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GENERAL CONSULTANCY AGREEMENT

between

THE CANADIAN MACEDONIAN SOCIETY

An association with offices in Toronto
Canada, HEREINAFTER called Macedonian

and

HILL AND KNOWLTON

a body corporate with offices in Washington, D.C., U.S.A.
Hereinafter called Hill

WHEREAS Macedonian carries on the business of general support for the causes of the Republic of Macedonia; HEREINAFTER called Macedonian's BUSINESS;

AND WHEREAS Hill is offering Macedonian international government relations consulting services, hereinafter called services which Macedonian wishes to obtain:

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CRIMINAL DIVISION
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THEREFORE THE PARTIES AGREE TO THE FOLLOWING:

CONSULTING SERVICES

1) Statement of Consulting Services:

The objective to be achieved is the mobilization of an effective international lobby in support of the political integrity of the Republic of Macedonia and the preservation of its existing boundaries in the context of the civil strife in Yugoslavia. In addition to this objective, the following objectives are to be pursued:

(a) a substantial enhancement of the profile of the Macedonian identity and culture both domestically and internationally; and

(b) assisting where deemed capable of being potentially effective, the promotion of the human and civil rights of Macedonians in those states neighbouring Yugoslavia, namely the states of Albania, Bulgaria and Greece.

All of the above objectives are referred to as the "Objectives".

Working with Fred Doucet Consulting International Inc., Hill will in a priority way, assist and advise in the assembling and coordinating of a Task Force (hereinafter called "task force") whose role it shall be to develop and implement an effective strategy to achieve the objectives. Hill shall provide leadership to the Task Force by ensuring that all elements necessary to the achievement of the objectives are identified and appropriately and effectively acted upon. Notwithstanding the general mandate of the Task Force, it shall be expected that Hill, because of the obvious requirement for support from the United States, will assume a senior position on the Task Force and participate accordingly.

Hill shall well and faithfully serve Macedonian during the term of this Agreement and shall fully promote the interests of Macedonian in order to accomplish the Objectives. Hill agrees to make Craig Fuller reasonably available for and attend meetings with representatives of Macedonian at such times and places as may be mutually agreed upon by Macedonian and Hill. It is understood that with the consent of Macedonian other Hill personnel, acceptable to Macedonian, may attend in place of Craig Fuller.

TERM

2) This Agreement shall be for a term of 3 years commencing August 1, 1991. There shall be established by Macedonian, in consultation with the Task Force an Eminent Group of Experts for this and other support purposes of this initiative. On each of the two annual anniversary dates of this contract namely on August 1, 1992 and on August 1, 1993 an assessment will be made of the progress made toward the achievement of the objectives. This assessment will be conducted by the Eminent Group of Experts. If, in the majority view of the Eminent Group of Experts, insufficient progress has been achieved toward the objective, then this contract can be terminated effective on either of the two aforementioned dates providing 30 days written notice of termination from these respective dates is given by Macedonian to Hill and subject to Clause 3(b).

FEES

3. (a) In consideration of the provision of the aforementioned services, Macedonian agrees to pay Hill:

(i) consecutive monthly retainers of C$13,888.89 each during the term of this Agreement, payable in advances commencing August 1, 1991.

(ii) reimbursement for actual and reasonable expenses incurred by Hill on behalf of Macedonian which shall be invoiced on a regular basis, provided Hill furnishes Macedonian with vouchers, receipts, invoices or other reasonable details respecting those expenses for which Hill desires reimbursement. Any single expense to be incurred by Hill on behalf of Macedonian in excess of $5,000.00 shall require the prior approval of Macedonian;

(iii) payments to Hill are due on the dates set forth in this Agreement. Reimbursement of expenses are due within fourteen (14) days of invoice. Interest at the rate of two per cent (2%) per month (twenty-four per cent (24%) per annum) shall apply to overdue accounts.

(b) It is understood that Hill may receive a bonus concurrent with the end of Year One, Year Two and Year Three of this contract, subject to approval by The Canadian Macedonian Society.

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

TAXES

4) All payments to Hill under this contract, including fees and expenses are exclusive of any applicable tax. All such applicable taxes, shall be paid on a timely basis by Macedonian in the appropriate manner in each case subject to Clause 8.

REPRESENTATIONS

5) Hill hereby represents, warrants and covenants to and with Macedonian that:

(a) neither this Agreement, the relationship created hereby nor the performance by the parties of their respective obligations hereunder is or will be contrary to the existing laws, rules or regulations of the United States of America or of any other competent governmental authority; and

(b) Hill has not paid or refunded and will not pay or refund, directly or indirectly, any funds to any director, officer, employee, agent, or other representative of Macedonian or of any corporation controlled by or affiliated with Macedonian, or, any person, company, or entity who is not at arm's length (as defined in the Income Tax Act of Canada) with any such director, officer, employee, agent, or representative;

(c) Hill agrees to comply with all the provisions of the Federal Regulation of Lobbying Act or any similar such legislation and without limiting the generality of the foregoing, Hill agrees to complete all necessary registrations as a paid lobbyist of Macedonian pursuant to the Federal Regulation of Lobbying Act, if required, or any similar such legislation. Macedonian agrees to provide Hill all necessary information and documentation required to assist Hill in complying with the Federal Regulation of Lobbying Act or any similar such legislation.

(d) Hill agrees to deliver to Macedonian through FDCI a copy of the agenda and record of proceedings and action sheets of all Task Force meetings. In addition, Hill will provide through FDCI:

(i) particulars covering all expenditures incurred by Hill for the month which is the subject of the written report;

(ii) information relating to new strategies and initiatives of Hill and/or the Task Force relating to the fulfilment of the Objectives; and

(iii) confirmation and particulars of any specific governmental initiatives or policies relating to the Objectives;

(e) Hill agrees to provide through FDCI to Macedonian from time to time such background and other information relating to members of the Task Force as Macedonian may reasonably require in order to evaluate the appropriateness of such individuals representing Macedonian on the Task Force.

(f) It is understood that the services to be rendered and reports to be submitted shall be under the general supervision and direction of Mr. John Bitove Senior of The Bitove Corporation, 145 Wellington Street West, Suite 600, Toronto, Ontario M5J 1H8.

TERMINATION OF CONSULTING SERVICES

6) The engagement of Hill as a consultant shall automatically terminate upon the occurrence of any of the following:

(a) the expiration of the term of this Agreement.

7) This contract may also be terminated by a fundamental substantive material breach of this Agreement by Hill as adjudicated.

INDEPENDENT AGENT

8) Hill is acting as an independent consultant to Macedonian and will, at its own expense, pay all income taxes, unemployment insurance, Canada Compensation contributions, and all other taxes, charges and contributions in respect of Hill's directors, officers, employees, agents, and representatives. Macedonian will not have any obligation whatsoever to compensate any of Hill's directors, officers, employees, agents, or representatives for:

a) Salary;

b) Annual vacation;

c) Sickness or accident, whether or not resulting from the performance of obligations under this Agreement;

d) Retirement pension; or

e) Any other benefits which are accorded by FDCI to any of its own employees;

GOVERNING LAW

8) This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario and Canada;

IN WITNESS WHEREOF this Agreement was executed by the parties hereto under the hands of their duly authorized officers on this 3rd day of September, 1991.

HILL AND KNOWLTON

per: _____

THE CANADIAN MACEDONIAN SOCIETY

per: _____