's commercial infrastructure and activities.

While this initiative must be considered optional, in light of budgetary concerns, if it is feasible then producing the video would be one of the first steps in the program, in order to visually inform journalists who are unable to visit the country. Edelman will also place the video on television stations around the country to reach opinion shapers, business leaders and prospective investors.

We would propose to commission former NBC correspondent Richard Valeriani, a consultant to our firm, to travel to Israel and narrate a five part series on business in Israel which would then be distributed to hundreds of local stations around the country. This series would focus on the country's key competitive advantages -- intellectual capital, labor pool, etc. -- as well as on other key criteria impacting the investment decision, like quality of life for expatriate executives. We would anticipate that this effort would produce dozens of "hits" in important U.S. television markets.

If we were asked to write and produce a video news release using existing video, the cost would be somewhere between \$10-20,000. If we were to shoot video ourselves, in Israel and in the United States, the cost would be in the area of \$25-35,000. However, it must be underscored that these are broad estimates, and specific budgets could only be determined once the precise nature of the VNR was known.