

For Six Month Period Ending 2 6 1990
(Insert date)

Name of Registrant **The Schmertz Company, Inc.** Registration No. **4161**
230 Park Avenue - Suite 805
New York, New York 10169
Business Address of Registrant

I-REGISTRANT

1. Has there been a change in the information previously furnished in connection with the following:

(a) If an individual:

- (1) Residence address Yes No
- (2) Citizenship Yes No
- (3) Occupation Yes No

(b) If an organization:

- (1) Name Yes No
- (2) Ownership or control Yes No
- (3) Branch offices Yes No

2. Explain fully all changes, if any, indicated in item 1.

New branch office
Effective date: December 29, 1989
The Schmertz Company Washington
555 13th Street, N.W. East Tower
Suite 1220
Washington, D.C. 20004-1109

IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4, and 5.

3. Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? Yes No

If yes, furnish the following information:

Name

Position

Date Connection Ended

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CRIMINAL DIVISION
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4. Have any persons become partners, officers, directors or similar officials during this 6 month reporting period?
 Yes No

If yes, furnish the following information:

Name	Residence Address	Citizenship	Position	Date Assumed
Caroline H. Lewis	9468 Copenhaver Drive Potomac, MD 20854	USA	Director of Subsidiary	12/29/89
Esther S. Foer	2919 Ellicott Street Washington, D.C. 20008	USA	Director of Subsidiary	12/29/89

5. Has any person named in Item 4 rendered services directly in furtherance of the interests of any foreign principal?
 Yes No

If yes, identify each such person and describe his services. Esther S. Foer - Developed & disseminated publicity & press materials for State visit by King Fahd of Saudi Arabia scheduled for 9/15/89 but postponed for a later date.

Caroline H. Lewis - Developed & disseminated publicity & press materials for State visit by King Fahd of Saudi Arabia scheduled for 9/15/89 but postponed for a later date.

6. Have any employees or individuals other than officials, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? Yes No

If yes, furnish the following information:

Name	Position or connection	Date terminated
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7. During this 6 month reporting period, have any persons been hired as employees or in any other capacity by the registrant who rendered services to the registrant directly in furtherance of the interests of any foreign principal in other than a clerical or secretarial, or in a related or similar capacity? Yes No

If yes, furnish the following information:

Name	Residence Address	Position or connection	Date connection began
Caroline H. Lewis	9468 Copenhaver Drive Potomac, MD 20854	Freelance Publicist	7/28/89
Chester Burley	787 7th Avenue-30 floor New York, NY	Real Estate Consultant	8/1/89
Florence Grace	4044 Vacation Lane Arlington, VA. 22207	Freelance Publicist	8/1/89
IRM, Inc.	The Plaza Hotel 768 Fifth Avenue New York, NY 10019	Consultant on address lists	1/22/90
Joe Goldstein	505 8th Ave-Ste. 2505 New York, NY 10018	Publicity Consultant	8/01/89
Hemming & Gillman, Inc.	800 Third Avenue New York, NY 10022-7604	Consultant on address lists	1/22/90
Paul Bular Associates	164 Lexington Ave-2 fl New York, NY 10016	Publicity Consultant	1/22/90
Esther Foer	2919 Ellicott Street Washington, D.C. 20008	Freelance Publicist	9/29/89

II—FOREIGN PRINCIPAL

8. Has your connection with any foreign principal ended during this 6 month reporting period? Yes No

If yes, furnish the following information:

Name of foreign principal

Date of Termination

**Toyota Motor Corporation
1, Toyota-cho, Toyota
Aichi 471 Japan**

August 1989

9. Have you acquired any new foreign principal¹ during this 6 month reporting period? Yes No

If yes, furnish following information:

Name and address of foreign principal

Date acquired

10. In addition to those named in Items 8 and 9, if any, list the foreign principals¹ whom you continued to represent during the 6 month reporting period.

The Honorable Prince Bandar Bin Sultan

The Ambassador E.&P.

Royal Embassy of Saudi Arabia

601 New Hampshire Avenue, N.W.

Washington, D.C. 20006 Attention: Mr. Abdul Aziz-Nazir - Assistant to the Ambassador

III—ACTIVITIES

11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 8, 9, and 10 of this statement? Yes No

If yes, identify each such foreign principal and describe in full detail your activities and services:

1. Publicity for visit of King Fahd of Saudi Arabia scheduled originally for July 27, 1989 but postponed to September 15th and then again postponed but no date scheduled.

2. Assembled lists of persons to be invited to New York Exhibition "Saudi Arabia Yesterday and Today", to open March 7, 1990.

¹The term "foreign principal" includes, in addition to those defined in section 1(b) of the Act, an individual or organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a)(9)).

A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those foreign principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity² as defined below?
 Yes No

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates, places of delivery, names of speakers and subject matter.

Developed and disseminated publicity and press materials for State visit by King Fahd of Saudi Arabia scheduled for September 15th but postponed for a later date not yet known. Purpose of materials was to focus attention upon history of America-Saudi relationship and the status of modern Saudi Arabia.

13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits any or all of your foreign principals? Yes No

If yes, describe fully.

²The term "political activities" means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

IV—FINANCIAL INFORMATION

14. (a) RECEIPTS—MONIES

During this 6 month reporting period, have you received from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? Yes No

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies.³

<i>Date</i>	<i>From Whom</i>	<i>Purpose</i>	<i>Amount</i>
See attached schedule.			
	Cash receipts - Royal Embassy of Saudi Arabia		\$30,000.00
	Cash receipts - Toyota Motor Corporation		-0-
		Total	<u>\$30,000.00</u>

(b) RECEIPTS—THINGS OF VALUE

During this 6 month reporting period, have you received any thing of value⁴ other than money from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal? Yes No

If yes, furnish the following information:

<i>Name of foreign principal</i>	<i>Date received</i>	<i>Description of thing of value</i>	<i>Purpose</i>
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³A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign. See Rule 201(e).
⁴Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) DISBURSEMENTS—MONIES

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 8, 9 and 10 of this statement? Yes No

(2) transmitted monies to any such foreign principal? Yes No

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

<i>Date</i>	<i>To Whom</i>	<i>Purpose</i>	<i>Amount</i>
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See attached schedules.

	Cash disbursements - Royal Embassy of Saudi Arabia		\$27,178.49
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	Cash disbursements - Toyota Motor Corporation		-0-
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\$27,178.49

Total

15. (b) DISBURSEMENTS—THINGS OF VALUE

During this 6 month reporting period, have you disposed of anything of value⁵ other than money in furtherance of or in connection with activities on behalf of any foreign principal named in items 8, 9 and 10 of this statement?

Yes No

If yes, furnish the following information:

<i>Date disposed</i>	<i>Name of person to whom given</i>	<i>On behalf of what foreign principal</i>	<i>Description of thing of value</i>	<i>Purpose</i>
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(c) DISBURSEMENTS—POLITICAL CONTRIBUTIONS

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value⁵ in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office?

Yes No

If yes, furnish the following information:

<i>Date</i>	<i>Amount or thing of value</i>	<i>Name of political organization</i>	<i>Name of candidate</i>
	\$ 250.00	Ronnie Eldridge for City Council	Ronnie Eldridge
2/89	\$1000.00	Richard Ravitch for Mayor	Richard Ravitch

V—POLITICAL PROPAGANDA

(Section 1(j) of the Act defines "political propaganda" as including any oral, visual, graphic, written, pictorial, or other communication or expression by any person (1) which is reasonably adapted to, or which the person disseminating the same believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, or in any other way influence a recipient or any section of the public within the United States with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party or with reference to the foreign policies of the United States or promote in the United States racial, religious, or social dissensions, or (2) which advocates, advises, instigates, or promotes any racial, social, political, or religious disorder, civil riot, or other conflict involving the use of force or violence in any other American republic or the overthrow of any government or political subdivision of any other American republic by any means involving the use of force or violence.)

16. During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any political propaganda as defined above? Yes No

IF YES, RESPOND TO THE REMAINING ITEMS IN THIS SECTION V.

17. Identify each such foreign principal.
The Royal Embassy of Saudi Arabia

⁵Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating political propaganda? Yes No

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of political propaganda include the use of any of the following:

- Radio or TV broadcasts
- Magazine or newspaper articles
- Motion picture films
- Letters or telegrams
- Advertising campaigns
- Press releases
- Pamphlets or other publications
- Lectures or speeches
- Other (specify) _____

20. During this 6 month reporting period, did you disseminate or cause to be disseminated political propaganda among any of the following groups:

- Public Officials
- Newspapers
- Libraries
- Legislators
- Editors
- Educational institutions
- Government agencies
- Civic groups or associations
- Nationality groups
- Other (specify) _____

21. What language was used in this political propaganda:

- English
- Other (specify) _____

22. Did you file with the Registration Section, U.S. Department of Justice, two copies of each item of political propaganda material disseminated or caused to be disseminated during this 6 month reporting period? Yes No

23. Did you label each item of such political propaganda material with the statement required by Section 4(b) of the Act? Yes No

24. Did you file with the Registration Section, U.S. Department of Justice, a Dissemination Report for each item of such political propaganda material as required by Rule 401 under the Act? Yes No

VI—EXHIBITS AND ATTACHMENTS

25. EXHIBITS A AND B

(a) Have you filed for each of the newly acquired foreign principals in Item 9 the following:

- Exhibit A⁶ Yes No
- Exhibit B⁷ Yes No **Not applicable**

If no, please attach the required exhibit.

(b) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during this six month period? Yes No

If yes, have you filed an amendment to these exhibits? Yes No
Not applicable

If no, please attach the required amendment.

⁶The Exhibit A, which is filed on Form CRM-157 (Formerly OBD-67) sets forth the information required to be disclosed concerning each foreign principal.

⁷The Exhibit B, which is filed on Form CRM-155 (Formerly OBD-65) sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

26. EXHIBIT C

If you have previously filed an Exhibit C⁸, state whether any changes therein have occurred during this 6 month reporting period. Yes No

If yes, have you filed an amendment to the Exhibit C? Yes No

If no, please attach the required amendment.

27. SHORT FORM REGISTRATION STATEMENT

Have short form registration statements been filed by all of the persons named in Items 5 and 7 of the supplemental statement? Yes No

If no, list names of persons who have not filed the required statement.

- Florence Grace
- Chester Burley
- IRM, Inc.
- Hemming & Gillman, Inc.

Note: Not sure if all of the names listed are required to file.

The undersigned swear(s) or affirm(s) that he has (they have) read the information set forth in this registration statement and the attached exhibits and that he is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in attached Short Form Registration Statement, if any, insofar as such information is not within his (their) personal knowledge.

(Type or print name under each signature)

Herbert Schertz

Herbert Schertz

(Both copies of this statement shall be signed and sworn to before a notary public or other person authorized to administer oaths by the agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions who are in the United States, if the registrant is an organization.)

Subscribed and sworn to before me at New York, N.Y.

this 14th day of Feb., 1990

ANGELO S. DE CARLO
Notary Public, State of New York
No. 60-0893400
Qualified in Westchester County
Term Expires April 30, 1991

Angelo S. De Carlo

(Signature of notary or other officer)

⁸The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, constitution, and bylaws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause upon written application to the Assistant Attorney General, Criminal Division, Internal Security Section, U.S. Department of Justice, Washington, D.C. 20530.)

Item 14. (a) RECEIPTS-MONIES

SAUDI ARABIA

<u>Date</u>	<u>Purpose</u>	<u>Amount</u>
8/10/89	July Retainer Fee	\$ 5000.00
11/14/89	August) September) Retainer Fees (\$5000.00/month) October)	15000.00
12/18/89	November Retainer Fee	5000.00
1/10/90	December Retainer Fee	<u>5000.00</u>
	Total	<u>\$ 30000.00</u>

TOYOTA MOTOR CORPORATION

<u>Date</u>	<u>Purpose</u>	<u>Amount</u>
	None	

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GENERAL INVESTIGATION

Item 15a DISBURSEMENTS-MONIES

THE SCHMERTZ COMPANY, INC.
SUPPLEMENTAL STATEMENT OMB 1105-0002
CASH DISBURSEMENTS (CASH BASIS)
JULY 27, 1989 - JANUARY 26, 1990
(SIX MONTHS)

SAUDI ARABIA

<u>Date</u>	<u>To Whom</u>	<u>Purpose</u>	<u>Amount</u>
7/28	American Express	Air Travel	\$168.00
7/28	Caroline Lewis	Consultant	6500.00
8/21	American Express	Air Travel	99.00
8/1	Chester Burley	Real Estate Consultant	4225.00
8/1	Kline, Rommel & Colbert	Secretarial/Office Services	126.28
8/1	Balmar Copy Center	Photocopying	197.16
8/1	Balmar Copy Center	Photocopying	130.38
8/1	Florence Grace	Freelance Publicist	1600.00
8/1	Caroline Lewis	Consultant & Research (Expenses)	247.25
8/1	Joe Goldstein Public Relations, Inc.	Publicity	55.33
8/1	HBI Professional Courier	Messenger Service	44.50
8/8	MCR, Inc.	Computer Rental	198.22
8/8	Farrell's Limo Service	Ground Transportation	2341.60
8/22	Joe Goldstein Public	Publicity	129.98
9/7	C&P Telephone	Telephone	162.54
9/7	HBI Professional Courier	Messenger Service	26.00
9/7	Balmar Copy Center	Photocopying	560.97
9/7	Kline, Rommel & Colbert	Secretarial/Office Services	677.50

SAUDLARABIA

(Continued)

<u>Date</u>	<u>To Whom</u>	<u>Purpose</u>	<u>Amount</u>
9/7	Caroline Lewis	Consultant (Expenses)	291.20
9/12	HBI Professional Courier	Messenger Service	21.25
9/12	Kline, Rommel & Colbert	Secretarial/Office Services	242.51
9/12	Caroline Lewis	Consultant (Expenses)	31.98
9/15	Joe Goldstein Public Relations, Inc.	Publicity	281.56
9/29	Esther Foer	Consultant	6500.00
10/2	Balmar Copy Center	Photocopying	637.82
10/2	Balmar Copy Center	Photocopying	164.00
10/2	C&P Telephone	Telephone	106.36
10/20	HBI Professional Courier	Messenger Service	19.50
11/9	Kline, Rommel &	Secretarial/Office Services	372.50
11/9	C&P Telephone	Telephone	20.10
1/22	I.R.M., Inc.	Address Listings	300.00
1/22	Hemming & Gillman, Inc.	Address Listings	<u>700.00</u>
		Total	<u>\$27178.49</u>

TOYOTA MOTOR CORPORATION

<u>Date</u>	<u>To Whom</u>	<u>Purpose</u>	<u>Amount</u>
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None

