U.S. Department of Justice

Washington, DC 20530

REVISED
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 statement, 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 the 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 & Knowlton, Inc. 607 14TH Street NW Suite 300 Washington, DC 20005	2. Registration No. 3301
3. Name of foreign principal Saudi Basic Industry Corporation (SABIC)	4. Principal address of foreign principal PO Box 5101 Riyadh 11422 Kingdom of Saudi Arabia

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
  - ☒ Corporation
  - ☐ Association
  - ☐ Committee
  - ☐ Voluntary group
  - ☐ Other (*specify*)_____
- ☐ Individual-State nationality _____

CRIMINAL/REGISTRATION UNIT
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6. If the foreign principal is a foreign government, state:

a) Branch or agency represented by the registrant.
N/A

b) Name and title of official with whom registrant deals.
N/A

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

a) Principal address.
N/A

b) Name and title of official with whom registrant deals.
N/A

c) Principal aim.
N/A

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

Chemicals and Plastics

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.*)

SABIC is 70% owned by the Kingdom of Saudi Arabia.

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 control it.

N/A

Date of Exhibit A	Name and Title	Signature
06/04/01	[illegible]	[signature]

U.S. Department of Justice

Washington, DC 20530

REVISED
Exhibit B
To Registration Statement
Pursuant to the Foreign Agents Registration Act of 1938, an 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 statement, 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 the 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 .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, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

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

3. Name of Foreign Principal

Saudi Basic Industry Corporation (SABIC)

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Check Appropriate Boxes:

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 reference 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.

Registrant is doing work for foreign principal both pursuant to a written contract and based on an oral agreement. For the work done under the oral agreement, Hill & Knowlton, Inc. is reimbursed for work performed at its standard hourly rates and for its out of pocket expense. The engagement under the oral agreement will continue until terminated by either party.

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

Provide public relations and political counsel and assistance to promote the interests of the foreign principal, including for routine business communications and a possible acquisition and foreign investment in the United States.

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

See item 7 above.

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.

See item 7 above

Date of Exhibit B	Name and Title	Signature
12-2-17	LISA [illegible] PRESIDENT, [illegible]	

Footnote: Political activity as 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 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 interest, policies, or relations of a government of a foreign country or a foreign political party.

سابك
sabic

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CONTRACT REGISTRATION UNIT

CONTRACT AMENDMENT

For

CONTRACT NUMBER : C02-SABIC-300

Provisioning of Consultation and related services to SABIC's Corporate Communication

Between

Saudi Basic Industries Corporation (CLIENT)

And

HILL & KNOWLTON, INC. (AGENCY)

CONTRACT AMENDMENT

This Contract Amendment refers to contract # C02-SABIC-300, By and between:

Saudi Basic Industries Corporation (SABIC) (Hereinafter called **"CLIENT"**)

And

HILL & KNOWLTON, INC. (hereinafter referred to as **"AGENCY"**)

Now, therefore, the parties agree as follow:

ARTICLE – 1

1 – 1 ANNEX-I, Scope of Services in the original contract will be replaced by the attached revised text, titled: ANNEX-I, Scope of Services (Revised)

1 – 2 ANNEX-II, Commercial terms in the original contract will be replace by the attached revised text, titled: ANNEX-II, Commercial Terms (Revised)

1 – 3 EXHIBIT-C To ANNEX-I, Request for proposal (RFP) for optional services in the original contract will be replaced by the attached revised text, titled: EXHIBIT-C To ANNEX-I (Revised)

1 – 4 APPENDIX-I To EXHIBIT-D in the original contract will be replace by the attached revised text, titled: APPENDIX-I To EXHIBIT-D (Revised)

ARTICLE – 2

All other terms, conditions and articles in the original contract except as noted above will remain valid and the same as per the original contract.

ARTICLE – 3

This contract Amendment shall be effective from June 1st 2006 and shall be an integral part of the original contract.

IN WITNESS WHEREOF the parties have caused this agreement to be executed by their duly authorized representative, in two duplicate originals.

For and on behalf of:

HILL & KNOWLTON, INC. (AGENCY)

Name : Jim Cox

Title : Senior Vice President, H&K, New York

Signature:

Date : 4 JUNE 2006

For and on behalf of:

Saudi Basic Industries Corporation (CLIENT)

Name : Mohammed Ibn Abdullah Al-Bathi

Title: Vice President, Human Resources

Signature:

Date : 4 June 2006

ANNEX I
SCOPE OF SERVICES (Revised)

AGENCY shall provide services specified in this Annex-I, in accordance with Exhibit-A (SABIC Brief to Agency) and Exhibit-B (Service Level Agreement between SABIC and AGENCY) and Exhibit-C to ANNEX-I (Request for Proposal for optional services) and Exhibit-D to ANNEX-I (Letter of Authorization for optional services) hereto. The services to be provided by AGENCY consist of Part I (Core Public Relations and Corporate Communication Program), and Part II (Optional Services) if authorized by CLIENT, described in more details herein below. Optional Services are also called "Projects".

The AGENCY will play a key role in assisting CLIENT in building and protecting a respected and trusted global brand and corporate reputation for CLIENT as a leader in the global petrochemical industry.

AGENCY shall deliver services to CLIENT in four key areas:

- Counseling and advising;
- Coordination;
- Training
- Monitoring and measurement.

Counsel and advice would include proposals for Projects, solutions to communications problems and strategic planning. Coordination would include news releases, media inquiries, media materials development, advertising planning and event planning. Training would include planning for CLIENT staff communications development as well as executive development. Monitoring and measurement would include media monitoring, evaluation of communications programming and activities and assessment of AGENCY and CLIENT communications efforts.

The core fee is designed to cover ongoing strategy, planning, development, counsel and related services in helping CLIENT to develop a world-class communications organization. While counsel and planning should all be covered by the core services fee, CLIENT will fund the implementation of certain approved activities as PROJECTS to be carried out by the AGENCY or other groups. It is not envisioned that the core services would cover all of CLIENT's communications needs – but rather all of its planning, counseling, monitoring and measurement as well as media coordination, such as press releases and media coverage, by the AGENCY.

ARTICLE 1.0 – SERVICES

PART- I (CORE PUBLIC RELATIONS PROGRAM)

Core Public Relations Program consists of the development of the communications strategy for CLIENT and all key program elements, development of a master plan, development of the program, counseling, planning, development of media materials, program measurement and evaluation, including:

1. Global Media Kit Development

A set of standardized written materials that describe CLIENT as a company globally. The materials are principally for use with media and will be updated by AGENCY monthly. The materials will include a short history of CLIENT, short profiles of each CLIENT's Strategic Business Units (SBUs), profiles of each CLIENT's overseas affiliates (such as CLIENT Europe, CLIENT Americas), fact sheets about the company, biographies of key executives, photographs of CLIENT's facilities, and photocopies of key articles about CLIENT. The materials will be prepared in English and assembled into a specially printed folder, available for email distribution and used in CLIENT media room on the company website. AGENCY will provide translations of the media kit into key country languages

CLIENT Global Media Kit is the primary method of communicating important information about CLIENT to journalists with the objective of generating positive news coverage. The media kit is a set of documents, which provide journalists with background information on CLIENT. This kit is sent to journalists on a proactive or reactive basis and can also be distributed at key events and used by overseas affiliates.

Activities shall include:

- research, write and edit a global media information kit for use by AGENCY offices to supply journalists with information and photography covering the petrochemical sector and international business;
- update the material periodically to reflect changes in CLIENT and its business operations;
- translate the media kit materials into local languages by regional offices as necessary.

The global media kit will contain:

- An information sheet outlining the corporate structure and overall business approach of CLIENT.
- A set of information sheets outlining the activities and business functions of CLIENT's business units.
- A set of information sheets describing the overseas affiliates.
- A set of biographies of key CLIENT executives outlining their corporate role and function, business experience and academic credentials.
- A set of photographs of CLIENT offices, operations and scientific processes for use with key media.
- A set of photographs of key CLIENT executives and selected CLIENT facilities.

2. News Release

AGENCY will work with CLIENT Corporate Communication (CLIENT CC) team in the development and distribution of news releases in English, Arabic and other regional languages to an agreed list of publications and journalists in CLIENT's local and global markets. News releases provide journalists with facts and information about special announcements, for example, acquisitions, new products, major sales, appointments, research and technology developments, etc. All news releases will be approved in writing by CLIENT before

distribution. AGENCY will coordinate the translation of CLIENT news releases, with costs from outside services allowed as an expense.

Activities shall include:

- research, write and edit press releases on behalf of CLIENT
- research, write and edit press releases and supporting detailed background information sheets providing an insight into key aspects of CLIENT as a business
- provide Q & As of questions likely to be asked by the media

3. Global and Regional Media Lists

Media lists will be researched and updated by the AGENCY, with lists of key reporters and editors, contact details, including names, phone numbers, fax numbers, email addresses and brief biological information. AGENCY will maintain online lists of media who are interested in receiving news about CLIENT in CLIENT's local and global markets. These lists will be updated monthly and provided to CLIENT (Media Relations Department) with a note as to why certain journalists were added or removed from the lists.

In order to provide journalist with news releases, up to date information and be able to effectively respond to their requests it is important to have a detailed contact list of leading industry and international business journalists.

Activities shall include:

Develop a list of international, regional and local trade media publications, broadcast and internet based media that cover the petrochemical sector and international business. These lists will be monitored and updated monthly and provided to CLIENT (Media Relations Department) with a note as to why certain media names were added or removed from the lists.

The global (including local and regional) media list will contain the following:

- names of media outlets and key publications.
- names of editors
- names of key journalists
- address, telephone numbers, fax numbers and email contact details for the media outlets, target editors and journalists
- additional information AGENCY have on individual journalists.

4. Media Monitoring

AGENCY will monitor the most important print media in CLIENT's local and global markets for mentions about CLIENT and competitors. AGENCY will provide CLIENT CC with a brief summary of media reports in each region weekly and also a monthly regional update report. The format of these reports will be agreed in advance with CLIENT CC.

Activities shall include:

- monitor international, petrochemical media and collate articles and media coverage on CLIENT, its competitors and related industry issues
- monitor international business media (including print and electronic) and collate articles and media coverage on CLIENT, its competitors and related industry issues
- package media articles and media coverage into a document that is electronically distributed to the worldwide communications team at CLIENT and AGENCY weekly
- prepare a monthly analysis of media coverage (which would highlight journalistic slants, if any, influence on the market, etc) and use this document to provide CLIENT with strategic communications counsel
- provide real-time updates on breaking news of high interest to CLIENT
- brief CLIENT on emerging trends in media coverage, opportunities for expanded coverage and areas of interest for key chemical industry trade and business reporters
- assess the overall performance of CLIENT and AGENCY media relations activities and programs

5. Media Relations

AGENCY will maintain regular contact with key trade, business, financial, online and broadcast journalists worldwide on behalf of CLIENT and proactively update on media opportunities and media needs. This work will include contacts with key media in Asia, the Gulf, Europe and America. AGENCY will identify interview and story opportunities for CLIENT. AGENCY will advise on "fam" trips to the media to tour CLIENT facilities. AGENCY will refer media queries for CLIENT consideration.

Activities shall include:

- research key media and journalists and determine news interests and opportunities
- develop communications strategies on how to best package information for journalists
- maintain ongoing media contact with journalists to encourage their positive coverage of CLIENT
- Present news releases and related materials of interest to journalists on a global, regional and local basis
- coordinate interviews between journalist and key CLIENT executives
- follow up with journalists after interviews to ensure the interview was successful and provide additional information on an as needs basis
- track relevant media coverage
- assess media efforts to provide CLIENT counsel for continuing improvements
- monitor and gauge changes in media interest and new opportunities for CLIENT

6. Editorial Calendars

Many media publish a list of planned upcoming articles and special issues in editorial calendars. AGENCY will maintain copies of these lists for key global media that are critical to CLIENT and proactively recommend upcoming articles that CLIENT CC can use for interview, story and by-lined article opportunities. The AGENCY will periodically provide CLIENT CC with the editorial calendars listed by segments, such as business, financial, international, etc.

Additionally, AGENCY will work with CLIENT and Regions to develop a master list of major industry conferences of importance to CLIENT customers worldwide. The AGENCY list will include conference, location, dates and contact information. AGENCY will recommend appropriate activities for each conference, including exhibit planning, advertising, sponsorship, speaker placement, press conference, news releases or other support. Major conferences (such as the K show, NPRA and ChinaPlas) will probably require Project support and funding by CLIENT.

Activities shall include:

- Prepare and manage on a monthly basis a calendar of editorial opportunities with key print, electronic and internet media covering the petrochemical sector and international business.
- Prepare a calendar of major industry trade shows.

7. Media Schedule and Plans

AGENCY will work with CLIENT CC to develop an annual schedule of news media announcements, plans and opportunities. The schedule will help to manage CLIENT'S global communications. The scheduling and planning will also help to target priority, high-impact forums for CLIENT and to support the follow-up media work. CLIENT will update the schedule on as needed basis.

8. Global Media Relations Strategy

AGENCY will develop in conjunction with CLIENT CC a proactive media strategy to gain publicity for CLIENT in CLIENT's local and global markets. This strategy will be prepared annually and reviewed monthly with CLIENT, in either a global call or CLIENT written report, and discussed at quarterly strategic communications planning meetings. The type and nature of these periodic reviews, updates and assessments will be directed by CLIENT.

Activities shall include:

- Develop a strategic management approach outlining optimal methods to contact international and local journalists who write articles and develop electronic media coverage (television, radio and internet) on the petrochemical sectors and international business.
- Develop a calendar of CLIENT events and activities that can be used as a guide when contacting media and generating media coverage.

- Analyze media coverage of CLIENT, its competitors, the petrochemical industry and international business and develop strategic communications recommendations for CLIENT.
- Consult with regional AGENCY offices and CLIENT offices on the development of regional media relations plans that follow CLIENT global media relations strategy.
- Assist in preparing speeches for CLIENT executives in accordance with CLIENT vision, and work to publicize and promote key talks and major speaking events by CLIENT.
- Research opportunities for articles, research studies and other activities that will expand the positive brand image of the company.

9. Regional Meetings

Regional meetings with local CLIENT representative are vital to ensure a consistent, focused and effective global communications strategy for CLIENT. The meetings will also be key in providing AGENCY counsel and advice in creating effective regional media communications plans on behalf of CLIENT and the management of its global image and corporate reputation.

Activities shall include:

- planning meetings with CLIENT regional offices regarding media relations and related communications activities.
- periodic meetings with CLIENT regional offices to provide detailed recommendations and strategic advice on regionally focused communications activities.,
- counsel and planning for regional media relations and related communications activities.

10. Quarterly Global Strategic Communications Planning Meetings

Quarterly global strategic communications planning meetings are important to ensure the coordination and effectiveness of CLIENT communications in key markets around the world. The quarterly one to two-day meetings will be scheduled in consultation with CLIENT to periodically review the AGENCY performance, update strategic communications planning, report on monitoring and assessment of AGENCY and CLIENT activities and consider new initiatives to further CLIENT's global brand and communications effectiveness. These meetings should include key managers from CLIENT CC and AGENCY and specialists who may play key roles in selected projects planned or approved by CLIENT.

Activities shall include:
- plans and meeting logistics
- agenda development
- reports and project updates
- regional reports
- audiovisual presentations, as needed
- advance planning
- meeting minutes
- related follow-up actions

11. Advertising, Exhibitions and Conferences Coordination

AGENCY will provide advice, counsel and coordination on special communications activities including:
- Advertising strategy,
- Counsel on exhibit planning,
- Key conferences for CLIENT consideration and recommended activities,
- And other special communications as may be considered by CLIENT, including anniversary events, films, public affairs and cultural events, state visits, etc.

In addition to its role as a counselor and advisor, CLIENT may elect to assign certain PROJECT work to the agency in detailed implementation of these or other communications support activities of importance to CLIENT.

12. Global Account Coordination and Strategic Counsel

To successfully manage a global communication program, AGENCY will provide strategic management framework for the program as well as undertake liaison with CLIENT global offices, local CLIENT operations, CLIENT business units and local AGENCY operations.

Activities shall include:

- Strategic communications counsel
- Planning of global and regional communication activities
- Contacts with Riyadh and regional offices
- Regular CLIENT meetings and briefings
- Regular reports on results.

13. Full-time Consultant at CLIENT HQ

AGENCY will provide a full-time consultant at CLIENT in Riyadh to support the program. His role and responsibilities will include, but not limited to the following:

- Advisor for the Corporate Communications Department Manager
- Counseling and support for Corporate Communications Staff
- CLIENT communications counselor and advisor
- Crisis counselor
- News writing
- Coordination of CLIENT news releases and announcements
- Media planning, coordination and support
- Global communications program coordination
- Assessment of emerging CLIENT communication needs
- Internal communications advisor
- Organizer and advisor on special projects as approved by CLIENT, including trade shows, internal communications, special events, corporate speeches, etc.
- Assist with communications presentations to management
- Identify CLIENT CC staff training and professional development needs

- AGENCY front-line, go-to resource for CLIENT in Riyadh – for anything that's needed.

Terms of Consultant's Assignment

- Standard 40 hour work-week (same as for CLIENT Employees). Holidays shall be same as for CLIENT employees.
- Vacations to be granted subject to CLIENT approval.
- A replacement Consultant is required in case of absence from work of the incumbent Consultant over five working days. All replacements are subject to CLIENT approval.
- AGENCY shall not assign the incumbent Consultant to another assignment without CLIENT's prior written approval.

14. Evaluation, Measurement

In consultation with CLIENT CC, AGENCY shall develop a system to evaluate and measure the effectiveness of CLIENT Global Communication Program and provide periodic feedback to CLIENT CC. The parameters of such a system shall be agreed after mutual consultation.

15. Regional Media Planning

Consultation with CLIENT CC for all activities leading to the implementation of the regional media programs, such as strategy planning is included in the Core Program. These programs would include those specific to regions such as Asia, Europe and America.

(Certain media activities undertaken by the Agency at regional levels will not be treated as separate projects. For example, press releases editing and distribution at the regional level will not be classified as projects. Projects would mean singular events such as exhibitions and other such efforts).

16. Other Core Program Services

a) Core Program Services includes:

- All verbal counsel and advice at any time on any issue.
- All telephone enquiries/questions/discussions to AGENCY CLIENT account staff, namely:
  - Mr. Jim Cox (New York) or his replacement
  - Mr. George Godsal (London) or his replacement
  - Mr. Justin Powell-Tuck (Riyadh) or his replacement
  - Mr. Dave Robinson (Middle East) or his replacement
  - Mr. Vivian Lines and Ms. Weena Tan (Asia Pacific) or his/her replacement
  - Ms. Bronwyn Wallace (Houston) or her replacements

- Visits by AGENCY account staff to Riyadh for discussion on ongoing work and/or discussing future plans and direction.

- Strategic direction/answers for any questions as they arise for any communications issues.
- Discussion on any communication issue to formulate ideas and possible future strategy, including but not limited to:
    - Crisis counsel
    - Collateral work
    - Trade Shows
    - Advertising
    - Corporate film
    - Any other communications special projects.
- Global program coordination and management.

As part of this Core Services agreement, CLIENT expects the AGENCY and its staff to understand CLIENT's corporate culture and business, and to serve as a proactive advisor and counselor, bringing its best strategic counsel and planning resources to assist CLIENT CC in building and maintaining a world-class communications organization. In addition to AGENCY responsibilities in delivering the core public relation program, CLIENT may approve separately funding specific programs as Projects, such as exhibitions and publication of brochures, for implementation work by the AGENCY as per the term and conditions of this Contract.

Contract No. C02-SABIC-300

ANNEX II
COMMERCIAL TERMS (Revised)

ARTICLE 1.0 – CONTRACT PRICE

Full compensation to AGENCY for performance of the SERVICES, compliance with all the terms and conditions of this CONTRACT, and for AGENCY's payment of all obligations incurred in or applicable to performance of the SERVICES, shall be determined in accordance with the following Price Schedule:

Payment for Part I (Core Public Relations Program)

At an all-inclusive monthly price of US$ 87,695.00 (US Dollar ~~eighty seven thousand~~ six hundred ninety five only) per calendar month for satisfactory performance of all service elements including supply of all deliverables included in the Core Public Relations Program, namely: Global Media Kit Development, News Release, Global and Regional Media Lists, Media Monitoring, Media Relations, Editorial calendars, Media Schedule and Plans, Global Media Relations Strategy, Regional Meetings, Quarterly Global Strategic Communications Planning Meetings, Advertising, Exhibitions and Conferences Coordination, Global Account Coordination and Strategic Council, Full time Consultant at SABIC HQ, Evaluation, Measurement, Regional Media Planning and other Core Program Services. During the term of CONTRACT, CLIENT reserves the right to delete any of the service elements including herein in which case an equitable reduction in the lump sum price will be mutually negotiated and agreed between the parties.

Payment for Part-II (Optional Services or Projects)

i. Procedure for Pricing Optional Services or Projects:

If and when CLIENT is in need of any of the Optional Services or Projects which are not part of or not covered in the Core Public Relation Program described herein, CLIENT shall notify AGENCY over telephone or in writing. Instruction over telephone will be followed by a written instruction, to be issued as soon as possible in the form of a request for proposal (RFP) in accordance with the specimen given in Exhibit-C to Annex-I. Upon receipt of CLIENT'S instruction, AGENCY shall submit a detailed proposal for the cost of performing such services, along with list of deliverables, schedule, progress reports to be issued, third party services, if any, required. AGENCY shall provide such other information and data as CLIENT will require. CLIENT upon satisfying itself of the reasonableness of AGENCY's proposal will issue a Letter of Authorization as per CLIENT Approval Authority Schedule in accordance with the specimen given in Exhibit-D to Annex-I.

ii. Pricing Bases:

Optional Services or Projects shall be priced as per the information provided in EXHIBIT-C to ANNEX-I

ARTICLE 2.0 – INVOICING AND PAYMENTS

3.1 AGENCY shall submit its invoices on a monthly bases. For Part-I (Core Program), AGENCY shall submit its invoices at the beginning of the each month, and for Part-II (Optional Services), AGENCY shall submit its invoices at the end of each month. The invoices shall be supported by all reasonable supporting documents as CLIENT will specify and shall be consistent with the payment basis set forth in this Annex II. CLIENT will pay invoices within thirty (30) days of receipt.

3.2 In the event payments due AGENCY are not made in accordance with the terms stated in 3.1 above, AGENCY will be entitled to charge CLIENT a late penalty of 1-1/2% per month on any overdue and unpaid balance.

ARTICLE 3.0-RIGHT TO OFFSET

CLIENT, without waiver or limitation to any of his rights or remedies, shall be entitled to deduct from any amounts due or owing to AGENCY in connection with this CONTRACT, any or all amounts owed by AGENCY to CLIENT, in connection with this CONTRACT. This ARTICLE also applies to optional Services or Projects, if it is discovered later that CLIENT has paid to AGENCY for Services which are Part of or covered in the Core Public Relations Program.

ARTICLE 4.0 WORK QUANTITIES

AGENCY understand and acknowledges that, except and to the extent specified under "Payment for Part I (Core Public Relations Program) in Article 1 of this Annex II, there are no guaranteed work quantities available under this Contract. AGENCY has taken full cognizance of this fact while pricing its proposal to CLIENT which forms the basis of this Contract.

EXHIBIT-C TO ANNEX-I
REQUEST FOR PROPOSAL (RFP) FOR OPTIONAL SERVICES

Date: _____

RFP No. _____

Contract No. C02-SABIC-300

Hill & Knowlton, Inc.
International Public Relation/Public Affairs
466 Lexington Avenue
New York, NY 10017
United States of America
Fax 212-885-0585

Gentlemen:

Please refer to the above referred "SABIC Corporate Communication Business Contract" between our respective companies, effective February 1, 2002,, including the latest amendment dated ____ and all previous amendments thereto.

In accordance with the provisions therein, and based on our recent discussion, we hereby request you to submit a proposal to:

(provide a brief description of work to be performed)

AGENCY'S proposal must cover, among others, the following topics:

- Description of Service to be performed-
- Detailed Proposed Cost with full back-up data
- Schedule for performing the Project
- Report that will be submitted
- Final deliverables.
- Key People to be assigned
- Third party services & cost thereof
- Other relevant data.

Very truly you,

Saudi Basic Industries Corporation (SABIC)

By: _____

Title: _____

Signature : _____

Date: _____

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OFFICE/REGISTRATION UNIT

CONTRACT

FOR

Providing Corporate Communications and Related Services for SABIC

BETWEEN

SAUDI BASIC INDUSTRIES CORPORATION (CLIENT)

And

HILL & KNOWLTON, INC. (AGENCY)

Contract # C02 SABIC-300

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Exhibit B – Service Level Agreement by SABIC & Agency
Exhibit C – Request for Proposal for Optional Services
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Annex II Commercial Terms
Annex III Form of Secrecy Agreement

This agreement (together with any annexes and/or attachments hereto, the "Agreement"), is entered into as of 18 Dhu-ul-Qu'dah 1422H, corresponding to the 1st day of February, 2002G, by and between Hill & Knowlton, Inc., ("Agency"), having its principal offices at 466 Lexington Avenue, New York, NY 10017, United States of America, and Saudi Basic Industries Corporation ("Client") having its principal offices at P.O. Box 5101, Riyadh 11422, Kingdom of Saudi Arabia (with each of Client and Agency hereafter referred to individually as a "Party" and collectively as the "Parties").

WHEREAS

(A) Client desires that Agency provide certain corporate communications and other related services to and for Client, as more fully set forth herein.

(B) Agency declares that it is qualified, ready, able, willing and ready to provide such corporate communications and other related services to and for Client, as more fully set forth herein, and that Agency is otherwise qualified, ready, able and willing to carry out its responsibility set forth herein.

NOW, THEREFORE, in consideration of the covenants, agreements and promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby represent, covenant, and agree as follows:

ARTICLE 1. DEFINITIONS

Section 1.1 Defined Terms

In this Agreement:

"Affected Party" has the meaning given in Section 9.1.

"Affiliate" shall mean, in relation to a referenced entity, any Person that, directly or indirectly through one or more intermediaries, Controls, or is Controlled by, or is under common Control with, such referenced entity.

"Agency" has the meaning given in the introductory paragraph hereto.

"Agreement" has the meaning given in the introductory paragraph hereto.

"Business Day" shall mean a day on which offices of the Government of the country in question are generally open for business in such country, or, if no country is clearly in question, then the Kingdom, provided that, if any such

reference includes a reference to a day on which the payment or purchase of any sum in any currency is due, then on such day banks generally must also be open in the principal financial center of the country of such currency.

"Client" has the meaning given in the introductory paragraph hereto.

"Contract Price" shall mean the total amount of compensation to be paid by Client to Agency in return for the provision of the Services and the fulfillment by Agency of all its other obligations hereunder, as such compensation is set forth in Annex II.

"Control" shall mean the power, direct or indirect, to direct or cause the direction of the management or policies of such Person whether by ownership of securities, by contract or otherwise.

"Damages" shall mean all applicable costs, losses, claims, damages, expenses (including reasonable attorney's fees and disbursements) or liabilities, but shall not include, unless specified, any indirect or consequential damages, or any loss of any anticipatory or actual profit.

"Dispute" shall mean a dispute between Client and Agency arising under, out of, or in connection with this Agreement.

"Force Majeure Event" has the meaning given in Section 9.1.

"Government" shall mean the government of the country referred to, or the government of the country or countries which would be applicable in the given context, or if no country is referred to or would clearly be applicable in the given context, of the Kingdom.

"Government Agency" shall mean any council, ministry, department, political subdivision, instrumentality, agency, company, regulatory authority or regulatory body of the Government; any other entity, if any of the foregoing entities has the power to direct the management or policies of such entity, whether by operation of Law or otherwise.

"Government Authority" shall mean any local, state, regional or central government legislative, administrative or executive agency, authority, ministry, commission, department, board or other similar body of the Government.

"ICC" has the meaning given in Section 11.2(d).

"Indemnitees" has the meaning given in Section 5.1.

"Information" shall mean (i) information concerning the production, marketing, pricing and distribution of products manufactured and/or sold by Client and/or its

Affiliates; (ii) the substance and status of all negotiations between the Parties, and any correspondence related thereto; (iii) the terms and conditions of this Agreement; (iv) all data and information (whether geological, technical, commercial, legal, business, financial or otherwise), past present and future, acquired pursuant to this Agreement or with respect to the transactions contemplated by this Agreement (including information relating to a Government's or any Government Agencies' products, operations, processes, plans or intention, product information, know-how, design rights, trade secrets, market opportunities and business affairs); (v) other data or information which should reasonably be expected to be deemed of a confidential nature; and (vi) all analyses derived from any data or information set forth in clauses (i) through (v) above.

"Initial Term" has the meaning given in Section 12.1.

"Kingdom" shall mean the Kingdom of Saudi Arabia.

"Law" shall mean the laws of the country being referred to (or to the laws of the country or countries whose laws would apply in the given situation, as the case may be, or if no country is being referred to or there is no country whose laws would clearly apply in the given situation, of the Kingdom), and shall on any instance include any law, royal decree, by-law, regulation, rule, ordinance, order, license or subordinate legislation enacted, issued or made by or on behalf of such country, such country's Government or any Government Authority in such country, and any international treaty or convention having the force of law in such country.

"Materials" has the meaning given in Section 8.6.

"Person" shall mean any person, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality).

"Party" has the meaning given in the introductory paragraph hereto.

"Tax" shall mean all taxes including, but not limited, to withholding tax, sales tax, use or excise tax, value added tax, certification or registration fees, assessments, fees, operating permits, licensing fees, social security and other employer-paid taxes, commissions, duties, imports, fees, duties levies or any other such charge of any kind imposed by Government, Government Authorities, Government Agencies, or other Governmental or quasi-Governmental bodies, including any interest charge or penalty which may result therefrom.

"Third Person" shall mean all Persons other than the Parties and their directors, officers, employees, and agents.

"Secrecy Agreement" has the meaning given in Section 8.4.

"Services" has the meaning given in Section 3.1.

"Term" shall mean the Initial Term and/or any Subsequent Term.

Section 1.2 Interpretation

In this Agreement:

a) words in the singular shall include the plural and vice versa;

b) words shall include the common expansions, contractions and modifications of the root word;

c) any reference to a Person shall be construed as including a reference to its successors, permitted transferees and permitted assignees in accordance with their respective interests;

d) any reference to this Agreement or any other agreement or document shall be construed as a reference to that agreement or document as it may have been, or may from time to time be, amended, varied, novated, replaced or supplemented;

e) any reference to a Law, decree, statute or other enactment shall be construed as a reference to such as it may have been, or may from time to time be, amended or re-enacted and any subordinate legislation made or thing done, or may from time to time be done, under the statute or enactment; and

f) any reference to days, weeks, months and years shall be construed as references to days, weeks, months and years in the Gregorian calendar.

The table of contents and all headings in this Agreement are for ease of reference only and shall not affect the interpretation of this Agreement.

ARTICLE 2. REPRESENTATIONS AND WARRANTIES; RELATIONSHIP OF THE PARTIES

Section 2.1 Representations and Warranties

Agency hereby represents and warrants that the statements contained in this Section 2.1 are true and correct as of the date hereof:

a) Agency is duly organized, validly existing and in good standing under the Laws of Delaware, with full power and authority to own, lease, use and operate its properties and to conduct its business as and where owned, leased, used, operated and conducted.

b) Agency is legally qualified and authorized to do business in each and every country in which it will do business, or should reasonably be required to do business, in

the performance of its responsibilities pursuant to this Agreement, in accordance with the Laws of such countries, and that Agency will perform all actions necessary to maintain such legal qualification and authorization.

c) Agency has all requisite power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Agency. This Agreement has been duly executed and delivered by Agency and constitutes the legal, valid and binding obligation of Agency, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar Laws relating to or affecting creditors' rights generally and general equitable principles (whether considered in a proceeding in equity or at law).

d) Neither the execution and delivery of this Agreement by Agency nor the consummation of the transactions contemplated hereby:

(i) Will violate, conflict with, or result in a breach of any provision of its constituting documents; or

(ii) Will violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with the giving of notice, the passage of time or otherwise, would constitute a default) under, require any consent under, or entitle any Person (with the giving of notice, the passage of time or otherwise) to terminate, accelerate, modify or call a default under, or result in the creation of any lien, security interest, charge or encumbrance upon any of the properties or assets of Agency, under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, license, contract, undertaking, agreement, lease or other instrument or obligation to which Agency is a party, the effect of which will have or is reasonably likely to have, a material adverse effect on the ability of Agency to undertake and complete its responsibilities pursuant to this Agreement.

e) All authorizations of and exemptions, actions or approvals by, and all notices to or filings with, any Governmental Authority that are required to have been obtained or made by Agency in connection with the execution and delivery of this Agreement or the performance by Agency of its obligations hereunder have been obtained or made and are in full force and effect, and all conditions of any such authorizations, exemptions, actions or approvals have been complied with.

f) Neither Agency nor any of its employees, officers or directors have promised, offered or made any payments in money, fees, commissions, credits, gifts, gratuities, things of value, or compensation of any kind provided directly or indirectly to any Person for the purpose of improperly obtaining or rewarding favorable treatment in connection with this Agreement or the transactions contemplated hereby.

Section 2.2 Relationship of the Parties; No Exclusivity

a) This Agreement does not render Agency an employee or partner of Client, and will not be construed in any manner to do so. This Agreement shall not be construed as creating an association, joint venture, or partnership between the Parties or as imposing any partnership obligation or liability upon either Party. Except as otherwise set forth herein, neither Party shall have the right, power or authority to enter into agreements or undertakings for, or act on behalf of, or as an agent or representative of, or to otherwise bind, the other Party.

b) Agency, in performing the Services (as defined below) and its other obligations under this Agreement, shall be deemed an independent contractor of Client. Neither Client nor Client's representatives shall have authority to supervise Agency's employees, representatives or subcontractor with respect to the Services being provided, and the Services shall be performed under the supervision and control of Agency.

c) Agency shall not have authority to make statements, representations or commitments of any kind or take any other action which would be binding on Client, except as is now specifically provided in this Agreement or as may be provided in subsequent documents executed by an authorized officer of Client.

d) It is agreed by the parties that this Agreement is non-exclusive, and that Client may therefore contract with any other Third Party for the provision to Client or to any Affiliate of Client of the Services or of similar services to those set forth herein, and/or Client or such Affiliates may perform such services for itself or themselves, as the case may be, regardless of the continuity in effect of this Agreement or the termination thereof.

ARTICLE 3. PROVISION OF SERVICES; COMPENSATION

Section 3.1 Scope

Agency shall furnish to Client certain corporate communications services and other related services (as such may be modified in accordance with the terms herein, hereinafter, "Services"), as such Services are more fully described in Annex I (Scope of Services) hereto, under the terms and conditions set forth in this Agreement.

Section 3.2 Agency's Ability

Agency hereby warrants and represents that it has the experience and capability, including, without limitation, sufficient competent supervisory and other personnel, to perform the Services in accordance with the terms and conditions contained herein. Agency shall continuously furnish such personnel and shall control the costs related to the Services until Agency's performance under this Agreement is completed.

Section 3.3 Subcontractors

a) Agency shall not subcontract any part of Services, or use sub-contractor or rental personnel in the performance thereof, or allow any of the Services to be undertaken or provided by any Affiliate of Agency, or any distributor, representative or trader, without Client's prior written approval. Any such approval given by Client shall not be deemed to create any contractual relationship between any such Affiliate or subcontractor or rental personnel and Client.

b) Agency shall be responsible to Client for Services performed by its Affiliates or subcontractors or rental personnel to the same extent it is for Services performed by Agency and/or it employees hereunder.

Section 3.4 Business Standards

Agency, in performing its obligations under this Agreement, shall establish and maintain appropriate business standards, procedures and controls, including those necessary to avoid any real or apparent impropriety or adverse impact on the interests of Client or its divisions or Affiliates. Agency shall review with Client at reasonable frequency during performance of the Services, such business standards, procedures and controls including, without limitation, those related to the activities of Agency's employees and agents in their relations with Client's employees and their families, agents and representatives, subcontractors and other Third Parties, and those relating to the placement and administration of subcontractors and subcontracts.

Section 3.5 Compensation; Audit Rights

a) As full compensation for Agency's performance of Services and all obligations under this Agreement, Client shall pay Agency the Contract Price as set forth in Annex II (Commercial Terms), in accordance with the terms in such Annex II, and as such Contract Price and/or terms may be modified pursuant to Section 4.1(b) or any other provision of this Agreement.

b) Agency shall keep, and shall cause its Affiliates and its or their subcontractors to keep, in accordance with generally accepted accounting practices consistently applied, books, records and all other accounts normally kept in such circumstances, pertaining to performance of the Services, including, without limitation, Agency's, its Affiliates' and it or their subcontractors' personnel records, correspondence, instructions, receipts, vouchers, memoranda, data stored in computer libraries and any other documentation and related systems and controls necessary to permit an undertaking of an accurate and orderly audit and verification of the Contract Price. Agency shall preserve, and shall cause its Affiliates and its or their subcontractors to preserve, said documents during the Term of this Agreement and for a period of three (3) years thereafter.

c) Agency shall permit, and shall cause its Affiliates and its or their subcontractors to permit, at reasonable times during the Term of this Agreement and for a period of

three (3) years thereafter, authorized representatives of Client to interview Agency's, its Affiliates and its or their subcontractors personnel, to review such parties' accounting and cost control systems, and to inspect books, records, accounts and other documents set forth in Section 3.5(b), and to make copies thereof, as reasonably necessary to undertake an orderly and prompt audit of such, so as to verify the completeness and accuracy of portions of, or the entirety of, the Contract Price, whether before or after the payment of such Contract Price, provided, however, that such an audit shall be undertaken in accordance with the terms set forth in Annex II, which are contained in invoices submitted by Agency, but shall not require the disclosure of individual compensation information regarding Agency personnel.

d) If an audit undertaken hereunder indicates any error or errors in Agency's invoices, Agency shall make appropriate invoice adjustments to such invoices, or refund overpayments previously made, within thirty (30) days of Agency's receipt of written notice of such error or errors from Client.

Section 3.6 Deficient Services

Agency shall correct promptly, and to Client's satisfaction, any deficiency in Services performed under this Agreement, as such deficiency is determined to exist in Client's reasonable sole discretion.

ARTICLE 4. CLIENT

Section 4.1 Certain Rights

a) Client hereby reserves the right to:

(i) revise the scope of some or all of the Services set forth in Annex I, including, but not limited to, requiring additional Services to be performed by Agency or directing omission of part of the Services previously authorized, provided that Client shall be obliged to notify Agency in writing of such revision; and

(ii) reject, without any payment or compensation therefore, any part, or all, of the Services provided which does not, in Clients sole reasonable judgment, conform to the requirements of Client.

b) Upon notification of any such revision of the scope or content of the Services, as provided in Section 4.1(a)(i), Agency shall promptly revise the Services accordingly. Agency and Client shall each use their reasonable best efforts to mutually agree on the amount of compensation which shall be owed to Agency for the successful completion of such revised Services, provided, however, that if the Parties are unable to so mutually agree upon the amount of such compensation within ninety (90 days) of Agency's receipt of the notice provided for in Section 4.1(a)(i), or within such longer period as the Parties may agree, (i) either Client or Agency may determine that the portion of the Services covered by such revision shall at that time be stricken from the Services to be provided

pursuant to this Agreement, with a concurrent reasonable modification of the Contract Price, to be mutually agreed to by the Parties and/or (ii) Client shall have the right to terminate this Agreement upon a further ninety (90) days' written notice to Agency.

Section 4.2 Approval; Authorization

Where this Agreement requires Client's approval or authorization, such shall be provided in writing. Where this Agreement requires Client's approval, authorization or agreement, such shall not be unreasonably withheld. Client's approvals, authorizations, agreements and reviews shall not relieve Agency of its obligations under this Agreement.

ARTICLE 5. COMPLIANCE WITH LAW

Section 5.1 Prohibition on Violation

Agency hereby agrees and warrants that it shall use its reasonably best efforts at all times not to take, and it is not authorized to take, any action in the name of or otherwise on behalf of Client which would violate any applicable Law; and further, Agency hereby agrees and warrants that it shall use its reasonable best efforts at all times to take all actions and do all things which are otherwise required by applicable Law to be done so as not to make any other actions of Agency undertaken pursuant to this Agreement illegal or to otherwise not expose Client to any actual or potential liability; and should any of Agency's actions or omissions described above, as the case may be, expose Client to any such actual or potential liability for violation of, or con-conformity with, such Laws, Agency hereby agrees to indemnify, defend and hold harmless each of Client and its divisions and Affiliates and employees or other representatives of Client (hereafter individually and collectively referred to "Indemnitees") harmless from any and all Damages, including reasonable attorneys' fees, in connection with Indemnitees' involvement in such matter.

Section 5.2 Reasonable Diligence; Notification; Conflict

a) Agency shall use reasonable diligence and reasonable efforts to discover any conflicts between applicable Law and any document or other information supplied by Client. If Agency discovers any conflicts, it shall promptly notify Client and shall not proceed with the affected part of the Services without notice from Client that (i) such document has been revised to comply with the applicable Law, or (ii) Client has negotiated a variance in the applicable Law with the appropriate Government Authority or Government Agency. In the event that Agency does proceed with the affected part of the Services in the absence of receipt of such notice from Client, any additional costs incurred by Agency as a result of Agency proceeding without such notice shall be borne by Agency and Agency shall indemnify, defend and hold harmless Indemnities from any resultant Damages, repercussions, costs, expenses or liabilities, including, without limitation, all direct, indirect, and consequential damages, including lost profits, and reasonable attorneys' fees in connection with Indemnitees' involvement in such matter.

b) Agency shall promptly notify Client upon any discovery of any failure of Agency, its Affiliates or any of its or their subcontractors to comply with any of the requirement of this Article 5.

c) If there is a conflict between any provision of this Agreement and any applicable Law, the latter shall prevail; but in such event the provisions of this Agreement shall be curtailed and limited only to the extent necessary to conform to applicable Law.

Section 5.3 Taxes, Duties and Levies

a) Any Tax now or hereafter imposed by any Government, Government Authority or Government Agency on the Services or the income derived by Agency hereunder shall be paid by Agency without compensation from Client in addition to that specified herein, and Agency hereby aggress and warrants to shall pay all such Taxes as and when due.

b) Agency shall protect, defend, indemnify and hold harmless Client from and against any and all Damages or liability, including attorneys' fees, arising from Buyer's failure to timely pay any Taxes referenced in this Section 5.3, or from Agency's failure to file any reports or Tax return required by applicable Law.

c) If Client is required by the Laws of any country to withhold or deduct any Taxes from any amounts due to Agency hereunder, Client shall so withhold such amounts and shall only be required to pay to Agency such amounts net of such Taxes.

d) Notwithstanding the above, Client hereby agrees to reimburse Agency for any Taxes imposed on Agency by, or payable by Agency to, the Government of the Kingdom of Saudi Arabia or any Government Agency of the Kingdom of Saudi Arabia or any Government Authority of the Kingdom of Saudi Arabia.

ARTICLE 6. SUSPENSION AND TERMINATION

Section 6.1 Suspension

a) Client may suspend, at any time and for any reason, Agency's progress or work on any part of the Services, by giving at least twenty-four (24) hours' notice to Agency, specifying the part or parts of the Services to be suspended and the effective date of such suspension. Following receipt of such notice, Agency shall cease to progress and/or work on such Services on the effective date of the suspension, but shall continue to perform any unsuspended part of Services.

b) If any part of the Services is suspended and is not resumed during the Term of this Agreement, Client, with respect to such Services, shall pay Agency, pursuant to Annex II, only for Services performed and obligations incurred prior to the effective date of such suspension and for such additional amounts directly related to actions reasonably undertaken or obligations reasonably incurred by Agency in terminating such part of the

Services, provided that all such actions or obligations were authorized in advance by Client.

c) Client shall not be held liable for any Damages or any indirect damages or any consequential damages or the loss of any anticipated profits, sustained by Agency, its Affiliates or any of its or their subcontractors, due to any suspension of any part of, or all of, the Services.

d) Client may, at any time, authorize resumption of the suspended part of the Services by notifying Agency of the part of the Services to be resumed and the effective date of suspension withdrawal. Such parts of the Services shall be promptly resumed by Agency after receipt of such notice.

Section 6.2 Payments and Termination

Notwithstanding any other provision of this Agreement to the contrary, if Agency fails to perform or comply with its obligations hereunder, Client may terminate this Agreement by giving Agency thirty (30) days' written notice thereof, specifying the termination date. Client may then complete the Services itself or award the remaining Services to any Third Party. Client may withhold any moneys or payment due to Agency in an amount sufficient to satisfy any unfulfilled obligations of Agency hereunder, including the correction or completion of his Services, either by Client or a Third Party.

Section 6.3 Termination by Right

a) Client may terminate already authorized Services or any part thereof at any time and for any reason by giving thirty (30) days' notice to Agency, specifying the part of Services to be terminated and the effective date of termination. Agency shall cease said part of Services on the effective date of termination, but shall continue to proceed with the completion of any part of Services which have not been terminated or suspended pursuant to this Agreement.

b) If any part of Services is terminated, Client, with respect to such Services, shall pay Agency, pursuant to Annex II, only for Services performed and obligations incurred prior to the effective date of termination and for such additional amounts directly related to actions reasonably undertaken or obligations reasonably incurred by Agency in terminating such part of the Services, providing that such actions or obligations were authorized in advance by Client.

c) Client shall not be held liable for any Damages or any indirect Damages or any consequential damages or the loss of any anticipated profits sustained by Agency, its Affiliates or any of its or their subcontractors, due to any termination of any part of, or all of, the Services.

d) Client may, at any time, authorize resumption of the terminated part of the Services by notifying Agency of the part of the Services to be resumed and the effective

date of suspension withdrawal. Such parts of the Services shall be promptly resumed by Agency after receipt of such notice.

ARTICLE 7. INSURANCE; LIABILITY; WARRANTIES; ETC.

Section 7.1 Insurance

Agency shall carry such insurance as required by the Law applicable to the country or location where the Services are being performed. Prior to Agency performing any of the Services hereunder, Agency shall have its insurance carrier or carriers furnish to Client certificates certifying that all insurance required to be maintained by Agency under this Agreement is in full force and effect, reciting the expiration date of each policy and that the insurance will not be cancelled without ten (10) days' period written notice by registered mail to Client. On request, Agency shall permit Client to examine the original insurance policies referenced herein. If the insurance required herein is cancelled, Client may procure such insurance on behalf of Agency and deduct the cost of such insurance (together with the reasonable expenses involved in, and a reasonable fee for, Client's procurement of such insurance) from payments then due, or which thereafter become due, to Agency.

Section 7.2 Property Loss and Personal Injury

Agency shall indemnify, defend and hold harmless Indemnitees from and against claims, demands and causes of action asserted against the Indemnitees by any person (including without limitation, Agency's and Client's employees, Agency's subcontractors and employees of such subcontractors or any other third party) for personal injury or death or for loss of or damage to property and resulting from Agency's negligence or willful misconduct in the performance of Agency's duties or the exercise of its rights by Agency, its Affiliates and/or its or their subcontractors hereunder.

Section 7.3 Consequential Damages

a) Except as may otherwise be provided for in this Agreement, Agency shall not be liable for any consequential, special or indirect damages or loss of anticipated profits sustained by Client except to the extent Agency may recover from insurance carried by it or to the extent it may recover such losses from subcontractors or other Third Parties.

b) Client shall not be liable for any consequential, special or indirect damages or loss of anticipated profits sustained by Agency, and of Agency's Affiliates or its or their subcontractors.

c) No waiver by either Party of any default or defaults by the other Party in the performance of any of the provisions of this Agreement:

(i) Shall operate or be construed as a waiver of any other or further default or defaults whether of a like or different character;
(ii) Act as a waiver or act to prevent the later exercise of such right;
(iii) Shall be effective unless in writing duly executed by a duly authorized representative of the waiving Party.

d) Neither the failure by either Party on any occasion to insist upon the performance of the terms, conditions, and provisions of this Agreement nor time or other indulgence granted by one Party to the other shall act as a waiver of such breach of acceptance of any variation or the relinquishment of any such right or any other right under this Agreement, which shall remain in full force and effect.

Section 7.4 Indemnity

It is acknowledged that Agency cannot undertake to verify facts supplied to it by Client, or to verify factual matters included in material prepared by Agency and approved by Client. Accordingly, Client agrees to indemnify and hold harmless Agency from and against any and Damages which Agency may incur as a result of any materials, releases, reports, or information supplied to Agency by, or on behalf of, Client, or prepared by Agency and approved by Client prior to dissemination, publication or broadcast, except when directly attributable to Agency's failure to use due care. Client shall similarly indemnify and hold Agency harmless in respect of any Damages arising out of the nature or use of Client's products or services.

ARTICLE 8. CONFIDENTIALITY

Section 8.1 Confidential Information

a) Agency hereby acknowledges that, in the course of the completion of its rights and obligations hereunder, Agency shall receive from Client certain Information.

b) Agency shall:

(i) make all efforts and take all precautions necessary to safeguard the confidentiality of the Information and treat as confidential the Information and the substance and status of all negotiations, and any correspondence related thereto, between Client and Agency in respect of this Agreement;
(ii) not divulge the Information to any Third Person without the prior consent of Client;

(iii) limit access to the Information within its organization to those personnel who need to know the Information in order for Agency to fulfill its obligations hereunder, and, furthermore, Agency shall only provide access to the Information to such personnel in accordance with Section 8.4; and

(iv) Not use any such Information for any purpose other than in relation to the proper performance of its obligations, or the exercise of its rights, under this Agreement.

Section 8.2 Exceptions

a) The provisions of Section 8.1 shall not apply to:

(i) Any Information in the public domain other than as a result of a breach of this Agreement;

(ii) Information in the possession of Agency before that Information was disclosed to it by or on behalf of Client or any Government Agency, and which was not obtained under any obligation of confidentiality;

(iii) Information obtained from a Third Person who is free to disclose the same, and which is not obtained under any obligation of confidentiality; and

(iv) Any disclosures required pursuant to an order of a court of competent jurisdiction, or otherwise under compulsion of Law, if Agency has, if practicable, first consulted with, and taken into account the reasonable requirements of, Client.

provided that any segment or combination of segments of the Information shall not be deemed to be within the foregoing exceptions merely because individuals segments of such Information may fall within such exception.

b) Agency shall be entitled to disclose any Information referred to in Section 8.1 without the prior written consent of Client or the applicable Government Agency, as the case may be, if such disclosure is made in good faith on a need-to-know basis:

(i) To any Affiliate of Agency which has been made aware of, and agrees in writing to be legally bound by, the requirements of this Article 8; or

(ii) To any outside consultant or advisor engaged by, or on behalf of, Agency and acting in that capacity who, prior to the disclosure of any such data or information to it, shall have agreed in writing to be legally bound by the requirements of this Article 8.

Section 8.3 Return of Information

a) Upon the termination or expiration of this Agreement, within twenty (20) Business Days following a demand by Client, Agency shall:

(i) Return to Client all Information, data and information disclosed to Agency pursuant to this Agreement together with all copies, notes, analyses, memoranda and other permanent records (in whatever form prepared in relation to this information) (collectively, the "Disclosed Information") without retaining any copy, note or extract thereof; and

(ii) Expunge any Disclosed Information from any computer, word processor or other device in its possession or control (except for archived computer back-up data).

b) In lieu of its obligations set out in this Section 8.3, Agency may destroy all Disclosed Information and provide Client with a certificate signed by one of its executive officers confirming that, to the best of his knowledge, after having made due inquiry, Agency has complied with the provisions of this Section 8.3 and all copies of the Disclosed Information have been destroyed.

Section 8.4 Agency's Personnel

Agency hereby undertakes to require all of its personnel to whom Information may be disclosed pursuant to this Agreement to execute a copy of a secrecy agreement, in substantially the form as attached hereto as Annex III (each, a "Secrecy Agreement") and Agency otherwise also undertakes to ensure that a Secrecy Agreement is executed by any employee of Agency prior to his or her receipt of any Information, and, if requested by Client, to provide copies of such to Client, and to cooperate with Client, at no charge, in enforcing such Secrecy Agreements.

Section 8.5 Patents

Agency shall promptly notify Client if Agency acquires knowledge of any suit for the alleged patent infringement brought in connection with Agency's performance of Services hereunder. Agency shall indemnify, defend and hold harmless, at Client's request, any Indemnity against suits or claims for alleged or actual infringement arising out of Agency having incorporated into the Services processes or compositions patented by Third Parties, and shall indemnify, defend and hold harmless any Indemnity from any liabilities, expenses and/or Damages resulting from such suits or claims. In such actions, Client may be represented by counsel of its choosing at Client's expense.

Section 8.6 Ownership of Materials

a) All materials submitted or developed by Agency for Client, together with any other tangible work product produced by Agency specifically on behalf of Client during the Term of this Agreement (collectively, "Materials"), shall, as between Agency and Client, be deemed Client's property exclusively (subject, however, to any licensed Third Party rights retained therein), provided that Client pays for such Materials and, before this Agreement is terminated, Client either uses the Materials at least once, or indicates in writing to Agency its intention to use them. Otherwise, such Materials shall constitute, as between Agency and Client, Agency's property exclusively.

b) All such Materials belonging to Client which are eligible for copyright protection in the United States of America or elsewhere, shall be deemed works made for hire. If any such Materials are deemed for any reason not to be a work made for hire, Agency, without further consideration, hereby assigns all such rights, title and interest in the copyright of Materials to Client, and Agency agrees, at the request and expense of Client, to execute and deliver such documents and instruments as shall be necessary to evidence Client's ownership and copyright interest therein.

c) The foregoing Section 8.6(b) shall not apply to the extent that Materials or works created or prepared by Agency on behalf of Client consist of material that was owned by, or licensed to, Agency, prior to its execution of this Agreement or to any computer software or elements thereof that may have been developed by Agency in connection with its services hereunder, which shall remain Agency's property.

Section 8.7 Continuity of Obligation

The restrictions and other obligations contained in this Article 8 shall be binding on Agency or the applicable Person for a period of five (5) years from the date of the expiration or termination of this Agreement.

ARTICLE 9. FORCE MAJEURE

Section 9.1 Definition

a) "Force Majeure Event" shall mean an event, condition or circumstance beyond the reasonable control and without the fault or negligence of the Affected Party (as defined below) which, despite all reasonable efforts of the Affected Party to prevent it or mitigate its effects, materially and adversely affects the performance by the Affected Party of its obligations under this Agreement. Subject to the foregoing, a Force Majeure Event shall include:

(i) an act of war (whether declared or undeclared), invasion, armed conflict or act of a foreign enemy;

(ii) a revolution, riot, mutiny, rebellion, insurrection, military or usurped power, state of siege, or declaration of a state of emergency or martial law or any of the events or causes which shall or could reasonably be expected to result in the declaration or maintenance of martial law or state of siege;

(iii) an act of terrorism or sabotage;

(iv) strikes or go-slows which are either widespread or nationwide or are of a political nature;

(v) the expropriation, confiscation, nationalization or compulsory acquisition by the Government or any Government Authority of Client's or any of its Affiliates facilities required by such entity for the normal and orderly continuation or functioning of its business, in whole or in part;

(vi) any failure by any Government Authority of the Kingdom to issue or renew any Governmental Authorization (as defined below) required by Client or any of its Affiliates (other than because of the fault or negligence on the part of Client or any of its Affiliates), any revocation by any Government Authority of the Kingdom of any Governmental Authorization issued by the Kingdom required by Client or any of its Affiliates (other than because of the fault or negligence on the part of Client or any of its Affiliates) or any attachment (other than because of the fault or negligence on the part of Client or any of its Affiliates) by any Government Authority of the Kingdom of any terms or conditions to any Governmental Authorization of the Kingdom required by Client or any of its Affiliates which substantially prevents the normal operation of Client's business in its normal course or the exercise by Client of its rights or the fulfillment by Client of its obligations in accordance with this Agreement;

(vii) any other event, condition or circumstance within the reasonable control of the Government or any Government Authority of the Kingdom or any country wherein Services are being undertaken or created hereunder or which substantially prevents or delays the performance of Client or Agency or any of either of their Affiliates of any one or more of either of their obligations under this Agreement;

(viii) fire, explosion, earthquake, storm, hurricane, drought, flood, other exceptional weather condition or other natural calamity;

(ix) embargo, closing of harbors, docks or other assistance to or adjuncts of the shipping or navigation of or within any place; or

(x) strikes, go-slows or lockouts or other labor disturbances or industrial action (other than strikes or go-slows which are either widespread or nation-wide) provided that a Party shall not be required to settle any such strike, go-slow, lockout or other labor disturbance or industrial action on terms it reasonably considers to be materially adverse to its interests

and, in the case of each of clauses (i) through (vii) above, occurring inside of and involving any of the Kingdom or a country wherein Services are being undertaken or provided hereunder; provided that the Affected Party shall not be entitled to the benefit of a declaration of a Force Majeure Event due to the failure of such Affected Party's equipment or facilities, to the extent not caused by one of the events enumerated in clauses (i) through (x) of this definition, or due to delay in the performance of any contractor, sub-contractor or agent of, or supplier of materials or services to, the Affected Party except to the extent resulting from an event, condition or circumstance of force majeure affecting such contractor, sub-contractor, agent or supplier.

b) "Affected Party" shall mean the Party which claims that a particular Force Majeure Event materially and adversely affects the performance by it of its obligations under this Agreement.

c) "Governmental Authorizations" shall mean permits, licenses, authorizations, consents, decrees, waivers, privileges and approvals from and filings with any and all Government Authorities of the Kingdom or a country wherein Services are being undertaken or provided hereunderrequired for or material to the carrying on of the Parties' business in the normal and ordinary course or to the carrying out of the obligations or responsibilities under this Agreement.

Section 9.2 Suspension of Obligations due to the Effect of Force Majeure

a) Subject to the other provisions of this Article 9, if the Affected Party is wholly or partially unable to perform any one or more of its obligations under this Agreement, or is wholly or partially unable to perform an action required for the completion of its obligations under this Agreement or, after notice to the Affected Party of a breach of or failure to act under this Agreement, to take action to cure such breach or failure, by reason of a Force Majeure Event, upon the Affected Party giving notice to the Unaffected Party in accordance with the provisions of Section 13.4, the affected obligations of the Affected Party under this Agreement shall be suspended or the period in which the Affected Party has the right to cure such breach or failure to act shall be extended, as the case may be, to the extent of and for the duration of such Force Majeure Event.

b) Except as expressly provided in this Article 9, neither Party shall be excused by any one or more Force Majeure Events from any obligation under this Agreement to pay money, whether such Party is the Affected Party or the Unaffected Party.

Section 9.3 Notification and Obligation to Remedy the Cause of a Force Majeure

If a Force Majeure Event occurs, the Affected Party shall:

a) as soon as practicable after it has determined that a Force Majeure Event has materially and adversely affected (or is likely to materially and adversely affect) its performance under this Agreement, notify the Unaffected Party in writing of such Force Majeure Event, which notice shall include a description of such Force Majeure Event, provided that if such notice is given more than twenty-four (24) hours after the commencement of the Force Majeure Event, such notice shall only retroactively excuse the performance of the Affected Party for the twelve (12) hours immediately preceding the time at which the notice was given;

b) not be entitled to suspend performance of its obligations of any greater scope or longer duration than is required by the Force Majeure Event;

c) use all commercially reasonable efforts to mitigate the effects of the Force Majeure Event, to remedy its inability to perform and to resume full performance of its obligations under this Agreement as soon as practicable, provided that the Force Majeure Event described in paragraph (x) of the definition of thereof shall be treated as described in that paragraph;

d) keep the Unaffected Party informed of such efforts on a continuing basis; and

e) provide written notice to the Unaffected Party of the resumption of performance under this Agreement.

Section 9.4 Termination for Force Majeure Event

If a Force Majeure Event occurs which substantially denies the benefit of this Agreement to either Party, and which continues for more than forty five (45) days, and in the reasonable judgment of the Party claiming it has been deprived of such benefit, such benefit will not be restored to it within an additional forty five (45) days, then such Affected Party shall have the right, but not the obligation, to immediately terminate this Agreement (without passage of time of the second forty five (45) day period,) by giving the other Party written notice of termination, whereupon both Parties shall be excused and relieved of all obligations and liabilities under this Agreement except for those provisions which, by their terms, continue past any such termination date and for payment of amounts due before the effective date of termination. Such right of termination shall cease to exist upon the cessation of the Force Majeure Event giving rise to such right.

ARTICLE 10. ASSIGNMENT AND SUCCESSION

Section 10.1 No Third Party Beneficiaries

Each Party is entering into this Agreement for its benefit alone and not for the benefit of another Person.

Section 10.2 Assignment and Succession.

a) Neither Party may delegate or subcontract its obligations, or assign or transfer its rights under this Agreement, in whole or in part, without the prior written consent of the other Party, provided, however, that Client may freely assign this Agreement in its entirety to any of its Affiliates, with notice to Agency, provided that Client, in its reasonable discretion, determines that such assignment will not materially alter the obligations of Agency hereunder.

b) This Agreement shall inure to the benefit of the Parties' successors, subject, however, to Client's rights under Section 12.4.

ARTICLE 11. GOVERNING LAW; DISPUTES; AND CONSENT TO RELIEF

Section 11.1 Governing Law

This Agreement shall be governed by and interpreted in accordance with the Laws of England.

Section 11.2 Disputes

a) In the event that a Dispute arises between the Parties concerning this Agreement they shall attempt in good faith to settle such Dispute by discussion between members of their respective staffs.

b) If, within ten (10) Business Days of the Parties commencing discussions pursuant to Section 11.1(a), such Dispute has not been resolved by discussion between staff representatives of the Parties, discussions concerning the Dispute shall be referred to the Chief Executive Office of each of Client and Agency, or the designated representative(s) of the respective Chief Executive Officers.

c) In the event that the Parties are unable to resolve the Dispute within thirty Business Days (or such longer period as the Parties may agree) after the Dispute is referred to the Chief Executive Officers (or their designated representatives, as the case may be) of Client and Agency, then either Party to the Dispute may commence arbitration proceedings in accordance with Section 11.2(d).

d) Any Dispute which is not settled by agreement between the Parties, including disputes as to the existence, validity or enforceability of this Agreement, shall be settled through arbitration at the London Regional Centre of International Commercial Arbitration, in accordance with the Rules of Conciliation and Arbitration of the International Chamber of Commerce ("ICC") (1998 edition) by three (3) arbitrators; one of whom is nominated by each of the Parties and the third of whom shall be jointly selected by the two (2) nominated arbitrators. In the event that one Party fails to appoint an arbitrator, or there is disagreement on the appointment of the third arbitrator, or failure in the appointment of any arbitrator(s) within three (3) weeks of the date of notice of a request for arbitration by any of the Parties, the arbitrator(s) shall be appointed in accordance with the ICC Rules. Associated costs and fees shall be assessed by arbitrator(s) as part of their award. The arbitration award shall be final and binding on the Parties, and may be entered for enforcement in any court of competent jurisdiction. Arbitration shall be conducted in the English language..

e) Notwithstanding anything in this Agreement to the contrary, the existence of any Dispute, including, without limitation, the pendancy of any arbitration proceeding, shall not excuse nor suspend the obligation of the Parties to continue performance of their obligations under this Agreement.

Section 11.3 Consent to Relief.

Agency acknowledges and agrees that monetary damages for Client are not an adequate remedy for any breach of the undertakings in Article 8 or any Secrecy Agreements and that, accordingly, Client shall be entitled to equitable relief, including injunctive relief and/or specific performance, as a remedy for such breach, in addition to any other remedies available at law or in equity to Client.

ARTICLE 12. TERM AND TERMINATION

Section 12.1 Initial Term

The initial term of this Agreement shall be from February 1st, 2002 through January 31st, 2003, inclusive, (the "Initial Term").

Section 12.2 Subsequent Terms

Following the Initial Term, this Agreement will be automatically renewed on the same terms and conditions as otherwise set forth herein for subsequent one-year periods (each, a "Subsequent Term"), unless and until one of the Parties gives the other Party at least ninety (90) days' notice of the first Party's intent not to extend this Agreement. In such case, this Agreement shall terminate at the conclusion of the then-current Term.

Section 12.3 Agreed Termination.

This Agreement may be terminated at any time by mutual written agreement of the Parties.

Section 12.4 Termination for Change of Control of Agency

Agency shall give Client prompt notice if Control of Agency may be acquired, in whole or in part, by a Third Person. Within thirty (30) days after such notice is given, Client has the option of giving notice to Agency that this Agreement will terminate immediately if Control of Agency is acquired, in whole or in part, by such Third Person. Should Client give Agency such notice, and if such Third Person proceeds to acquire Control of Agency, then this Agreement shall be deemed terminated immediately, without further notice.

Section 12.5 Termination for Breach; Force Majeure

Notwithstanding Sections 12.1 and 12.2, either Party may terminate this Agreement immediately upon notice to the other Party, at any time:

a) if the other Party has committed any act of gross misconduct or serious bad faith, including, but not limited to, a breach or breaches of Articles 2, 3, 5, 7 or 8;

b) if the other Party has committed any other material breach of this Agreement, and has not remedied or cured such breach within thirty (30) days after notice of such breach and demand to remedy or cure has been given by the terminating Party; or

c) pursuant to Section 9.4.

Section 12.6 Additional Actions Following Termination

Upon termination of this Agreement pursuant to any of Sections 12.3 though 12.5, inclusive, or Article 8, or upon expiration of this Agreement under Section 12.1 or 12.2, Agency shall promptly return to Client all property of Client in Agency's possession, including, without limitation, all price lists, catalogues and brochures.

Section 12.7 Effects of Termination

a) In the event that this Agreement is terminated pursuant to this Article 12, none of Client or its Affiliates shall:

(i) Be responsible for any costs incurred or liabilities assumed by any Agency or any of its Affiliates, agents or contractors in the implementation of this Agreement, except for those incurred prior to the effective date of such termination and except for such additional amounts directly related to actions reasonably undertaken or obligations reasonably incurred by Agency in terminating such part of the Services, provided that all such actions or obligations were authorized in advance by Client; or

(ii) Be responsible for Damages or any indirect or consequential loss or other form of loss (including any lost profits) suffered by Agency, any of its Affiliates or any of its or their subcontractors as a result of the termination of this Agreement.

b) Notwithstanding termination of this Agreement, the provisions of Section 3.5, Section 7.2, Section 7.4, Article 8, Article 11, Article 13, the Secrecy Agreements, and any restrictions or obligations therein shall continue to apply without limit as to time, except as otherwise set forth therein.

ARTICLE 13. MISCELLANEOUS PROVISIONS

Section 13.1 Safety, Health and Environment

a) Client places, and requires Agency to place, the highest importance and priority on safety, health and protection of the environment during performance of the Services.

b) Agency shall be responsible for safety related to, and during the performance of, the Services, and shall take reasonable measures to insure that it and its Affiliates and subcontractors (i) provide and maintain a safe environment and (ii) properly protect all Persons in Agency's, its Affiliates and its or their subcontractors' home and branch offices, employed or otherwise, from risk of injury and danger to health and (iii) properly protect all property from unreasonable or unnecessary damage or loss.

Section 13.2 Non-Solicitation of Employees

Both Parties agree that they will not, during the term of this Agreement, and for a period of one (1) year thereafter, employ or retain any Person (other than a respondent to a general solicitation of employment or employment search assignment) who is then, or at any time during the preceding six (6) months, was, an employee of, or consultant to, the other, or persuade, or attempt to persuade any employee of, or consultant to, the other, to terminate his or her employment or consultancy with such other Party.

Section 13.3 Publicity Releases

Agency shall obtain Client's approval before making publicity announcements regarding the Services or Agency's activities relating thereto. Agency shall also cause its Affiliates and subcontractors to comply with this requirement.

Section 13.4 Notices

a) Any notice, advice, consent, or other communication permitted or required to be given by one Party to the other Party under this Agreement, except for the routine exchange of business information between the Parties, shall be given in writing, in English, and delivered by registered mail or facsimile.

b) Communications will be considered given on the date of confirmed receipt if such is a Business Day in the country of receipt or, if it is not, on the next Business Day.

c) Communications shall be addressed as follows:

If to Agency:

Mr. James O. Cox, III
Senior Managing Director
Hill & Knowlton, Inc.
International Public Relations/Public Affairs
466 Lexington Avenue, New York, NY 10017
United States of America
Tel. 212-885-0456
Fax 212-885-0585

If to Client:

Mr. Mohammed Al-Motawa
Vice President, Public Relations
Saudi Basic Industries Corporation
P.O. Box 5101, Riyadh 11422
Saudi Arabia
Tel.: 966-1-401 2033
Fax: 966-1-4016427

Section 13.5 Amendments.

This Agreement may not be amended except by written agreement between the Parties.

Section 13.6 Language.

This Agreement has been prepared in the English and Arabic languages, with the Arabic version being authoritative. In the event of any Dispute as to the terms or construction of this Agreement, the Arabic language text shall prevail.

Section 13.7 Entirety.

This Agreement, together with its attached Annexes, is intended by the Parties as the final expression of their agreement with respect to the subject matter hereof. All prior written or oral understandings, offers or other communications of every kind pertaining to the subject matter of this Agreement are abrogated and of no further force or effect.

Section 13.8 Severability

If any clause or provision of this Agreement shall be found to be invalid, illegal or unenforceable then, notwithstanding such finding, this Agreement shall remain in full force and effect; and any invalid, illegal or unenforceable clause or provision or portion thereof shall be deemed stricken or shall be replaced with a legal and enforceable one approximating the original intent of the Parties subject to the same being permitted by the applicable Law.

Section 13.9 Liabilities, Rights and Remedies.

Except where this Agreement expressly provides to the contrary, the rights and remedies contained in this Agreement are cumulative, and not exclusive of any rights and remedies provided by Law.

Section 13.10 Counterparts.

This Agreement may be executed in any number of counterparts, each of which when executed and delivered is an original, but all of the counterparts together constitute the same document.

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their duly authorized representatives, in two (2) duplicate originals.

Hill & Knowlton, Inc.

Name: James O. Cox III

Title: Senior Managing Director

Date: May 15, 2002

Saudi Basic Industries Corporation

Name: Homood A. Al-Tuwaijiri

Title: E-Vice President, Admin. Services

Date: May 29th '02

ANNEX I
SCOPE OF SERVICES

AGENCY shall provide services specified in this Annex-I, in accordance with Exhibit-A (SABIC Brief to AGENCY) and Exhibit-B (Service Level Agreement by SABIC & AGENCY) and Exhibit-C (Request for Proposal for optional services) and Exhibit-D (Letter of Authorization for optional services) hereto. The services to be provided by AGENCY consist of Part I (Core Public Relations Program), and Part II (Optional Services), described in more details herein below. Optional Services are also called "Projects".

ARTICLE 1.0 - SERVICES

PART-1 (CORE PUBLIC RELATIONS PROGRAM)

Core Public Relations Program consists of the development of the communications strategy with CLIENT and all key program elements, development of a master plan, development of the program, counseling, planning, development of media materials, program measurement and evaluation, including:

1. Media Kit

A set of standardized written materials that describe SABIC as a company globally. The materials are principally for use with media and will be updated by AGENCY monthly. The materials will include a short history of CLIENT, short profiles of each of CLIENT's Strategic Business Units (SBUs), fact sheets about the company, biographies of key executives, photographs of CLIENT"s facilities, and photocopies of key articles about CLIENT. The materials will be prepared in English and assembled into a specially printed folder, available for email distribution and used in the CLIENT media room on the company web site. Any press kit materials that are prepared in other languages and/or are about CLIENT regional and in-country activities will be costed separately and are not included in the Core Public Relations Program.

2. News Release

AGENCY will work with CLIENT Public Relations (CLIENT PR) team in the development and distribution of English-language news releases to an agreed list of publications and journalists in key markets worldwide. News releases provide journalists with facts and information about special announcements, for example, acquisitions, new products, major sales, appointments, research and technology developments, etc. All news releases will be approved in writing by CLIENT PR before distribution.

3. Media Lists

Media lists will be researched and updated by the AGENCY, with lists of key reporters and editors, contact details, including names, phone numbers, fax numbers, email addresses and brief biographical information. AGENCY will maintain lists of media who are interested in receiving news about CLIENT in key markets worldwide. These lists will be updated monthly.

4. Media Monitoring

AGENCY will monitor the most important print media in key markets worldwide for mentions about CLIENT and competitors. AGENCY will provide CLIENT PR with a brief summary of media reports in each region weekly and also a monthly regional update report. The format for these reports will be agreed in advance with CLIENT PR.

5. Media Relations

AGENCY will maintain regular contact with key trade, business, and financial and broadcast journalists worldwide on behalf of CLIENT and proactively update CLIENT PR on media opportunities and media needs. This work will include contacts with key media in the Gulf, London, Houston and Singapore. AGENCY will also identify interview and story opportunities for CLIENT.

6. Editorial Calendars

Many media publish a list of planned upcoming articles and special issues. AGENCY will maintain copies of these lists for key global media that are critical to CLIENT and proactively recommend upcoming articles that CLIENT PR can use for interview, story and by-lined article opportunities.

7. Media Schedule and Plans

AGENCY will work with CLIENT PR to develop an annual schedule of news media announcements, plans and opportunities. The schedule will help to manage the company's global communications. The scheduling and planning will also help to target priority, high-impact forums for CLIENT and to support the follow-up media work. CLIENT will update the schedule monthly.

8. Media Strategy

AGENCY will develop in conjunction with CLIENT PR a proactive media strategy to gain publicity for CLIENT in key markets worldwide. This strategy will be reviewed with CLIENT PR on fortnightly conference calls and at quarterly meetings to be held at venues agreed by CLIENT PR.

AGENCY shall perform the Core Public Relations Program in this PART-I on a monthly all-inclusive lump sum price basis, as provided in Annex-II (Commercial Terms).

PART II (OPTIONAL SERVICES)

Optional Services are services which CLIENT may ask AGENCY to provide from time to time at CLIENT's option. The scope and cost of individual Optional Services will be mutually agreed to in advance of the performance of such services as set forth in Exhibit-D to Annex-I (Letter of Authorization for optional services). The basis of payment for optional services shall be in accordance with the price and payment terms set forth in Annex-II (Commercial Terms) to this Contract. The following is a sample only of optional services.

Corporate Advertising

A basic campaign in trade publications. Elements include:

- Creative
- Design and production
- Development of media plan
- Media buys and placement/cost of insertions
- Scheduling
- Account management
- AGENCY commission.

Target publication might include Asian Chemical News, European Chemical News, Chemical Week, Chem-innovations, The Chemist, Farm Chemicals International. Modern metals, Fertilizer Focus, Fertilizer International, Modern Plastics International, Arabian Gulf Construction, Arab Construction World – and at a local and pan-Arab level - Asharq Al Awsat, Okaz, Al-Jazeerah.

ARTICLE 2.0 - KEY PERSONNEL

Key Personnel:

Global Strategist	:	Mr. Jim Cox
Global Account Management Oversight	:	Mr. Andrew Lawrence
Global Day-to-Day Account Manager	:	Mr. Stuart Wilson
Regional Manager	:	Mr. Jim Donaldson

AGENCY shall not replace key personnel identified herein without CLIENT's prior written approval.

Exhibit-A To Annex I
SABIC Brief For Agency

Profile and Background

SABIC is the top non-oil industrial company in Saudi Arabia and the Middle East, and a leading player in the global petrochemical industry in terms of sales and product diversity. The Financial Times of London listed SABIC as the number one company in the Middle East in 1999 and 2000 by market capitalization. In August 2000, Chemical and Engineering News, an international chemical industry publication, ranked SABIC among the top 50 chemical producers in the world on the basis of sales turnover. SABIC also figures in the top 500 list of Financial Times.

SABIC is owned by the Saudi Government (70%) and the private sector (30%). Private sector shareholders are from Saudi Arabia and other countries of the six- nation Gulf Cooperation Council.

SABIC's core businesses are Basic Chemicals, Intermediate Chemicals, Fertilizers, Polymers and Metals. Each sector consists of several Strategic Business Units that are entirely dedicated to the customers they serve. The company is headquartered in Riyadh; its manufacturing network in Saudi Arabia includes 18 industrial complexes operated by 16 affiliates, several of which are joint venture partnerships with leading international companies. Fourteen world-scale manufacturing complexes are located in Jubail Industrial City on the Arabian Gulf, one in Dammam (also on the Arabian Gulf) and three in Yanbu Industrial City on the Red Sea. SABIC is also a partner in three regional ventures based in Bahrain.

SABIC is a company that was born out of a nation's need and vision, based on the country's natural hydrocarbon resources and aimed at achieving industrial growth and diversification. Established in 1976, SABIC has achieved rapid growth over the last two decades, positioning itself as a major producer and supplier of petrochemicals and fertilizers to Asia and the Far East, Europe and the Americas. SABIC's global marketing chain consists of affiliates, representative offices and distribution centers near major market locations, identifying itself as a global company with local business.

Within Saudi Arabia, SABIC is a dominant economic force, providing raw materials for a host of downstream industries, employing thousands of people with focus on developing local human resources and achieving a significant level of technology transfer. Indeed, SABIC's multiplier effect on the Saudi economy is difficult to quantify. SABIC is also committed to Saudi social and cultural values.

SABIC has been undergoing major changes in recent years. These have included a new logo (adopted in 1997), a new management team, organizational and business restructuring, introduction of IT-related changes in the work culture and new product branding. These changes are geared to add muscle to SABIC's competitiveness at the global market place as a seamless organization efficiently producing and supplying quality products to the global customer, backed by quality services.

Change continues to be a key word at SABIC. In October 2000, the senior SABIC management endorsed a Business Transformation Project that is designed to impact every aspect of SABIC's business, making SABIC one global organization focusing on global optimization of its businesses. The transformation project, called FANAR (Lighthouse) in

Arabic, is based on SAP, the well-known IT-based business solution. SABIC is implementing a SAP version based on the best business practices in the chemical industry.

These changes are aimed at accommodating the growth that SABIC has already achieved, but they are also intended to create new opportunities for growth. They are geared to add muscle to SABIC's competitiveness at the global marketplace and make it a seamless organization efficiently producing and supplying quality products to the global customer, backed by quality services. SABIC needs to be promoted as a global brand that wants to be eventually among the top five players in the global petrochemical market.

This vision of moving into the league of very top players is driven by several factors:

- SABIC has access to Saudi Arabia's natural hydrocarbon resources.
- Saudi Arabia has world-class infrastructure to support new industrial growth.
- SABIC has world-class manufacturing facilities and the financial strength to build new ones in Saudi Arabia and overseas.
- SABIC has acquired modern technology and is working through a global research and technology (R&T) vision designed to strengthen its technological capabilities, and create a global pool of research talent and expertise.
- SABIC wants to use all possibilities offered by Information Technology to advance it business objectives and strengthen competitiveness.

The major new element in SABIC's future growth will be investments in establishing a manufacturing presence outside Saudi Arabia. SABIC foresees a phase of acquisitions, and probably new cooperative tie-ups with industry partners, in its journey to become a truly global company and to be in the top league of petrochemical companies.

Market Context

Competitive startups in the region and Saudi Arabia. The top five major competitors in the market place. New players coming on line internationally especially in China and SE Asia.

SABIC has started on a long journey of change, much of it driven by significant threats to its competitive position. SABIC's traditional cost advantages continue to be eroded and its competitors continue to merge, become larger and more efficient. In addition, membership of the WTO will bring its share of problems as well as opportunities.

There will be fewer, larger petrochemical companies in a few year's time, but consolidation is likely to be focused along product lines. In future, large global petrochemical and polymer producers will compete alongside regional players and companies dedicated to one or more product lines. How the competitive landscape will develop is a crucial issue.

Other market trends beside consolidation include, migration of global manufacturing facilities to "best cost" sites located wherever they may be in the world and the evolution of primary manufacturing activities towards more complex, value added "downstream" products and services.

The Middle East has now replaced North America as the world's largest net exporter of ethylene and its derivatives, Asia is expected to remain a large net importer although there are concerns that new capacity coming on stream in the region could affect the scope of export opportunities. Europe is expected to remain a net importer.

Increasing capacity over the next decade will see the region become a petrochemicals powerhouse with the growth of private sector petrochemicals investment in Saudi Arabia and new lines in the Emirates, Egypt and especially Iran.

Brand Opportunity

Concurrent with SABIC's new identity and its image as a modern global and integrated company, it may be timely to reposition SABIC as an established global, international leader in the Petrochemical Industry that has achieved the maturity to deliver excellent customer service and superior products worldwide that consistently meet our customer's needs and exceed their expectations. A thoroughly professional organization with a heart supported by the latest technology and software and dedicated to the future of Saudi Arabia and the world's global economy and environment.

This being the case, perhaps it is appropriate upon our 25th anniversary to develop a new slogan that takes us beyond the 'The Power to Provide' and promises more of SABIC as an industry leader to claim a unique position in the market place and secure a competitive advantage in our target markets share of mind. Incidentally, prior to "The Power to Provide", SABIC's corporate slogan was "SABIC for the long term".

It would mean publicly subscribing to a bigger picture and committing to an ideal vision of excellence and to achieving that vision through continued dedication to quality, service, technology and innovation. Also by dedicating the company to a greater good and ideal vision it could serve as a rallying point internally for all SABIC employees to deliver and live up to the promise and for the SABIC Strategic Business Units (SBUs) to deliver marketing excellence. The new corporate identity, the FANAR Project, TQM, R&T, product innovation and SABIC's emphasis on customer service and environmental protection all support this proposition. SABIC could also sponsor a global sustainability forum to further communicate this commitment globally.

Global Sustainability is the interdisciplinary examination of global issues important into the 21st century of water, pollution, habitat transformations, biological transformations, food, waste, energy, health, and communities. It includes concepts of sustainability, natural and social ecology, ecosystems management, ecological engineering, and regenerative studies. The practice of sustainability uses new ecotechnologies and social science methods. Applications of solar energy, agroecology, ecological aquaculture, biological wastewater treatment, restoration ecology, and community-based social rehabilitation tools for a sustainable society. SABIC sees sustainability becoming a part of its global image in the coming years.

SABIC's 25th anniversary (2001-2002) would then be and ideal opportunity to announce and launch our coming of age and assuming the international leadership role and responsibility as a model for the Petrochemical Industry. This leadership role must be seen in the context of the regional and global market situation and the emergence of major new petrochemical producers.

Role of Communication(s)

The role of SABIC communications is to establish SABIC as the leader and ideal supplier of quality petrochemical products. We expect the program to firmly establish SABIC as the preferred partner to do business with, improve awareness of SABIC's true stature domestically and internationally, increase sales and secure a commitment on behalf of all SABIC employees to the future vision.

Target audience

Our core target audiences are, of course, present and potential customers, Share and Stakeholders and employees.

One aspect that the agency must take note of is the home language of SABIC. SABIC's domestic and regional communication/advertisement campaigns are conducted by local/regional agencies. The global agency, the local agency and SABIC's PR department must work together and coordinate to ensure the uniformity of corporate/brand messages to the customer/other SABIC publics.

SABIC would also appreciate knowing if the agency has any local/regional presence either direct or in the form of tie-ups.

Tone of voice

The character/personality the brand should display is confident not boastful, sincere, professional yet personal, and above all believable avoiding current business-speak.

Thought starters

The essence of the Future. Dedication, Service and Quality. The Responsibility of Excellence. Tomorrow Today. Global Quality Global Service. There's more to the future than technology, People to People, Sustainable Success.

Role of PR agency

SABIC has a full-fledged PR department, headed by a Vice President who reports to senior management. SABIC wants to push its image as a global company and local enterprise in major markets around the world. In creating and sustaining this image, the corporate PR department plays a key role and expects continuous, worldwide support from its PR agency.

The following is a brief outline of our current and anticipated requirements:

Communications & Media Relations

ROUTINE: In communicating with its various publics, SABIC wants to use all available media and tools – print media (general and trade publications), the company website, intranet, multi-media company brochures and publications and so on. SABIC's PR department has the resources to generate and put together the required information packages, but we anticipate an overall advisory and liaison role for the agency.

This advisory and liaison role will be particularly relevant in handling international media queries, in building positive media relations and in projecting SABIC's image as a global company. While SABIC PR department generates press releases and the release of any information to media, the agency's assistance will be required to translate the information into various languages and for global distribution.

The agency will be required to re-direct all media queries to SABIC Public Relations. Responses to all media queries will be primarily the responsibility of SABIC PR; however, this does not pertain to information that is already on the public domain, which the agency will be free to disseminate.

Overall, we expect the agency and SABIC PR to work very closely to build media relations across the world. In addition to providing the media relevant information, this may also include coordination of periodic press trips to Saudi Arabia and other opportunities for interaction with media people.

SPECIAL: We anticipate that SABIC's emerging special communication needs will include the company's 25th anniversary celebrations beginning in January 2002, change management and acquisitions.

Internal Communications

SABIC PR would be responsible for internal communications, but SABIC would welcome the agency's advice and guidance in implementing the company's internal communications program that will use intra-net and in-house print publications.

Advertising

SABIC has an annual global advertising budget overseen by the Public Relations Department. The agency's major responsibilities will include preparation of new advertisement campaigns periodically in cooperation with SABIC PR and business groups, preparation of an annual advertisement program and media buying.

SABIC anticipates that one of the first tasks of the AGENCY will be to create a new advertisement campaign for SABIC.

International Exhibitions/ and Other Industry Events

SABIC actively participates in major industry events and exhibitions related to petrochemicals, fertilizers and steel. We anticipate the agency to play a support role to help project SABIC's image at these events through local media management, liaison and coordination in selecting contractors to build exhibition stands, event-related advertisements and publicity and so on. However, the agency's role here will be determined on an "as per need" basis and may vary from event to event and country to country.

This also applies to SABIC's event management. SABIC anticipates that the agency will be involved in managing SABIC events on an "as per need" basis.

Crisis Management and Crisis Communications

SABIC may want the agency to assess its crisis preparedness and determine the need for crisis management / communications training. There is no current time frame for this, but

SABIC would like to retain this as an option, and would like the bidding agency to present a costing for crisis management and communications training.

Corporate Videos

SABIC anticipates a support role for the agency in corporate filmmaking. This support will be primarily related to help in selecting cost-effective film companies that can deliver good quality products, but may also include liaison with the service provider.

Training for SABIC PR staff

We anticipate that the agency will be asked to train SABIC PR staff in selected fields of expertise. This is an option that SABIC will decide upon depending on a number of factors including the cost of training and our requirements from time to time.

Tracking and Evaluation

Critical to any PR exercise is tracking and evaluation. Where and when our messages appear and importantly did our message(s) get across to our target market and what were the qualitative and quantitative responses. Recommendations on research and benchmarking would also be helpful.

Miscellaneous

Any business management and marketing assistance that the SABIC management and business groups may need occasionally in different parts of the world.

Conclusion

This list of functions and objectives should not preclude a pitching agency from recommending new image-building/communication ideas that are innovative and are not included in this list. We are also aware that in this fast and constantly changing world, business concepts, practices and tools used to measure customer satisfaction are always evolving. We expect SABIC's PR agency to be always on top of such developments and offer proactive and innovative advice to the company.

SABIC expects the agency's first presentation to include a brief summary of its experience and track record with their global clients. SABIC will also appreciate a brief on the presenting agency's most important campaign in recent history.

SABIC Communication Strategy

- To ensure effective communication both internally and externally towards the achievement of SABIC'S vision and mission.
- To continuously enhance its corporate and product(s) profile and visibility domestically and globally with all stakeholders and customers.
- The Communications Strategy supports the SABIC business strategy; it is essential for the achievement of Sabic's strategic goals.

The corporate goal:

'To be a leading global manufacturer and marketer of hydrocarbon and Metal products; meet the expectation of our shareholders through optimum Utilization of our available human and natural resources together with use of state-of-the art technology-maintaining safe and environmentally sound practices.'

The production goal:

'To provide distinctive high-quality industrial products and services which meets the needs of our customers.'

The research goal:

'To develop research that is distinctive, high impact, and application oriented. To ensure that the results of SABIC research are disseminated and carried forward in cooperation with our partners.'

Audiences
List of corporate and individual SBU stakeholders.

Action:
Identify all SABIC Stakeholders and categorize for economies of communication
Communications messages

SABIC wishes to be and be seen by stakeholders as:

- Innovative and enterprising
- Businesslike and professional
- Confident and forward-looking
- Caring, responsive and responsible
- Outward-looking and approachable
- Global and technology driven
- Inform people in Sabic and Saudi Arabia of SABIC's value to their lives, ' What SABIC has done for me.'
- That SABIC provides high-quality, innovative, solutions and products.
- That SABIC makes a major contribution to Saudi Arabia and to the world as a global leader in the petrochemical industry.
- That SABIC works in partnership with its stakeholders

*Note: Tailored messages will need to be developed for different audiences while clearly maintaining the overall organization positioning.
Communications objectives. In supporting the SABIC Business Strategy, the Communications Strategy focuses on six areas:

- Communications with staff
- Communications with Customers
- Reinforcing the corporate brand
- Creating dialogue with stakeholders
- Marketing communications
- Community relations

Communication with employees

The objectives for communications with employees are:

- To ensure that people understand the SABIC vision and its associated strategies, plans and policies.
- To provide channels for staff views to shape the development of SABIC.
- To improve internal awareness of expertise and activities.
- To gain commitment from SABIC staff for SABIC's vision.
- Communications with staff should be characterized by openness and they should be straightforward and inclusive.

- To facilitate the flow of information and knowledge (internal and external) through the SABIC website.
- To help create a culture that will realize the organization's and individuals' aspirations

Targets:

- Task force to review SABIC's present communication practices in relation to communication and to recommend actions.
- Consideration to be given to how to achieve a change of culture at SABIC consistent with SABIC's values, and the communications plan to support that program.
- A working group to review the current framework for communication with staff against the objectives to ensure that SABIC has the right framework to achieve its objectives

***Note:** The results of a Staff Survey will provide a benchmark against which targets for improvement can be set.

Communication strategies with employees

- The objectives for communication strategies with employees are:
- To ensure that employees have the information they need to do their jobs.
- To motivate and inspire employees to do a better job

- To provide a channel for employee views to help the achievement of SABIC's aims.
- To improve employees' awareness of SABIC's expertise and activities, so that they can function as effective ambassadors for SABIC.

- To collect information on and to publicize employees' successes.

Priority areas for action:

- Task force to engage in conducting a Survey in relation to communications and to recommend actions. * Admin and Fanar surveys
- To get news to employees through the website and a monthly newsletter.
- To investigate ways of improving dialogue with employees.
- To align communications with the message of SABIC'S economic contribution to Saudi Arabia.
- Reinforcing the corporate brand

The objectives for corporate communications are:

- To reinforce an image that can help SABIC meet its objectives
- To raise awareness of SABIC, especially among key influencers
- Communications with customers.

Priority areas for action:

- Ongoing management of the visual identity
- Identify Stakeholders and research to set targets for improvement.
- Research evidence for corporate messages and integrate into communications
- Develop tailored communications messages for the corporate brand and SBUs.
- Conduct stakeholder research to evaluate awareness and perceptions of SABIC.
- Identify key influencers and develop targeted communications programs, including a media relations plan
- Creating dialogue with stakeholders

The objectives for stakeholder communications are:

- To conduct market research into the needs of SABIC's stakeholders
- To create a relationship between SABIC and its stakeholders, which provides opportunities for partnership and involvement with SABIC.

- To influence external affairs to ensure SABIC receives preferential treatment on feedstocks and from suppliers.

Priorities for action:

- Research to establish extent of existing market research/market intelligence and to consider the need to conduct market research where gaps are identified/ensure market intelligence is gathered.
- To identify key external environmental issues– on which to focus the SABIC's involvement
- To keep under review customer service and R&T– to ensure that stakeholders are involved in SABIC.

- To use the recruitment and appraisal systems to attract and develop staff who are effective net workers (links to HR Strategy)

- To review SABIC exhibitions and events programmed

- To enhance the contact management database
- To improve the SABIC website and Internet capability.
- To consider where SABIC needs to influence external affairs and to ensure that it is able to do so

Targets:

- Trained personnel in communications practices.
- Marketing communications

The objectives for marketing communications are:

- To promote the SABIC Brand Identity.
- To promote SABIC's expertise and research findings.
- To promote SABIC's SBU products to business.
- To investigate new channels for promoting products and services and to make recommendations for improvement.
- To work with an outside agency to develop and implement a communications plan to support SABIC's Strategy
- To develop a strategy for marketing new products and services to business.

Community relations

The objectives for community relations are:

- To provide information of use and interest to the general public.
- To inform local community about the opportunities and contributions SABIC makes to community services and events.
- To establish a dialogue with the local community.
- To use communications actively to contribute to the local community, creating an environment in which staff can live and work in harmony with local businesses and residents

Priorities for action:

- To publicize SABIC contributions to sustaining the environment.
- To ensure that local people are aware of SABIC's and SBU activities.
- To ensure that R&T publicize their research findings
- To investigate ways of improving dialogue between SABIC and the local community

Exhibit-B to Annex-I
Service Level Agreement between SABIC & Agency for procedures in regard to the Basic Core Program and Optional Services

1. Communication between SABIC and Agency

1.0. Annual plan and budget

SABIC Public Relations Department and the Agency will produce an annual plan and an estimated budget for approval. The first draft will be delivered by the end of October each year for implementation on 1 January the following year. If no plan is approved, then both the Public Relations Department and the Agency will account to senior management for the delay. An annual report from the Agency will focus on results from the year and offer recommendations and proposed budgets for the coming year.

1.1. Weekly conference call

The Public Relations Department and the Agency will have a telephone conference call each week at an agreed time and date. This will review the previous week, the forthcoming week and any client updates. An agenda will be provided in advance by the Agency and minutes will be delivered within 24 hours.

1.2. Global monthly conference call

This will bring the full team of the Agency and the Public Relations Department together with regional representatives of the Agency and SABIC. Results of the previous month and discussions of plans for the coming month will form the agenda, which will be distributed in advance by the Agency. Minutes will be provided within 48 hours. A monthly activity report will accompany Agency billing.

1.3 Quarterly strategy meeting

Every quarter the Public Relations Department and the Agency will meet face to face to review progress against the annual plan and plot activities scheduled for the next quarter. The Agency will distribute an agenda in advance and minutes will be supplied within 48 hours. The venue of this will be agreed by both parties and can be rotated.

2. Communication with SBU's

SABIC Public Relations and the Agency will meet each of the SBU's, Planning and Investment and Overseas Sales Liaison every quarter as a follow on to the quarterly face-to-face strategy meeting with the Agency. This will be in the form of a PR Forum for each part of the business. These meetings will have agendas agreed in advance and the agency shall provide minutes within 48 hours.

The purpose will be to plan and monitor the communications needs of each SBU and to deliver a program in line with their marketing plan and priorities.

3. Brand consistency

All communications materials – printed, broadcast, film, video, electronic or CD have to be approved by the SABIC Public Relations Department. No affiliate or SBU can

produce its own material without approval by the Public Relations Department. This will ensure application of the brand and design is consistent across the business.

4. Media relations

4.0 Responses to enquiries
SABIC undertakes to respond to enquiries from the press within 24 hours. If written questions are submitted for a larger feature article, then SABIC will respond within 48 hours. The Public Relations Department and the relevant department concerned will make approval in writing.

Where senior management are absent for a decision or approval, the process of deputisation will apply, where the most senior executive in the relevant department with responsibility shall lead the process of organizing a response together with the Public Relations Department and, where necessary, the Agency.

4.1. Media spokesmen
SABIC will appoint deputy media spokesmen to assist the Vice Chairman during his absence. These deputies will be media trained.

4.2. Regional contact programs
SABIC has plans to launch regional media contact programs from its three regional hubs – London Singapore and Houston and other priority markets as identified. The Regional Directors of each office and their press officers will be media trained and will meet selected media in a structured program each year. The Public Relations Department and the Agency will draft guidelines on the issues they can discuss. The list of media to meet will be approved by the Public Relations Department.

4.3. Overseas visits
SABIC will endeavor to find room for media relations in the form of one to one or group interviews with local media when the Vice Chairman or his appointed media representatives visit a particular market. Advance notice will be given to the Public Relations Department by the Vice Chairman's office. This will be carried forward in consultation with the Agency and the local SABIC office. Full briefing on publications and the journalists will be provided together with notice of questions where possible.

4.4. Press trips
SABIC may hold **at least one** press trip each year for the media. This will be alternated between different groups: local business media in Kingdom; Gulf and Middle East business media; international business media; trade press; regional focus e.g. journalists from Asia, from Europe; from North America

4.5 Press releases
Press releases in Arabic and English will be issued simultaneously by the Public relations department and the Agency. This will be on formatted paper bearing the official SABIC word mark. SABIC will make every effort to ensure that financial results are released on a Monday, Tuesday or Wednesday of a working week to ensure its international audiences have access to the news immediately.

SBU's will notify the Public Relations Department of any contracts or invites for bids for contracts so that the department is fully briefed in the event of enquiries from the media. Similarly, any awards gained or visits by VIP's will also be notified in advance of the event.

5. Information database

SABIC undertakes to centralize an information database with agreed facts and statistics on its operations. This will ensure consistency when giving material to external audiences about the company. The database will be created within the first year of the contract.

6. Photographic library

The SABIC Public Relations Department will have in place a digital electronic photographic library within the first year of the contract. All images will be in high-resolution format, easily downloaded to media and other audiences when requested. The SABIC web site will also have images that can downloaded. An electronic index, fully cross-referenced and archived will be created. A Photographic Librarian will be appointed to upkeep the library and to commission new images as required.

8. Evaluation

The AGENCY will provide for the measurement and evaluation of program activities and to report that information to SABIC at regular agreed intervals – ideally quarterly. SABIC Public Relations will provide written feedback within five working days.

EXHIBIT-C TO ANNEX-I
REQUEST FOR PROPOSAL (RFP) FOR OPTIONAL SERVICES

Date: _____

RFP No. _____

Contract No. C02-SABIC-300

Hill & Knowlton, Inc.
International Public Relations/Public Affairs
466 Lexington Avenue
New York, NY 10017
United States of America
Fax 212-885-0585

Gentlemen:

Please refer to the above referenced "SABIC Corporate Communications Business Contract" between our respective companies, effective February 1, 2002, including the latest amendment dated _____ and all previous amendments thereto.

In accordance with the provisions therein, and based on our recent discussion, we hereby request you to submit a proposal to :

(provide a brief description of work to be performed)

AGENCY'S proposal must cover, among others, the following topics:

- Description of Service to be performed-
- Estimated Cost with full back-up data
- Schedule for performing the Project
- Reports that will be submitted
- Final deliverables.
- Key People to be assigned
- Third party services & cost thereof
- Other relevant data.

Very truly yours,

Saudi Basic Industries Corporation

By _____

(signature of CLIENT's representative)

(typed name and title)

_____

(date)

EXHIBIT-D TO ANNEX-I
LETTER OF AUTHORIZATION FOR OPTIONAL SERVICES

Date: _____

Authorization No. _____

Contract No. C02-SABIC-300

Hill & Knowlton, Inc.
International Public Relations/Public Affairs
466 Lexington Avenue
New York, NY 10017
United States of America
Fax 212-885-0585

Gentlemen:

Please refer to the above referenced "SABIC Corporate Communications Business Contract" between our respective companies, effective February 1, 2002,, including the latest amendment dated _____ and all previous amendments thereto.

In accordance with the provisions therein, and our RFP No._____dated _____ and your proposal (quotation) No._____dated _____, we hereby authorize you to

(provide a brief description of work to be performed)

The above services shall be performed in accordance with the outline provided in Appendix I to this letter.

As agreed during our recent discussions, the scheduled completion date for the services to be provided under this authorization is _____. (Note: Other major items that merit emphasis should also be included in this paragraph).

Please have your authorized representative execute two copies of this letter, retaining one copy with you to be submitted with your invoice and return the second copy to us for our record. The effective date hereof shall be the date of your signature and acceptance.

Very truly yours,

Saudi Basic Industries Corporation

By _____

(signature of CLIENT's representative)

(typed name and title)

_____

(date)

ACCEPTED AND AGREED TO:

(Name of AGENCY)
By _____
Title _____
Date _____

APPENDIX-I TO EXHIBIT-D
SABIC Corporate Communications Business Contract No. C02-SABIC-300

Description of Service to be performed) -

Estimated Cost - (provide budget information, any maximum expenditure provision, etc.)

Schedule - (provide start date, completion date, and any specific milestone dates that may be required.)

Consultations - (discuss any review/approval controls that CLIENT wishes to exercise.)

Reports - (provide information on reporting requirements)

Final Documentation - (discuss how the final output is to be presented in whatever detail may be required)

Key People - (confirm key people that AGENCY is expected to employ on services)

Third Party Services - (if CLIENT has agreed to subcontract certain parts of services, it should be stated and subcontractor should be named, if known at time of authorization.)

Other - (any other items required by CLIENT for proper job performance or control should be discussed on this form.)

ANNEX II
COMMERCIAL TERMS

ARTICLE 1.0 - CONTRACT PRICE

Full compensation to AGENCY for performance of the SERVICES, compliance with all the terms and conditions of this CONTRACT, and for AGENCY's payment of all obligations incurred in or applicable to performance of the SERVICES, shall be determined in accordance with the following Price Schedule:

Payment for Part I (Core Public Relations Program)

At an all-inclusive monthly price of US$ 76,950.00 (US Dollar seventy six thousand nine hundred fifty) per calendar month for satisfactory performance of all service elements including supply of all deliverables included in the Core Public Relations Program, namely, Media Kit, News Releases, Media Lists, Media Monitoring, Media Relations, Editorial Calendars, Media Schedule and Plans, and Media Strategy. During the term of CONTRACT, CLIENT reserves the right to delete any of the service elements included herein in which case an equitable reduction in the lump sum price will be mutually negotiated and agreed between the parties.

Payment for Part-II (Optional Services or Projects)

i. Procedure for Pricing Optional Services:

If and when CLIENT is in need of any of the Optional Services described herein, CLIENT shall notify AGENCY over telephone or in writing. Instructions over telephone will be followed by a written instruction, to be issued as soon as possible in the form of a request for proposal (RFP) in accordance with the specimen given in Exhibit-C to Annex-I. Upon receipt of CLIENT's instructions, AGECNY shall submit a detailed estimate of the cost of performing such services, along with list of deliverables, schedule, progress reports to be issued, third party services, if any, required. AGENCY shall provide such other information and data as CLIENT will require. CLIENT upon satisfying itself of the reasonableness of AGENCY's proposal will issue a Letter of Authorization in accordance with the specimen given in Exhibit-D to Annex-I.

ii. Pricing Basis:

Optional Services shall be priced using rates in tables (a), (b), (c) and (d) below, individually or in combination thereof.

a) All-Inclusive Hourly Staff Charges:

Positions	All-Inclusive Hourly Rates in US $
New York:	
Senior Managing Director (including Secretarial Support)	: 425.00
Washington D.C:	
Executive Speech Writer	: 275.00
Houston:	:
Office Manager	: 275.00
Senior Account Supervisor	: 200.00
Account Supervisor	: 170.00
Senior Account Executive	: 150.00
Account Executive	: 135.00

Assistant Account Executive	:	135.00
Administrative Staff	:	45.00
London:		
Deputy Chairman		430.00
Managing Director	:	372.00
Director	:	330.00
Account Director	:	180.00
Account Manager	:	158.00
Senior Account Executive	:	129.00
Account Executive	:	122.00
Secretary	:	72.00
Arabian Gulf Region:		
Regional Director	:	275.00
Account Director	:	200.00
Account Manager	:	140.00
Senior Account Executive	:	110.00
Junior Account Executive	:	80.00
Support Staff	:	30.00
Asia/Pacific:		
Regional Relationship Manager - Singapore	:	300.00
Regional Account Director - Singapore	:	250.00
In-country Account Director	:	180 to 225
In-country Account Executive	:	100 to 150
Support Staff	:	30 to 50

b) Administrative Charges

Includes all administrative costs, including photocopying, postage, telephone, messengers and all other administrative support costs:

At the rate of eight per cent (8%) on Staff charges in (a) above

c) Expenses

CLIENT shall reimburse AGENCY for the actual business travel necessary for performance of SERVICES as specified in Letter of Authorization. Standard of air travel will be in economy(coach) class for all flights under 3 hours, and business class for longer international flights.

d) Third Party Expenses

Costs for third-party production which CLIENT authorizes will be calculated at net cost plus 17.65% mark-up. Such third party expenses would include printing, photography, typesetting, artwork, satellite TV uplinks, webcasts, web design work and other costs required as part of an approved project.

Payment for Advertising

Advertising will be submitted as a Project for CLIENT'S approval. Cost estimates for advertising will include, among others, the following:

Media -- This is the space cost or air time costs for paid media advertising which may be purchased on CLIENT's behalf. Media costs will be negotiated by AGENCY through J. Walter Thompson and WPP's volume-buying specialist media service to achieve the best possible rates for CLIENT. Advertising media costs may include selected trade and industry publications plus leading regional and global business and financial publications.

Commissions -- A standard commission will be charged, based on the volume of advertising. Commissions are subject to advance approval as part of the project. Commissions will cover all account executive and account management time in planning, executing and managing the CLIENT advertising program.

Production -- CLIENT will be charged for normal production costs for developing public relations and advertising for CLIENT. Production will include artwork, design, copywriting, typesetting, layout, printing, copies and related costs for developing and placing approved advertising for CLIENT.

Expenses -- CLIENT will also pay the net cost for approved expenses, such as travel.

All advertising costs estimates will be submitted as a project for CLIENT's advance review and authorization.

ARTICLE 2.0 - INVOICING AND PAYMENTS

3.1 AGENCY shall submit its invoices on a monthly basis. For Part-I (Core Program), AGENCY shall submit its invoices at the beginning of the each month, and for Part-II (Optional Services), AGENCY shall submit its invoices at the end of each month. The invoices shall be supported by all reasonable supporting documents as CLIENT will specify and shall be consistent with the payment basis set forth in this Annex II. CLIENT will pay invoices within thirty (30) days of receipt.

3.2 In the event payments due AGENCY are not made in accordance with the terms stated in 3.1 above, AGENCY will be entitle to charge CLIENT a late penalty of 1-1/2% per month on any overdue and unpaid balance.

ARTICLE 3.0 - RIGHT TO OFFSET

CLIENT, without waiver or limitation to any of his rights or remedies, shall be entitled to deduct from any amounts due or owing to AGENCY in connection with this CONTRACT, any or all amounts owed by AGENCY to CLIENT, in connection with this CONTRACT.

ARTICLE 4.0 WORK QUANTITIES

AGENCY understands and acknowledges that, except and to the extent specified under "Payment for Part I (Core Public Relations Program) in Article 1 of this Annex II, there are no guaranteed work quantities available under this Contract. AGENCY has taken full cognizance of this fact while pricing its proposal to CLIENT which forms the basis of this Contract.

ANNEX III: FORM OF SECRECY AGREEMENT

This Secrecy Agreement is executed this _____ day of _____, 200__, by and between the undersigned, pursuant to Section 8.4 of that certain corporate communications agreement, dated as of _____, 200___, by and between Client and Agency (the "Agreement").

Now, in exchange of the covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby represent, covenant, and agree as follows:

All defined terms used herein without definition shall have the meaning assigned to them in the Agreement.

_____ ("Employee") hereby acknowledges that Employee is employed by, or is otherwise affiliated with, Agency, and that Employee has received certain Information relating to Client in connection with the Agreement and the performance by Agency and/or Client of their obligations, or the exercise of their rights, thereunder.

Employee hereby undertakes:

(i) to use Employee's absolute best efforts to keep such Information confidential not to convey such Information to any other outside party;

(ii) not to participate in any propagation or dissemination of data or Information;

(iii) not to keep for himself any copies or other memorializations of any Information;

(iv) and to otherwise maintain the secrecy of any Information which Employee may obtain.

This Secrecy Agreement shall not limit the Employee's or Agency's ability to disseminate information to the news media or to other Third Persons, if such dissemination is specifically approved by Client for release as part of an approved Client program.

Employee's secrecy obligations hereunder shall survive for a period of five (5) years from the latter of (i) the date of the termination of the Agreement and (ii) the date of the termination of Employee's employment with Agency. Upon the termination of Employee's secrecy obligations hereunder, Employee shall return to Client all Disclosed Information, without retaining any copy, note or extract thereof; and shall expunge any Disclosed Information from any computer, word processor or other device in Employee's possession or control (except for archived computer back-up data).

IN WITNESS WHEREOF the Employee has executed this Secrecy Agreement, and Agency has caused this Secrecy Agreement to be executed its duly authorized representative, on the day and year first written above, in two (2) duplicate originals, in **[insert city and country of signing]**.

ANNEX III: FORM OF SECRECY AGREEMENT

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_____	_____
Employee	Hill & Knowlton, Inc.

By:_____

Title: _____