

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 Smith and Harroff, Inc. 11 Canal Center Plaza, Ste 104 Alexandria, VA 22314	2. Registration No. 4765
3. Name of foreign principal Cemex, South America	4. Principal address of foreign principal Avenue Constitution 444 PO Box 392 Monterrey, Mex. 64000

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
  - Corporation
  - Association
  - Committee
  - Voluntary group
  - Other (specify) \_\_\_\_\_
- Individual—State his nationality \_\_\_\_\_

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 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

Cement Manufacturer

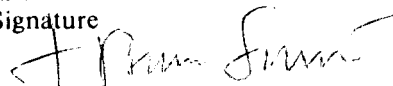
b) Is this foreign principal

- 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.)

Cemex is a corporation operated by the Mexican Government.

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 2/8/93	Name and Title J. Brian Smith President	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.

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

Name of Registrant	Name of Foreign Principal
Smith and Harroff, Inc.	Cemex, South America

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.

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

We will work with Cemex Washington, DC counsel, directing the communications component of the effort to raise Cemex corporate identity within the US in order to allow Cemex to do business in the US. We will propose and develop methods of accomplishing this goal through the use of meetings, advertisements, and press releases.

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

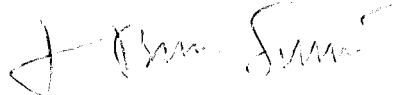
We will prepare background information on Cemex and its subsidiaries in the US for distribution to US officials. We will attend meetings to discuss Cemex with US officials, print advertising, hold press conferences, and offer a plan for the creation of a PAC to obtain a viable political voice on the GATT panel report. We will basically be in charge of public relations for Cemex.

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.

We would like to see a favorable US position on the GATT panel report. After which, we would like to get the US to settle its case against Cemex and allow Cemex to provide its product in the US. To this end, we will contact state and federal officials and provide them with information about the need for competitively priced cement in the US and about the willingness of Cemex to do business here.

Date of Exhibit B	Name and Title	Signature
2/1/93	J. Brian Smith, President	

<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.

SMITH &  
HARROFF, INC

January 6, 1992

Mr. Francisco Garza  
President, U.S. Operations  
Cemex  
Ave. Constitucion 444  
P.O. Box 392  
Monterrey, Mexico 64000

Dear Francisco:

This is a proposed agreement between Smith & Harroff, Inc. (S&H) and Cemex.

S&H will assist Cemex in its public affairs strategy to win a favorable outcome of its dumping dispute with the U.S. government.

Our activities may include:

**1. Review of materials; production of "leave-behind."**

There is a real need for a print persuasion piece explaining the Cemex position on the dumping issue for use with key policymakers. We do not know what resources currently exist. As a first step, we would review existing resources and, if necessary, develop suitable materials.

**2. Develop strategic network of key contacts — federal and state.**

We will assist Cemex's U.S. subsidiaries in establishing contacts with federal and state policymakers in areas of the U.S. where they have operations.

**3. Focused communication with key U.S. policymakers involved in decision whether to block adoption of GATT panel report.**

We will help develop strategy for channeling pro-Cemex communications to policymakers responsible for determining U.S. position on the GATT panel report. This must include appropriate one-on-one meetings.

**4. Earned media activity to encourage a negotiated settlement of dumping case.**

Consideration of a press conference, editorial board visits, interviews, etc. held by Mexican and U.S. officials urging the U.S. to settle the case against Cemex.

**5. Longer-range, we will work on a proposed program to increase awareness of Cemex and its U.S. subsidiaries within the U.S.**

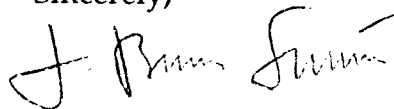
For our services, S&H will receive a monthly retainer fee of \$15,000 (U.S.), to be billed on the first day of each month until further notice from Cemex. All authorized expenses (e.g. travel, lodging, telephone, copier, etc.) will be billed separately with appropriate back-up information.

S&H will make periodic written reports as necessary and desired on its activities.

Francisco, I want to express my deep gratitude to you for giving us this opportunity. We are excited and enthusiastic about working with you and look forward to a positive professional as well as personal relationship.

With best regards.

Sincerely,



J. Brian Smith  
President  
Chief Executive Officer