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

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.
901 31st Street, N.W., Washington, D.C. 20007

2. Registration No.
3301

3. Name of foreign principal
National Bank of Hungary

4. Principal address of foreign principal
Szabadsag ter 8-9
H-1850 Budapest V, Hungary

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 ☐ Committee

☐ Corporation ☐ Voluntary group

☐ Association ☒ Other (specify) Central Bank

☐ 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 the registrant deals.

c) Principal aim

INTERNAL SECURITY SECTION REGISTRATION UNIT '90 FEB 16 P12:14 RECEIVED DEPT OF JUSTICE CRIMINAL DIVISION

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
Issues currency, develops monetary and credit policies, establishes the national payment and accounting systems, determines rules of money circulation, makes proposals for external credit and exchange rate policy, coordinates with international financial institutions and performs credit and foreign exchange operations related to external economic relations.

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.)*

See attached explanation of National Bank of Hungary's legal status and organization.

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.

Government of Hungary

Date of Exhibit A	Name and Title	Signature
February 12, 199[redacted]	Mary Foerster Senior Vice President	[redacted]

U.S. Department of Justice
Washington, DC 20530

Exhibit B
To Registration Statement

OMB No. 1105-0007

Under the Foreign Agents Registration Act of 1938, as amended

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 Genreral 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
Hill and Knowlton, Inc.	National Bank of Hungary

Check Appropriate Boxes:

1. [X] 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.

Registrant will provide public relations/public affairs services and counsel.

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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.

Registrant will provide staff services to develop and implement public relations/public affairs programs for the 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 [X] 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 other personal visits to appropriate Executive Branch Officials or Congressional members ans their staffs in representing the public relations/public affairs interests of the foreign principal.

Date of Exhibit B	Name and Title	Signature
February 12, 1990	Mary Foerster Senior Vice President	Mary C. Foerster

[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.

[redacted]ember 15, 1989

Mr. Ferenc Bartha
President
National Bank of Hungary
Szabadság tér 8/9
H-1850 Budapest V
Hungary

Dear Mr. Bartha:

This will serve as the agreement between Hill and Knowlton. Inc. ("H&K") and National Bank of Hungary ("Client") pursuant to which H&K will serve Client as public relaltions counsel.

1. As counsel, H&K will:

   Develop for Client's approval and implementation, a program designed to achieve Client's communications objectives, and provide professional staff services as may be required to assist Client in the implementation of the program. See attachment A "Scope"

2. Charges

   Charges for the services of H&K will be made at H&K's standard hourly staff rates for participating executives and staff as the same are required to carry out the programs and activities approved by Client.

   (a) In addition to staff time charges, Client will pay H&K the net cost of all materials, services and rights obtained by H&K from third party suppliers on Client's behalf, plus a 15% handling and administration fee on all such disbursements. In obtaining such materials services and rights, H&K will act as agent for Client as disclosed principal.

   (b) Client will reimburse H&K for the net cost of all routine out-of-pocket disbursements such as travel, local messengers, inhouse photocopying and ordinary communications (telephone, telex and postage),

   (c) In the rare event H&K may be called upon to respond to or assist Client in connection with litigation commenced or threatened against Client

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(for example, in responding to a document subpoena), it is understood that H&K will be entitled to staff time charges and reimbursement of expenses for services rendered to client or time spent by H&K in connection with such matters. This provision shall survive the expiration or earlier termination of this agreement.

(d) From time to time, H&K may be called upon to render services that do not fall within the scope of this agreement, such as, in the case of a "crisis" or extraordinary situation requiring an unusual expenditure of time and/or effort by H&K personnel. If such a situation arises, a separate letter of agreement will be prepared and H&K, in conjunction with the Client, will take into consideration such extraordinary factors in determining the rates or fee to be charged.

(e) Client will reimburse H&K for staff time and expenses incurred in order to comply on Client's behalf with the Foreign Agents Registration Act. It is understood that pursuant to such Act, H&K may be making reports of its activities to appropriate U.S. government regulatory agencies and that such reports will be available to the public.

3. Billing

(a) The budget for public relations services to be provided by H&K to Client during the period February 8. 1990. -February 23. 1990 will not exceed $ 30,000 U.S. Payments under this agreement, will be made in two payments. The first payment of fifteen thousand dollars ($15,000) is due upon execution of this contract, and the second payment is due within five (5) days of presentation of final invoice. Payments shall be deposited to Hill and Knowlton account at Citibank, account number 30056769 in New York. This amount represents the estimated cost of staff time and out-of-pocket charges due to H&K under this agreement. Any charges whatsoever, including but not limited to, any taxes, surcharges, imposts, duties, stamp taxes, sales taxes, or levies imposed by any governmental or quasi-governmental agency shall be for the sole account of client.

(b) No additional charges will be incurred by H&K on Client's behalf without written consent of Client. If additional charges are mutually agreed upon between Client and H&K, Client will pay H&K an advance payment equal to the amount of such charges.

4. Records

(a) H&K will maintain accurate records of all staff time work and out-of-pocket expenditures incurred on behalf of Client and, during the term of this agreement and for one year thereafter, Client may examine such records upon reasonable notice and during normal business hours. It is understood that the foregoing does not include H&K's salary data, overhead and other internal H&K costs or non-billable items.

(b) If requested, copies of supplier invoices and other backup materials in support of H&K's out-of-pocket charges of $100.00 or more will be included with H&K's end-of-month invoices for an additional handling fee of $100.00 per month. Client shall give H&K's financial accounting department at least one full month's prior notice of desire to receive such supporting documentation.

5. Confidentiality

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 or confidential information or data developed by H&K on behalf of Client or disclosed by Cllient to H&K. Notwithstanding the above, H&K's obligation to maintain the confidentiality of any such information that it maintains in its possession or control, shall cease on the third anniversary of the termination of this agreement.

6. Indemnity

It is acknowledged that H&K cannot undertake to verify facts supplied to it by Client or factual matters included in material prepared by H&K and approved by Client. Accordingly, Client agrees to indemnify and hold harmless H&K from and against any and all losses, claims, damages, expenses (including reasonable attorneys' fees and disbursements) or liabilities ("damages") which H&K may incur (i) as a result of any materials, releases, reports or information supplied to H&K by or on behalf of Client or prepared by H&K and approved by Client prior to its dissemination or broadcast; and (ii) except when attributable to H&K's failure to use due care, resulting from disputes between H&K and third parties related to and or within the scope of this agreement. Client shall similarly indemnify and hold H&K harmless in respect to any damages arising out of the nature or use of Client's products or services. This provision shall survive the expiration or earlier termination of this agreement.

7. Termination

H&K's appointment under this agreement shall be effective as of February 8, 1990 and continue thereafter until February 23. 1990.

Upon termination of this agreement, provided that there is no outstanding indebtedness then owing by Client to H&K, H&K shall transfer, assign and make available to Client all property and materials in its possession or control belonging to Client.

8. Governing Law

This agreement will be governed and construed in accordance with the laws of the state of New York for contracts made and to be performed entirely in New York.

National Bank of Hungary
Page Five

If you are in agreement with the above, would you kindly sign both copies of this letter in the space provided for that purpose below and return one copy to Hill and Knowlton for our records.

Sincerely yours.

HILL AND KNOWLTON, INC.

Mary C. Forster

February 8. 1990.

AGREED:

National Bank of Hungary

MAGYAR NEMZETI BANK
Nemzetközi Bankkapcsolatok Főosztálya

By: _____

February 9. 1990.

Legal Status and Organization

The National Bank of Hungary held its Statutory General Meeting as a joint-stock company on May 24, 1924. The legal status and tasks of the present National Bank of Hungary are set out in Law Decree No. 36 of 1967 of the Presidential Council of the Hungarian People's Republic, amended by Law Decrees No. 26 of 1984 and No. 29 of 1986, and in the provisions concerning the National Bank of Hungary of Act No. II of 1979 on the Public Finances, as amended. In accordance with that Law Decree the National Bank of Hungary is the sole bank of issue in Hungary and the central bank of the Hungarian economy, a legal entity functioning as a joint-stock company. Its statutes are drafted by the General Meeting, and become effective after being approved by the Council of Ministers.

Management

According to the Bank's Statutes, the President of the Bank is responsible for the execution of all the tasks incumbent upon the Bank and for the direction of the Bank's activities. The President is assisted in his work by the Board of Management, composed of a First Deputy President, Deputy Presidents, Managing Directors and other members. The President of the Bank is appointed by the Presidential Council of the Hungarian People's Republic, the First Deputy President and the Deputy Presidents are appointed by the Council of Ministers, while the Managing Directors are appointed by the President and all other members of the Board are elected at the General Meeting, where the State, as the sole shareholder, is represented by officials of the Ministry of Finance. The President and the executive members of the Board of Management are as follows:

President:	Mr Ferenc Bartha Secretary of State
First Deputy President:	Dr Imre Tarafás
Deputy Presidents:	Dr László Bódy Dr Lajos Komár Dr István Szalkai
Managing Directors:	Mr Ede Bakó Dr László Karczag Mr Andor Kovács

The Bank has its Head Office in Budapest. It has 19 regional offices throughout Hungary. It operates 6 representative offices and 2 banking affiliates abroad. It is one of the founders and shareholders of the Bank for International Settlements, Basle.

Functions

The Bank, as the central bank, has the following functions:

- by issuing bank-notes and coins – to which the Bank is entitled exclusively – ensures the amount of cash needed for money circulation;
- makes proposals for money and credit policy to be applied, and provides for the implementation of the guidelines approved by the Government;
- establishes the national payment and accounting system, determines the rules of money circulation;
- collects reserves of gold and foreign exchange and manages them;
- makes proposals for external credit and exchange rate policy, determines and publishes the offical exchange rate of foreign currencies in terms of HUF;
- maintains contacts and coordinates the relations of Hungary with the international financial institutions;
- regulates and performs credit and foreign exchange operations related to external economic relations.

General Meeting

The financial year of the NBH is the calendar year. The General Meeting is usually held not later than the end of April, following the end of the financial year. The General Meeting of the National Bank of Hungary in 1989 was held on April 18.

The President of the Bank submitted to the General Meeting the Bank's audited Balance Sheet, as of December 31, 1988, its Profit and Loss Account for the year 1988 and the Report on the Business Year.

Presenting the Auditors' Report, the independent auditors stated that the submitted financial

statements were in accordance with the Bank's books and corresponded to the applicable laws and regulations being in force in Hungary.

The General Meeting discussed and unanimously approved the Bank's Balance Sheet, the Profit and Loss Account and the Report on the Business Year.

Representative Offices of the National Bank of Hungary Abroad

At present the National Bank of Hungary has six representative offices abroad. The main tasks of these offices are the promotion and development of business relations between the National Bank of Hungary and the country's banks, in which the representative office is located as well as providing continuous information to the business partners about the course of the Hungarian economic and monetary policy and also about the developments in Hungary's economic and payment situation. A further important task of the offices is to inform the National Bank of Hungary about the latest developments in the money markets and to contribute to getting acquainted with economic and monetary situation of the country where they are situated.

The representatives advise Hungarian and foreign firms and individuals on financial questions concerning terms of payments or export, import deals, financing possibilities and on the preparation of business agreements.

The first foreign representative office of the National Bank of Hungary was established in **Paris** in December 1967. The activity of the office during the 21 years of its operation contributed to a great extent to establishing and developing the now traditionally good business and personal relations between the National Bank of Hungary and a great number of banks in France.

The representative office is headed by Dr Mihály Csiky.

Address: 2bis rue de la Baume,
F-75008 Paris
France
Telephone: (1) 45-63-58-58
Telex: 64 27 36

The representative office of the National Bank of Hungary in Switzerland started working in **Zurich** in 1970. Its business relations are concentrated on banks operating in Zurich, but it also maintains regular contacts with banks in Geneva, Basle, Lugano and Lausanne. The National Bank of Hungary, as one of the founders and shareholders of the Bank for International Settlements in Basle, keeps close contacts with BIS partly through its representative in Zurich.

In the Swiss money and credit market there are traditional, intensive, daily business relations with Swiss banks and financing companies as well as with numerous foreign banks located in Switzerland.

The Zurich representative office is headed by Mr Bertalan Szántó.

Address: CH-8002 Zurich
Genferstrasse 23
Telephone: 1-202 25 02
Telex: 817433 banko ch

The representative office of the National Bank of Hungary in the Federal Republic of Germany was opened in **Frankfurt am Main** in 1974. Its establishment became necessary because of the mutually beneficial and close business relations with banks in the FRG, mainly due to the fact that the FRG is the most important western partner of Hungary in foreign trade. It was also of importance that Frankfurt am Main became an international financial center, where a number of foreign banks established representative offices and branches. The office maintains close contacts with German and foreign banks in Frankfurt am Main and in other German financial centers. Thus its activity covers the whole territory of the country, and since 1979 Luxembourg, too. The representative office has regular contacts with the Euromarket in Luxembourg through numerous banks and financial institutions working there.

Since 1985 the office has played an important role in the preparation of the public DEM-bond issues of the National Bank of Hungary in the German market.