U.S. Department of Justice
Washington, DC 20530

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

OMB NO. 1105-0003

Privacy Act Statement. Every registration statement, short form registration, supplemental statement exhibit, amendment, copy of informational materials 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 of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the Administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public. Finally, the Attorney General intends, at the earliest possible opportunity, to make these public documents available on the Internet on the Department of Justice World Wide Web site.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .49 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, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

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.**
900 Michigan Ave. Suite 2100
Chicago, IL 60611

2. Registration No. **3301**

2. Name of foreign principal
Welsh Development Agency

4. Principal address of foreign principal
The Welsh Development Agency
Principality House
The Friary
Cardiff
Wales CF1 4AA

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5. Indicate whether your foreign principal is one of the following:
☒ Foreign government
☐ Foreign political party
☐ Foreign or domestic organization: If either, check one of the following:
☐ Partnership ☐ Committee
☐ Corporation ☐ Voluntary group
☐ Association ☐ Other *(specify)* _____
☐ Individual-State nationality _____

6. If the foreign principal is a foreign government, state:
a) Branch or agency represented by the registrant. Welsh Development Agency
b) Name and title of official with whom registrant deals. Andrew Clutz, Vice President for Marketing

7. If the foreign principal is a foreign political party, state:
a) Principal address.
b) Name and title of official with whom registrant deals. **N/A**
c) Principal aim

Formerly OBD-67

FORM CRM-157
SEP. 1996

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

Supervised by a foreign government, foreign political party, or other foreign principal	Yes ☐	No ☐
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 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 must be used.)*

N/A

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	Name and Title	Signature
Dec. 23, 1997	James C. Jennings Ex. Managing Dir	James C. Jennings

U.S. Department of Justice
Washington, DC 20530

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

OMB NO. 1105-0007

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. One original and two legible photocopies of this form shall be filed 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, supplemental statement exhibit, amendment, copy of informational materials 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 of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the Administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public. Finally, the Attorney General intends, at the earliest possible opportunity, to make these public documents available on the Internet on the Department of Justice World Wide Web site.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .49 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, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

1. Name of Registrant **Hill and Knowlton, Inc**	2. Registration No. **3301**

3. Name of Foreign principal **Welsh Development Agency**

Check Appropriate Boxes:

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4. ☒ The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach a copy of the contract to this exhibit.

5. ☐ There is no formal written contract between the registrant and the foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach a copy of all pertinent correspondence, including a copy of any initial proposal which has been adopted by referenced in such correspondence.

6. ☐ 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 expenses, if any, to be received.

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

Hill and Knowlton will provide counsel and assistance regarding media relations for foreign principal.

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

See item 7

9. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act and in the footnote below? 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.

N/A

Date of Exhibit B	Name and Title	Signature
DEC. 23 1997	JAMES C. JENNINGS EX. Managing Dir.	James C. Jennings

Footnote: Political activity is defined in Section 1(o) of the Act means any activity which the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the Untied 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 interests, policies, or relations of a government of a foreign county or a foreign political party.

(1) WELSH DEVELOPMENT AGENCY

(2) HILL & KNOWLTON, INC

CORPORATE CONSULTANCY AGREEMENT

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The Schedule - The Services

THIS AGREEMENT is made **BETWEEN:**

(1) **WELSH DEVELOPMENT AGENCY** of Principality House, The Friary, Cardiff CF1 4AA herein referred to as "the Agency"; and

(2) **HILL & KNOWLTON, INC** a corporation organised and existing under the laws of the State of Illinois whose office is at 900 North Michigan Avenue, 21st Floor, Chicago, Illinois 60611 herein referred to as "the Consultant".

BACKGROUND

(A) The Agency wishes to contract with the Consultant for the services of the Consultant in the promotion of inward investment in Wales.

(B) The Consultant has certain skills and abilities which may be useful to the Agency from time to time.

(C) The Consultant is an independent contractor willing to provide services to the Agency as set out below.

OPERATIVE PROVISIONS:

In consideration of the mutual premises set forth herein it is agreed by and between the Agency and the Consultant as follows.

1 **Interpretation**

In this Agreement the following expressions have the following meanings unless inconsistent with the context:-

Expression	Meaning
'Person'	includes any individual, firm, partnership, association or company and any other incorporated or unincorporated body
'the Personnel'	those people who are to perform the Services on behalf of the Consultant ie Jim Martinez and Linda Kingman and such other directors and employees of the Consultant as are approved in writing by the Agency from time to time.
'Purchase Order'	any further document issued by the Agency to the Consultant commissioning the provision of the Services

'the Tender'	the Consultant's proposal document dated October 1995 as amended by their subsequent correspondence entitled "Welsh Development Agency 1996 Program Budget" and "Welsh Development Agency 1996 Program".
'the Services'	means the consultancy services to be provided under this Agreement in relation to International Marketing Services Support in the United States as more particularly set out in the Schedule

The headings to the clauses are for convenience only and have no legal effect.

References to statutory provisions shall, where the context so admits or requires, be construed as including references to the corresponding provisions of any earlier statute (whether repealed or not) directly or indirectly amended, consolidated, extended or provisions of any subsequent statute directly or indirectly amending, consolidating, extending or replacing such provisions, and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute.

References to clauses and the Schedule are references to clauses of and the Schedule to this Agreement and references to this Agreement include the Schedule.

References to the masculine gender shall include the feminine and neuter and references to the singular shall include the plural and vice versa.

2 **Consultancy services**

The Agency hereby engages the Consultant to provide the Services to the Agency and the Consultant hereby agrees to provide the Services upon the terms and conditions set out in this Agreement.

3 **Duration**

3.1 This Agreement shall be deemed to have commenced on 2 January 1996 ("the Commencement Date") and shall continue (subject to earlier termination as provided in this Agreement) for a fixed period of three years from then until 1 January 1999 unless terminated earlier by either party giving to the other not less than one months prior written notice.

3.2 The obligations of the Consultant under clauses 8, 9 and 10 hereof shall survive any expiration or termination of this Agreement.

4 **Consultant's obligations**

4.1 During the period of this Agreement the Consultant is retained to provide the

Services to the Agency for such time during the term of this Agreement as may be necessary to complete the Projects as referred to in clause 4.2.1 by the relevant dates referred to in clause 4.2.2.

4.2 The Consultant and the Agency Contact as referred to in clause 16 shall hold quarterly meetings at such locations as referred to in clause 4.3 to set the programme for the next 3 months. The programme will contain:-

4.2.1 the individual projects comprising part of the Services to be provided ("the Projects")

4.2.2 the timescale required for completion for each Project

4.2.3 the expenses for each of the Projects if not specified in the Tender.

4.2.4 the deliverables required by the Agency for each Project.

4.3 The Services are to be provided at such locations as the Agency and the Consultant shall agree from time to time or as the Agency may stipulate.

4.4 Provided that the Consultant is complying in full with its obligations under this Agreement then nothing in this Agreement shall prevent it from acting in a similar or any other capacity for any other Person subject to the provisions at clauses 8, 9 and 10 hereof.

4.5 The Consultant agrees that the Personnel are bound by the provisions of this Agreement and the Consultant shall, at the request of the Agency, furnish to the Agency satisfactory evidence to that effect and that said Personnel are in fact employees and/or officers or directors of the Consultant only. The Consultant shall perform the Services and shall procure that the Services are performed by the Personnel with reasonable care and skill and to the best of the ability of the Personnel and that the Consultant and the Personnel shall adhere at all times to the Principles of Best Practice and the tendering procedures in the Agency's Code of Practice (Incorporating Financial Policy and Procedures) from time to time in force a copy of which is provided by the Agency to the Consultant.

4.6 The Consultant agrees that the Personnel are directors, officers or employees of the Consultant and that under the service contract between the Consultant and the Personnel who are directors and the contract of employment between the Consultant and the Personnel who are employees and/or officers any intellectual property rights arising out of or relating to work done by the Personnel for the Consultant will vest in the Consultant and that the Personnel will have no right title or interest whether legal or beneficial in any such intellectual property rights. The Consultant shall, if so required by the Agency, produce written evidence of this signed by the Personnel to the Agency.

4.7 The Consultant confirms it has not and shall not offer or give, or agree to give, to any member, employee or representative of the Agency any gift or consideration of any kind as an inducement or reward for doing or refraining from doing any act in relation to the obtaining or execution of this or any other agreement with the Agency or for showing or refraining from showing favour or disfavour to any person in relation to this or any such agreement.

4.8 The Consultant shall not and shall take all reasonable steps to ensure that the Personnel all its employees and all subcontractors (if any) engaged pursuant to clause 15 in the performance of the Services shall not unlawfully discriminate against any person in accordance with the laws of the United States of America.

4.9 The Consultant shall not use, register as trademark or otherwise, or permit to be used, registered as trade mark or otherwise the name "Welsh Development Agency" or any other name similar to it or associated with the Agency or any abbreviation of the name, without the prior written consent of the Agency. Notwithstanding any use by the Consultant of the name "Welsh Development Agency" or any other name similar to it or associated with the Agency or any abbreviation of the name, the Consultant acknowledges that all rights relating to such names in the United States of America shall accrue to the benefit of the Agency only. The Consultant undertakes to use its best endeavours to procure that all rights, including goodwill, accrue to the Agency and to transfer to the Agency upon request, and without cost to the Agency, any such rights which the Consultant may hold or acquire from time to time.

4.10 Title in any and all goods (whether real or personal) purchased with Agency funding (whether direct or via the Consultant) shall be and remain in the ownership of the Agency at all times and the Consultant shall take any action necessary to give effect to this clause 4.10 including without limit executing and registering any document to transfer to the Agency upon request and without cost to the Agency all right, title and interest in and to such property. The Consultant agrees to possess such property purchased with Agency funding at the Agency's permission and subject to the Agency's rights as owner of such property. The Consultant agrees to surrender possession of any and all property purchased with the Agency's funding at the termination of this Agreement or whenever requested by the Agency.

4.11 The Consultant shall use its best endeavours to cooperate with and complement the activities of any other Persons retained by the Agency to promote inward investment into Wales.

5 **Fee**

5.1 The Agency shall pay to the Consultant fees based on the hourly rates specified in the Tender attached at the Schedule for services requested by the Agency in accordance with clause 4.2. For the avoidance of doubt the maximum fees for

each of the Projects shall be as detailed in the Tender.

In consideration of the maximum fee for each of the Projects as detailed in the Tender and the repayment of expenses properly incurred and proven pursuant to clause 6 of this Agreement, the Consultant agrees to ensure the completion of each Project comprising part of the Services at no extra cost.

For the further avoidance of doubt the maximum aggregate fee for Services provided under this Agreement during the period 2 January 1996 to 1 January 1997 shall be US$418,000 exclusive of Value Added Tax if applicable. The fees shall be exclusive of Value Added Tax if applicable

5.2 The fees (based on the hourly rates in the Tender subject to the maximum cap for each Project as set out in the Tender) shall be payable in monthly instalments in arrears in respect of Services performed to the reasonable satisfaction of the Agency in the preceding month with the first instalment being due 1 month from the Commencement Date and all expenses pursuant to clause 6 (if any) shall be payable monthly in arrears in respect of expenses incurred in the preceding month provided always that the Consultant has provided such part of the Services required of it during that month to the reasonable satisfaction of the Agency.

5.3 All payments of fees and of expenses in accordance with clause 6 (if any) shall be made in accordance with clause 5.2 within 30 days of receipt by the Agency of the Consultant's invoice therefor shall detail the number of hours spent in providing the Services in the preceding month, and such documentation required in respect of expenses in accordance with clause 6.

5.4 The fee and any expenses which the parties agree to be paid in accordance with clause 6 (if any) shall be paid in US$.

5.5 All fees and expenses shall be agreed in US$.

5.6 The parties shall agree a program budget for the period 2 January 1997 to 1 January 1998 and the period 2 January 1998 to 1 January 1999 and the program required on or before 1 January 1997 and 1 January 1998 respectively.

6 <u>Expenses</u>

6.1 The fees payable to the Consultant under clause 5 shall be inclusive of any and all expenses which the Consultant incurs pursuant to this Agreement unless any expense is agreed in advance pursuant to clause 4.2.3 for an individual Project as defined in clause 4.2.1. Any approved expense is subject also to the provisions of clauses 6.2 and 6.3.

6.2 All approved expenses referred to in clause 6.1 shall only be reimbursed at cost on production of such vouchers or other documentary evidence of actual payment

of such expenses as the Agency may reasonable require. In addition all reasonable expenses (including without limit reasonable travel, hotel and subsistence expenses) shall be subject to any limitation contained in any policy document governing payment of expenses by the Agency from time to time in operation or any maximum imposed by the Agency.

6.3 Any expenditure relating to third party suppliers of goods and/or services concerned with the Services shall be incurred only in accordance with the Agency's tendering procedures in the Agency's Code of Practice (Incorporating Financial Policy and Procedures) from time to time in force a copy of which the Consultant has received. All such expenditure shall be incurred direct by the Consultant with the supplier of the relevant goods/services and reimbursed by the Agency to the Consultant at direct cost in accordance with clauses 6.1 and 6.2 unless otherwise agreed in advance by the Agency in writing. Where necessary the Consultant as part of the Services shall assist the Agency in procuring the provision of such goods/services by taking such steps as the Agency requests of the Consultant.

6.4 For the avoidance of doubt the maximum amount of expenses payable under clause 6 shall be US$132,000 per annum exclusive of Value Added Tax if applicable.

7 Termination

7.1 The Agency may by notice in writing terminate this Agreement with immediate effect if the Consultant or the Personnel:-

7.1.1 is in breach of any of the terms of this Agreement which in the case of a breach capable of remedy is not remedied by the Consultant or the Personnel within 14 days of receipt by the Consultant of a notice from the Agency specifying the breach and requiring its remedy; or

7.1.2 fails or refuses after written warning to carry out the Services or the duties reasonably and properly required of it under this Agreement; or

7.1.3 dies or becomes incapacitated if that person, in the sole opinion of the Agency, was essential for the successful performance of the Consultant's obligations under and pursuant to this Agreement; or

7.1.4 dies, becomes bankrupt, enters into liquidation (other than for the purposes of reconstruction without insolvency); or makes any composition with its or his creditors; or has an administrator, receiver or administrative receiver appointed over all or part of its or his undertaking or assets; or is the subject of a statutory demand; or enters into a voluntary arrangement with its or his creditors; or is the subject of a winding up or bankruptcy petition; or is the subject of an application for an administration order or is the subject of any similar

or analogous event under the laws of the country in which the Consultant or Personnel are incorporated or resident; or

7.1.5 becomes mentally ill; or

7.1.6 is guilty of any conduct which in the opinion of the Agency brings Consultant or the Agency into disrepute; or

7.1.7 is convicted of any criminal offence (excluding an offence under Road Traffic Legislation for which a sentence other than a term of imprisonment is imposed).

PROVIDED ALWAYS that the Agency may not terminate this Agreement solely by reason of the Consultant's failure to provide the Services through illness or injury of the Personnel unless such illness or injury prevents the Consultant or the Personnel providing any services to the Agency for an aggregate period of one month in any period of twelve months from 2 January to 1 January.

7.2 During July 1996 and thereafter during December of each year that this Agreement subsists (or at such other time that the parties may agree to but so that there is an annual review held within each twelve month period from 2 January to 1 January) the Agency and the Consultant shall meet to enable the Agency to review the performance of the Services by the Consultant under this Agreement during the relevant period. If in the Agency's absolute opinion the Consultant's performance of the Services has been unsatisfactory or if the parties are unable to agree a program budget pursuant to clause 5.6 then the Agency shall have the right to terminate this Agreement with immediate effect. Nothing in this clause 7.2 shall prejudice any other right of the Agency under this Agreement.

8 **Confidential information**

8.1 The Consultant shall and shall procure that the Personnel and all other of its employees shall treat as secret and confidential and shall not except as may be required under compulsion of law at any time either during the term of this Agreement or afterwards for any reason disclose or permit to be disclosed to any Person or otherwise make use of or permit to be made use of any information relating to the Agency's organisation, business (which shall include without limit all reports produced and details and lists of clients and customers of the Agency or Persons with whom the Agency is negotiating for the supply of its services) affairs, finances, transactions, technology or technical processes or any such information relating to a subsidiary, project or client of the Agency where knowledge or details of the information was received during the period of this Agreement or as a result of discussion or negotiations with the Agency beforehand provided that the Consultant shall not be prevented from disclosing information where the Agency has consented in writing both to the information to be disclosed and to the Person to whom the information is to be disclosed and further provided that the Consultant shall not be liable for the disclosure of any

such information which is or becomes in the public domain other than as a result of a breach of this clause. Without prejudice to the provisions of clause 15.3 the Consultant shall procure that the Personnel and all other of its employees (if any) having access to any such information and each Person to whom the Agency consents to disclosure of information pursuant to this clause 8.1 (if any) shall be subject to the same obligations as the Consultant under this clause 8.1.

8.2 Save with the prior written agreement of the Agency, the Consultant and the Personnel shall not, in the provision of the Services, be involved in any negotiation or project of whatever nature between the Agency and any Person where the Consultant or the Personnel is or may be engaged or interested, either directly or indirectly in such Person, negotiation or project and it is the Consultant's responsibility to notify the Agency immediately of any such conflict or potential conflict which may arise.

8.3 The Consultant shall not and shall procure that the Personnel shall not whilst performing the Services promote in any way its own business or services to any Person with whom the Consultant or the Personnel is involved in providing the Services.

8.4 Upon termination of this Agreement for whatever reason the Consultant will, unless otherwise agreed with the prior written agreement of the Agency, deliver up to the Agency all working papers or other material (including without limit all reports and the automotive newsletter) (in whatever format it is stored) and copies provided to it pursuant to this Agreement or prepared by it either in pursuance of this Agreement or as a result of discussions or negotiations with the Agency beforehand provided that there is no outstanding undisputed indebtedness then owing by the Agency to the Consultant.

9 **Intellectual Property Rights**

9.1 If the Consultant or the Personnel makes or discovers any discovery, invention, secret, process or improvement pursuant to this Agreement, then the Consultant will make full disclosure to the Agency and the said discovery, invention, process or improvement and any and all intellectual property rights therein shall if accepted by the Agency belong to and be the absolute property of the Agency and the Consultant will at the Agency's expense (provided such expense has been approved in advance in writing by the Agency) do all such things necessary or desirable to vest such intellectual property rights and the rights referred to in clause 9.2 below in the Agency absolutely.

9.2 All drawings, designs, documents, models, proto-types and other materials (including without limit all reports and the automotive newsletter) produced by the Consultant or the Personnel pursuant to this Agreement in whatever medium held or recorded and the copyright and/or design right and/or other rights therein and thereto shall belong to the Agency absolutely provided that they have been accepted by the Agency and paid for in accordance with the terms hereof. The

Consultant hereby irrevocably and unconditionally waives any and all moral rights (if any) in any work arising from the provision of the Services.

10 **Non-competition**

The Consultant shall not and shall procure that the Personnel shall not during or for a period of one month if the Agreement is terminated during the first year after the Commencement Date, two months if the Agreement is terminated during the second year after the Commencement Date or three months if the Agreement is terminated during the third year after the Commencement Date or on the Completion Date be involved either directly or indirectly and whether on behalf of himself or as manager, director, partner, employee, consultant, agent or nominee of any other person, firm or company for any governmental, quasi-governmental or statutory body which is engaged or concerned in same or similar Services anywhere in the countries presently known as Austria, Belgium, Denmark, Eire, Finland, France, Germany, Greece, Holland, Italy, Luxembourg, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom,Czech Republic, Slovak Republic, Hungary, Estonia, Latvia, Lithuania, Poland, Romania, Russia, Bulgaria and Ukraine.

11 **Liability and Insurance**

11.1 The Consultant agrees to indemnify and keep indemnified the Agency in respect of any and all claims, damages, proceedings, loss, costs, expenses, charges and liabilities of whatever nature arising from or related to the provision of the Services and/or any breach of this Agreement to which the Agency may become liable or incur except where such claim, damages, proceedings, loss, costs, expenses, charges and liabilities arise as a result of any cause beyond the Consultant's control or as a result of the Agency's negligence or misconduct.

Provided always that the aggregate liability of the Consultant hereunder shall be limited to £1 million.

11.2 The Consultant agrees to obtain and maintain insurance cover to a minimum of £1 million with an insurance company approved by the Agency in respect of the Consultant's and the Personnel's liability under this Agreement and further agrees at the request of the Agency to produce a copy of such insurance policy and renewal receipts and confirmation of payment of premiums as required from time to time.

12 **Warranties**

The Consultant warrants represents and undertakes to the Agency that the information contained in the Tender is true and accurate in all respects at the date hereof and the Consultant further undertakes to disclose immediately to the Agency anything which comes to his notice which is or may be a material change to the said information or a breach of this warranty.

13 **Status and tax liabilities**

13.1 The Consultant is an independent contractor and is not an agent for or a representative of the Agency. The Consultant has no authority to bind the Agency to any commitment with any third party and shall not at any time in the performance of the Services hold itself out as being an agent for or a representative of the Agency.

13.2 The Consultant shall be responsible for making appropriate PAYE deductions for the tax and National Insurance contributions (and any similar or analogous tax and/or insurance deductions and contributions) from the remuneration it pays to the Personnel.

13.3 The Consultant hereby indemnifies and agrees to keep indemnified the Agency in respect of any and all claims that may be made by the relevant authorities against the Agency in respect of income tax or National Insurance or similar contributions relating to the Services as provided by the Consultant hereunder.

14 **Notice**

Any notice under this Agreement:-

14.1 Must be in writing addressed to the intended recipient at the address shown below or the address last notified by the intended recipient to the Sender:

The Welsh Development Agency
Principality House
The Friary
Cardiff
Wales CF1 4AA

Attention: Director of Marketing

Fax: + - 44 - 1222 668279

HILL AND KNOWLTON, INC
900 North Michigan Avenue
21st Floor
Chicago
Illinois 60611
USA

Attention: Jim Martinez and/or Linda Kingman

Fax: 001 - 312 - 255 3030

14.2 Must be signed by a person duly authorised by the sender; and

14.3 Will be taken duly given or made when delivered, received, or left at the above address but if delivery or receipt occurs on a day on which business is not generally carried on in the place to which the communication is sent or is later than 4.00 p.m. (local time) it will be taken to have been duly given or made at the commencement of business on the next day on which business is generally carried on in that place.

15 **Subcontracting**

15.1 Except with the prior written consent of the Agency the Consultant shall not assign or subcontract any or all of its rights, benefits, obligations or duties under this Agreement.

15.2 Subject to clause 15.3 if the Agency at any time gives its consent under clause 15.1 to the Consultant subcontracting then the following provisions shall apply:-

15.2.1 The Agency consents (subject to the provisions of clause 8.1) to the Consultant disclosing to each subcontractor such information as is confidential as referred to in clause 8.1 which is necessary for the subcontractor to carry out his responsibilities in connection with the Services.

15.2.2 The Consultant shall ensure that each subcontractor is bound by the same obligations which the Consultant agrees to in this Agreement including without limit:-

15.2.2.1 secrecy in respect of information which is confidential as referred to in clause 8.1;

15.2.2.2 the restrictions imposed on the Consultant as referred to in clauses 8.2, 8.3 and 8.4;

15.2.2.3 the obligations imposed on the Consultant pursuant to clause 9; and

15.2.2.4 the restrictions imposed on the Consultant referred to in clause 10.

15.3 For the avoidance of doubt it is expressly agreed that the Consultant shall be directly responsible to the Agency for any breach of the terms of this Agreement caused by any act or omission of a subcontractor (including without limit any breach caused by the subcontractor in respect of the restrictions imposed on it by the Consultant pursuant to clause 15.2) and the Consultant shall indemnify and keep indemnified the Agency in accordance with clause 11 as if the breach caused by any act or omission of the subcontractor was in fact caused by the Consultant.

15.4 The Consultant undertakes to pay any undisputed invoice raised by a sub-contractor within 30 days of the invoice date.

16 **Reporting Requirements**

16.1 The Consultant shall give to the Vice President International - North America (or such other person notified by the Agency to the Consultant from time to time) ("the Agency Contact") for review and approval, on or before the 23rd day of each calendar month an outline in writing of its proposed performance of the Services for the following calendar month.

16.2 The Consultant shall give to the Agency Contact a report (in such form and substance as the Agency shall require) on or before the 5th day of each calendar month detailing the Services performed by the Consultant in the previous calendar month and the financial information referred to under paragraph 3.2 of the Agency's Invitation to Tender attached at the Schedule and the deliverables achieved.

16.3 The Consultant shall give to the Agency Contract a written report (in such form and substance as the Agency shall require) by 31 January following each 12 month period (being a period from 2 January to 1 January) of this Agreement detailing the achievements of the previous 12 months (including deliverables achieved) and plans for the next 12 month period.

16.4 The Consultant shall attend monthly meetings with the Agency Contact to monitor and discuss the progress of the Services at such locations as are provided for in clause 4.3.

16.5 In the event that the Consultant requires directions or information of any nature from the Agency in performing the Services then the Consultant shall contact the Agency Contact.

17 **Marketing Material Etc**

17.1 The Consultant shall only use such marketing and promotional literature and material supplied by or on the written directions of the Agency for this purpose from time to time.

17.2 The Consultant shall (without limiting the scope of clause 11) indemnify the Agency in respect of any breach of clause 17.1

17.3 All literature and material referred to in this clause 17 shall belong to the Agency absolutely and is subject without limit to clause 8.4 and 9 of this Agreement.

18 **Power of Attorney**

18.1 For valuable consideration and by way of security the Consultant irrevocably appoints any employee of the Agency nominated by the Agency for the purpose of this clause 18 to be its attorney to do anything which the Consultant is obliged to do under or in relation to clauses 4.9 and 4.10 ("an Attorney"). Where necessary the Consultant shall deliver to the Agency a specific power of attorney together with any necessary supporting documentation in form and substance satisfactory to the Agency.

18.2 Without limitation but subject to clause 18.1 an Attorney may at any time:-

18.2.1 do anything necessary or considered expedient by the Agency or the Attorney to secure, preserve or give effect to any right, title or interest contained in this Agreement; and

18.2.2 for any purpose delegate his powers (including delegation).

18.3 No Attorney appointed under this Agreement may act, nor has power to act, inconsistently with this Agreement.

18.4 The Consultant shall ratify anything done by an Attorney or a delegate in accordance with this clause 18.

19 **Survival of Clauses Post Termination**

Clauses 4.9, 4.10, 8, 9, 10.2, 11, 13, 15.3, 16.2, 16.3, 17, 18 and this clause 19 (together with any other clauses which by implication need to survive termination of this Agreement) shall survive termination of this Agreement.

20 **General**

20.1 This Agreement is in substitution for any previous agreements in relation to the Services between the Agency and the Consultant (which shall be deemed to have been terminated by mutual consent with effect from the Commencement Date).

20.2 The Consultant confirms that in entering into this Agreement and in performing its obligations under this Agreement it is and will be at all times acting in accordance with its Corporate Charter (and any analogous documents) and other obligations imposed upon the Consultant by its agreements or the law.

20.3 Any waiver of any breach of, or default under, any of the terms of this Agreement by the Agency shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of this Agreement.

20.4 If any provision or part of any provision of this Agreement is found by a court or other competent authority to be void or unenforceable, such provision or part of

a provision shall be deleted from this Agreement and the remaining provisions or parts of the provision shall continue in full force and effect.

20.5 The rights of the Consultant under this Agreement are personal to the Consultant and may not be assigned or transferred to any other person, firm or corporation without the prior, express and written consent of the Agency.

20.6 This Agreement is the entire agreement between the Agency and the Consultant in respect of the Services and shall only be amended or varied in writing signed by each party in the same manner as this Agreement is executed. For the avoidance of doubt Consultant's standard terms and conditions (if any) are expressly excluded from this Agreement.

20.7 In the event of there being any conflict between the provisions in the Schedule and any clauses in the main body of this Agreement the later shall prevail.

20.8 This Agreement shall be governed by and enforced in accordance with the laws of the State of Illinois from time to time in effect, without reference to principles of conflict of laws.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year written below.

WELSH DEVELOPMENT AGENCY
By: Roy Thomas
Title: Agency Secretary

Subscribed and sworn to before me this second day of May 1996

Notary Public Solicitor
R.J. Thurman

HILL AND KNOWLTON, INC

By: .....

Title: General Manager

Subscribed and sworn to before me this 13th day of May 1996

Notary/Public Solicitor

"OFFICIAL SEAL"
Beth A. Rankin
Notary Public, State of Illinois
My Commission Expires June 21, 1996

SCHEDULE

The Services as more particularly described in the Agency's Invitation to Tender and the Tender the relevant parts of which are attached.