

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
Japan Economic Institute of America	Government of Japan

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.

Japan Economic Institute seeks to promote friendly and cooperative economic relations between Japan and the United States.

- preparing and distributing to U.S. government officials (including members and staff of Congress), subscribers, news media, scholars and the general public reports and periodicals setting forth information on the Japanese economy, U.S.-Japan economic relations, and related matters;
- organizing conferences for the presentation and exchange of views on issues relevant to the Japanese economy, U.S.-Japan economic relations, and related matters;
- reporting to its foreign principal and to subscribers on activities of the United States Congress and Executive agencies that may affect United States-Japan economic and trade relations;
- presenting of views and testimony before the United States Congress and Executive agencies; and
- maintaining contact and communication with government officials including members and staff of Congress, news and information media, scholars, business leaders and others interested in the Japanese economy, U.S.-Japan economic relations and related matters.


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

See response to Item 4 and list of activities attached to Supplemental Statement.

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.

See answer to Item 5.

Date of Exhibit B	Name and Title	Signature
January 26, 1988	William J. Barnds 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.

CONTRACT

May 1, 1987

The Embassy of Japan, 2520 Massachusetts Avenue, N.W., Washington, D.C. (hereinafter referred to as the "Embassy") and the JAPAN ECONOMIC INSTITUTE of America, 1000 Connecticut Avenue, N.W., Washington, D.C. (hereinafter referred to as the "Institute") hereby agree and contract as follows:

1. During the Japanese fiscal year 1987, the Embassy, in order to promote friendly economic relations between Japan and the United States and to encourage the expansion of trade between the two countries, will provide the Institute with financial assistance to the extent required, within the overall limitation of US \$785,270.00 to actively further these purposes. In turn, the Institute, during the said fiscal year, will carry forward the activities enumerated in paragraph 3.

2. The Embassy will supply the funds to the Institute quarterly, at the latter's request.

3. The Institute accepts the responsibility of advancing the purpose set forth in paragraph 1, by faithfully and efficiently providing the following services:

(1) Public information measures to disseminate throughout the United States information on the economic and trade problems of Japan and the United States;

(2) Reports upon activities of the United States Congress and the Executive agencies which may in any way effect

United States-Japan trade;

(3) Representation of the interests of all parties involved in trade between the two countries and formal presentation of testimony thereon before the United States Congress and Executive agencies;

(4) Sponsorship of meetings with the press and conferences with other interested persons to discuss the United States-Japan trade and related problems;

(5) Maintenance of close coordination with other organizations, associations and individuals having interest in the United States foreign economic policies generally, and in the United States-Japan trade particularly;

(6) Economic and statistical research on selected problems of significance to the trade between the two countries.

4. After the termination of the period covered by this contract (March 31, 1988), the Institute will render an accounting of all funds received hereunder and, if any balance remains, it shall be returned immediately to the Embassy.

5. If at any time the Institute fails to conscientiously provide the services enumerated in paragraph 3, or expends the funds received for purposes other than those contemplated by this contract, the Embassy may decrease or suspend the further supply of funds and be entitled to the return of any funds not applied in good faith to further the purpose of this contract.

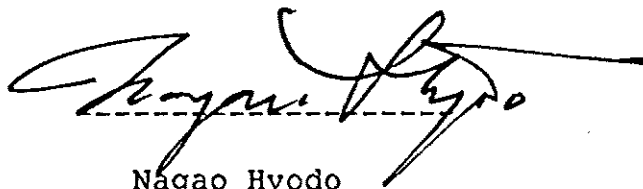
6. Qualified representatives of the Embassy may, whenever necessary and at any time, inspect the Institute activities in pursuance of this contract and the accounting records of the

Institute dealing with expenditures undertaken hereunder.

7. Conflicts which may arise concerning the interpretation of the terms of this contract or matters thereto shall be resolved by agreement between the Embassy Minister whose signature appears below and the President of the Institute whose signature is also affixed hereto.

8. This contract shall come into force as of the first day of April, 1987, on the condition that FY 1987 provisional budget as well as FY 1987 budget will be approved by the Diet.

In witness of the above agreement, Mr. Nagao Hyodo representing the Embassy of Japan, and Mr. William J. Barnds for the JAPAN ECONOMIC INSTITUTE of America, have signed hereunder.

A handwritten signature in cursive script, appearing to read 'Nagao Hyodo', written over a horizontal dashed line.

Nagao Hyodo
Minister

A handwritten signature in cursive script, appearing to read 'William J. Barnds', written over a horizontal dashed line.

William J. Barnds
President

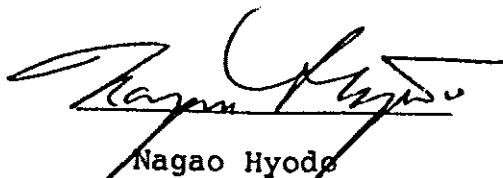
CONTRACT

23 June, 1987

The Embassy of Japan, 2520 Massachusetts Avenue, N.W., Washington, D.C. (hereinafter referred to as the "Embassy") and the Japan Economic Institute of America, 1000 Connecticut Avenue, N.W., Washington, D.C. (hereinafter referred to as the "Institute") hereby agree and contract as follows:

1. The Institute will organize a series of seminars and conferences to enhance understanding of U.S.-Japan economic relations, during the Japanese Fiscal Year 1987, (ending March 1987).
2. The Embassy will pay the Institute thirty thousand U.S. dollars (\$ 30,000) from the special budget for public relations for advanced countries to compensate for the cost of article 1.
3. The Institute will consult closely with the Embassy in implementing article 1.

In witness of the above agreement, Mr. Nagao Hyodo, representing the Embassy, and Mr. William J. Barnds, representing the Institute, have signed hereunder.



Nagao Hyodo
Minister
Embassy of Japan



William J. Barnds
President
Japan Economic Institute
of America