U.S. Department of Justice
Washington, DC 20530

Exhibit B
To Registration Statement
Under the Foreign Agents Registration Act of 1938, as amended

OMB No. 1105-0007
Approval Expires Nov. 30, 1986

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
Hill and Knowlton, Inc.	Hitachi, Ltd.

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.

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.

Registrant will handle public affairs activities which may include product marketing and selected government relations and public affairs assignments on behalf of the foreign principal. Registrant will charge the foreign principal an annual retainer of US $80,000 for hourly charges of the registrant's officers and staff participating on the account plus out-of-pocket expenses incurred. Out-of-pocket expenses will be billed at cost plus a 15% administrative handling fee on all expenses classified as "non-routine." Payments will be rendered in four equal installments of US $20,000 due on May 31, August 31 and November 30, 1987, and February 29, 1988 respectively. The agreement covers a period of one year, beginning March 1, 1987 and ending on February 29, 1988.

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

Registrant will handle public affairs activities on behalf of the foreign principal including but not limited to government and trade relations and possibly product marketing to the U.S. Government.

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.

Registrant may contact by telephone, written correspondence or personal visits appropriate media representatives or officials of the Executive Branch, various federal agencies or the Congress in representing the public affairs interests of the foreign principal.

Date of Exhibit B	Name and Title	Signature
5/12/87	Richard McElheny Director - Trade Policy Consulting/Int'l. Division	

[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.

LETTER OF AGREEMENT

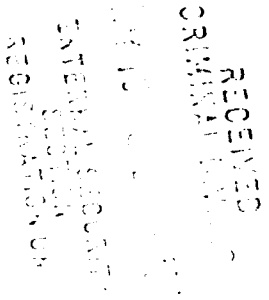
BETWEEN

HILL AND KNOWLTON, INC.

AND

HITACHI, LTD.

March 1, 1987



HILL AND KNOWLTON, INC. ("H&K") and

HITACHI, LTD. ("Hitachi") hereby agree as follows:

HILL AND KNOWLTON, INC. and HITACHI, LTD. hereby agree that H&K shall promote HITACHI's business activities in the worldwide market in accordance with the following terms.

I. SCOPE OF UNDERTAKINGS ASSUMED BY H&K

(1) H&K shall monitor, gather, analyze and make available to HITACHI information relevant to HITACHI's worldwide operations and trade regarding key industrial sectors such as a) semiconductors; b) computers, computer peripherals and supercomputers; c) automotive parts; and d) heavy electric machinery especially from key sources of the U.S. government, U.S. high technology companies, U.S. trade associations and labor unions with emphasis on government relations activities by U.S. industries.

(2) H&K shall, at HITACHI's specific request, undertake additional services for HITACHI, the exact scope of which will be determined by both parties in each case, but may include marketing of HITACHI product to the U.S. government, and selective activities in government relations and the public affairs arena.

II. TERM

This agreement shall be effective for one (1) year, beginning March 1, 1987, and ending on February 29, 1988.

III. RETAINER

(1) HITACHI shall pay to H&K an annual retainer in the amount of Eighty Thousand U.S. Dollars (US $80,000.00).

The payment of the above annual retainer shall be made in four (4) equal installments of Twenty Thousand U.S. Dollars (US $20,000.00) due on May 31, August 31, and November 30, 1987, and February 29, 1988, respectively.

(2) In addition to the retainer, HITACHI shall reimburse H&K, when invoiced, all out-of-pocket expenses made in the performance of its duties under this arrangement. HITACHI will pay H&K a 15% handling and administration fee on all such disbursements except for "routine" disbursements. Routine disbursements will be limited to disbursements for travel, local messengers, in-house photocopying and ordinary communications (telephone, telex and postage). All disbursements for materials, services and rights will be made by H&K as agent for HITACHI. Should HITACHI desire to pay major suppliers directly, H&K will be pleased to work with HITACHI to make such arrangements. Out-of-pocket expenses in excess of Five Hundred U.S. Dollars (US $500.00) per month must be approved in advance by HITACHI.

(3) H&K's fee for specific services rendered pursuant to Article I (2) herein shall be determined prior to the commencement of such services.

IV. MISCELLANEOUS

(1) (a) It is understood that H&K cannot undertake to verify all of the factual information as may be provided by HITACHI to H&K, (the "Hitachi Background Information"), which may be included in materials prepared by H&K and approved by HITACHI in connection with the specific services rendered pursuant to Article I herein. HITACHI agrees to

indemnify and hold harmless H&K from and against any and all losses, claims, liabilities, damages and expenses (including without limitation reasonable attorneys' fees) which H&K may incur as a result of the Hitachi Background Information not being accurate.

(1) (b) H&K shall use its best efforts to comply with all applicable federal, state and local laws and regulations in performing any and all of its duties under this agreement and H&K agrees to indemnify and hold harmless HITACHI for any and all losses, claims, liabilities, damages and expenses (including without limitation reasonable attorneys' fees) which HITACHI may incur as a result of any failure of H&K to do so; provided, however, that the foregoing indemnity from H&K to HITACHI shall in no way limit the indemnity provided by HITACHI to H&K under paragraph IV (1) (a) above.

(2) H&K shall not, directly or indirectly, enter into similar contract/s with any other party/s which would conflict with HITACHI's interests under this agreement.

(3) This agreement represents the entire agreement of the parties and may be amended only by a writing signed by all parties. It shall be governed by and construed in accordance with the laws of the District of Columbia.

(4) H&K's activities hereunder on behalf of HITACHI shall be subject to all applicable U.S. laws, including the Foreign Agents Registration Act and the Foreign Corrupt Practices Act. Pursuant to such laws, it is understood H&K will be making reports of its activities to appropriate U.S.

government agencies and that such reports will be available. Except as required by law, H&K shall keep in strict confidence and shall not disclose to any third party/s confidential or proprietary information concerning HITACHI business affairs known to H&K by virtue of this agreement or anything concerning this agreement without HITACHI's prior consent. If H&K is required by law to make such disclosures, it shall notify HITACHI before making any such disclosures.

H&K shall not use or refer to HITACHI's name except as required by law in fulfilling its undertakings under this agreement.

(5) H&K shall not assign or transfer all or any part of the rights and/or obligations under this agreement to any third party/s without HITACHI's prior written consent.

IN WITNESS THEREOF, the parties hereto have executed this agreement in duplicate by their duly authorized representatives as of the date indicated below.

AGREED AND ACCEPTED:

HILL AND KNOWLTON, INC.

By: _____

Charles S. Crawford

General Manager - Washington

Witness: Paul M. Murayama

Date: February 28, 1987

HITACHI, LTD.

By: _____

Hiroshi Miyamoto

Chief Washington Representative

Witness: Hiroshi Kitazaki

Date: Feb. 28, 1987