U.S. Department of Justice
Washington, DC 20530

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

OMB No. 1105-0003
Approval Expires Oct. 31, 1983

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
Hill and Knowlton, Inc.
420 Lexington Avenue, New York, NY 10017

2. Registration No.
3301 (formerly #3170)

3. Name of foreign principal
Dept. of Economic Development
State of Yucatan (Mexico)

4. Principal address of foreign principal
Calle 59, #514
Merida, Yucatan, Mexico

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:

a) Branch or agency represented by the registrant. Dept. of Economic Development, State of Yucatan (Mexico)

b) Name and title of official with whom registrant deals. Sr. Adolfo Peniche, Secretary of Economic Dev.

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

a) Principal address n/a

b) Name and title of official with whom the 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 n/a

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.)*

Foreign principal is a part of the State of Yucatan government as their department of economic development.

Note: This Exhibit A filing is made in connection with the acquisition by Hill and Knowlton, Inc of certain operations of Carl Byoir and Associates to convert former filing under former Byoir registration no. 3170 to current registration no. 3301. Former filing date was during 1986.

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.

n/a

Date of Exhibit A	Name and Title	Signature
June 29, 1987	Ian R. McCabe Senior Vice President	Ian McCabe

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Washington, DC 20530

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

OMB No. 1105-0007
Approval Expires Oct. 31, 1983

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.	Dept. of Economic Development, State of Yucatan (Mexico)

Check Appropriate Boxes:

1. XX ☒ 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.

Note: This Exhibit B filing is made in connection with the acquisition by Hill and Knowlton, Inc. of certain operations of Carl Byoir and Associates to convert former filing under former registration no. 3170 to current registration no. 3301. Former filing date was during 1986.

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

Registrant will charge foreign principal for its services at standard hourly rates for participating officers and staff assistants as they are required to carry out the activities approved. The agreement covers the period 3/7/87 thru 12/31/87 for a total estimated budget of US $638,000 and does not include a recommended contingency budget figure of $63,000 (US). Expenses incurred will be billed at cost plus a 15% handling and administrative fee on non-routine items.

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

Registrant will serve the foreign principal as public relations counsel. Activities will include development and dissemination of press releases and promotional materials; scheduling media interviews and furninshing information to print and broadcast media, contacting U.S. business representatives and state government officials with regard to the foreign principal's investment promotion in the U.S. with related preparation and dissemination of announcement ads to U.S. newspapers.

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 [XX] 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 visit appropriate media representatives or officials of state government in the United States in representing the foreign principal's public relations/public affairs interests.

Date of Exhibit B	Name and Title	Signature
June 29, 1987	Ian R. McCabe Senior Vice President	

[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.

HILL AND KNOWLTON

Hill and Knowlton, Inc.
International Public Relations Counsel
420 Lexington Avenue
New York, New York 10017
212-697-5600

Ian R. McCabe
Senior Vice President

March 3, 1987

Sr. Adolfo Peniche
Secretary of Economic Development
Government of Yucatan
Merida, Yucatan, Mexico

Dear Sr. Peniche,

This is to summarize the arrangement under which Hill and Knowlton, Inc. (H&K) will continue to serve the Government of Yucatan as public relations counsel for the period March 7 to December 31, 1987.

The activities to be undertaken during this period and the estimated budget are outlined in Attachment A to this agreement. That attachment is hereby made a part of this agreement.

Charges for the services of H&K will be made at standard hourly rates for participating officers and staff assistants as they are required to carry out the activities approved by you. The total estimated budget for the period of this agreement is $638,000. This is not inclusive of a recommended contingency budget of $63,000. Given the fact that nearly all of the work will be carried out during the period March 7 to August 31, 1987, the terms of payment are $100,000 payable on the signing of this agreement and $150,000 payable on the first of April, May and June, 1987. A payment of $88,000 will be due on July 1, 1987. Any charges in addition to this or any credit for unexpended funds will be made by invoice or credit on or before December 15, 1987.

The Government of Yucatan will reimburse H&K for all out-of-pocket disbursements made in the performance of its duties under this arrangement. The Government of Yucatan 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 staff 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 the Government of Yucatan.

H&K will maintain accurate records of all staff time work and all out-of-pocket expenditures incurred on behalf of the Government of Yucatan and, during the term of this agreement and for one year thereafter, the Government of Yucatan may examine such records upon reasonable notice and during normal business hours. It is understood that the foregoing does

not include H&K salary data, overheads and other internal H&K costs or non-billable expenses.

H&K acknowledges its responsibility, both during and after the term of its appointment, to use all reasonable efforts to preserve the confidentiality of any proprietary information or data developed by H&K on behalf of the Government of Yucatan or disclosed by the Government of Yucatan to H&K.

It is understood that H&K cannot undertake to verify facts supplied to it by you or factual matters included in material prepared by us and approved by you. You agree to indemnify and hold harmless H&K from and against any and all losses, claims, damages, expenses (including reasonable legal expenses) or liabilities which H&K may incur (A) based upon information, representations, reports, data or releases furnished or approved by you or your representatives for use or release by H&K and/or (B) resulting from disputes between H&K and third parties related to and/or within the scope of this agreement except where attributable to H&K's failure to use due care.

You also agree to reimburse H&K for time of staff and expenses (including legal expenses) reasonably incurred by us in connection with any litigation commenced or threatened against you (for example, in responding to a document subpoena).

We look forward to our continued association with you and your associates in this very important effort.

Sincerely Yours,

Hill and Knowlton, Inc.

John McCabe

3-3-87
Date

Accepted By:

Sr. Adolfo Peniche

3-4-87
Date