

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(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 .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
Graydon Associates, Inc.	Conseil pour le Developpement Economique Canton de Vaud, Switzerland

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.

July 94 - Dec, 94

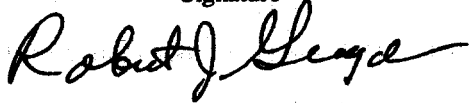
4. Describe fully the nature and method of performance of the above indicated agreement or understanding.

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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.

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
6/07/95	Robert J. Graydon President	

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.

Graydon Associates, Inc., P.O. Box 566, Red Bank, New Jersey 07701 • Telephone: (201) 741-2690 • Fax: (201) 741-4148 • Telex: 229403

International Industrial Properties Promotion

Contractual Agreement

between

*Conseil pour le Développement Economique
Canton de Vaud - Suisse*

and

Graydon Associates, Inc.

for

United States Marketing Program

Period of Contract: 1 July 1994 to 31 December 1994

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Executive Summary

This program is a continuation of the first year program which ran from 1 July 1993 to 30 June 1994. All major aspects and tasks are the same. This program will be in effect from 1 July 1994 to 31 December 1994. It will provide for follow-up of present prospects from the February and June trips of 1994 plus organizing another sales trip in October 1994.

As in the previous contract from 1 July 1993 to 30 June 1994, the work will focus on both securing direct 100% inward investments from U. S. companies themselves as well as collaborative activities between U. S. companies and selected "partner" companies in the canton de Vaud.

This document is divided into three major sections:

- I Actions to be Taken
- II Expected Results by 30 December 1994
- III Program Costs

I - Actions to be Taken

1. Sources of names of companies which may be prospects.

We will continue using the data base of companies in the Northeast and Midwest of the United States as prospects. Therefore the company types will still be those previously chosen last year. They are in selected high technology sectors in which the final products can have high added value as a result of operating in the canton de Vaud.

We have a number of companies presently in our data base whose managers could not meet with DEV/GAI in the last contract period. These will be contacted, qualified, and schedules permitting, will be some of the companies to be visited in the October 1994 sales trip.

Other candidates for personal visits will be some of those companies already visited in February/June 1994.

It is possible that there will be a repeat mailing to all or part of the data base of slightly over 5,000 companies from whom Surveys were not received. As of now we cannot confirm an exact number.

The names of other prospects may be obtained through personal and corporate networking of GAI.

2. Qualification of Responding Companies

GAI will make telephone contact with each company that seems to be a candidate for a personal sales visit. In the course of these telephone talks, GAI will classify each company and then arrange personal meetings for DEV with those which are "qualified" and whose schedules will permit the meetings.

Based on GAI's specific information on each company, a sales trip for DEV personnel will then be scheduled and a GAI officer will accompany personnel from DEV on the trip if required.

3. Follow-up

During the six month period there will be intensive follow-up by GAI with those specific companies with imminent projects. It is likely that personal visits by GAI will be necessary on some of them prior to and following the October sales trip.

4. Sales Trip - October 1994

This will probably be for five to seven working days and perhaps 10-15 companies will be visited. If particularly good prospects present themselves, the trip can be extended for one or two days. Where the term "working days" appears in this document, it means days spent in visits to prospects. Review days are separate.

5. October 1994 Review

Each company visited will have had a Call Report prepared on them during the sales trip. Each Call Report will be analyzed, a classification of the company made with respect to the size of the project and its schedule, and follow-up action assigned to personnel of DEV and GAI. The Review would take about two days at GAI. During this time, all companies that have been visited since the first sales trip in February 1994, will be reviewed, classifications changed if necessary, and follow-up action assigned between DEV and GAI.

The Review should be completed by 1 November 1994 in order to allow time for GAI's normal attendance at the Industrial Development Research Council Congress in Dallas. At IDRC, GAI will bring DEV material and have the opportunity of networking with other companies who may be considering expansion of European facilities.

During the course of the Review, the scope and costs of the 1 January 1995 to 31 December 1995 marketing program can be discussed prior to possibly finalizing the program in December 1994.

II Expected Results by 31 December 1994

Results of Prospect Contacts

The total number of mailings since July 1993 will be about 6,000 and very possibly more as a result of some re-mailings. We can therefore say that each of at least 6,000 managers of high technology American companies will have received a personalized message from DEV. These companies will form one of our bases for future contacts.

There will have been about fifty personal visits to prospective investors in the United States by DEV.

There will be about 8-15 Leads (using the GAI Definition of a Lead) by December 1994. Some of them will have visited Lausanne by then for further discussions of their projects.

Continuous Growth of the Number of Prospects

By 31 December 1994, the program will have "in the bank" an increasing number of the names of those remaining qualified companies to follow-up who were not visited for reasons of scheduling, plus follow-up on those visited. There will be a constant growth in the number of companies "qualified" for first visits as well as companies that will need to be re-visited.

An ideal number of companies qualified for first visits, plus those needing repeat visits, is at least several hundred when "steady state" conditions are reached. This usually occurs after the program has been operating for two to three years. Companies are always dropping from the list as their plans change and companies are always added as new ones become "qualified." This list is a dynamic one, always changing.

III Program Cost

It is difficult to predict exact amounts of expenses in any specific category. Portions of monies are often shifted from one group to another as the scope of some tasks becomes smaller and others increase. The same types of costs will be present in this contract as for the earlier one. We refer to market research, supplementary materials, direct marketing, communications and professional fee.

These costs do not include travel, hotels, and associated expenses for GAI personnel in the U.S. when accompanying DEV personnel or for any other GAI travel in the U.S. or between the U.S. and Lausanne for periodic discussions. These expenses shall be for the separate account of DEV.

The costs do not include any promotional functions such as attendance or participation in programs that might be arranged in conjunction with Swiss Telecom, the Nexus Congress, Swiss American Chamber of Commerce, or others that are similar.

Total Cost: US\$75,000

Schedule of Payments:

Payments to be made from DEV to GAI on a monthly pro-rata division of total costs. Six monthly payments of US\$12,500 each.

Contractual terms agreed to by Conseil pour le Développement Economique
and
Graydon Associates, Inc.

For Conseil pour le Développement Economique

CONSEIL POUR LE DEVELOPPEMENT
ECONOMIQUE DU CANTON DE VAUD

Le Directeur

Title

Date

[Signature]
September 1st 1994

For Graydon Associates

Title

Date

R. J. Graydon
President
1 July 1994