

Privacy Act Statement. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, dissemination report, copy of political propaganda or other document or information filed with the Attorney General under this act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, D.C. One copy is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of such documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. Finally, the Attorney General transmits an annual report to the Congress on the Administration of the Act which lists the names of all agents and the nature, sources and content of the political propaganda disseminated or distributed by them. This report is available to the public.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .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, D.C. 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 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 Capital Services of Washington, Inc. 1802 T Street, N.W. Washington, D.C. 20009	2. Registration No. 4175
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3. Name of foreign principal Alliance of Free Democrats (Szabad Demokraták Szövetsége-SDS)	4. Principal address of foreign principal 1092 Budapest Raday U.23 1450 Budapest P.F.50
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5. Indicate whether your foreign principal is one of the following type:

- Foreign government
- Foreign political party
- Foreign or domestic organization: If either, check one of the following:
 - Partnership
 - Corporation
 - Association
 - Committee
 - Voluntary group
 - Other (specify) _____
- Individual—State his nationality _____

6. If the foreign principal is a foreign government, state:

- a) Branch or agency represented by the registrant.
- b) Name and title of official with whom registrant deals.

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

- a) Principal address
1092 Budapest Raday - U.23
1450 Budapest P.F.50 Hungary
- b) Name and title of official with whom registrant deals.
- c) Principal aim
March 25, 1990 elections in Hungary

Magyar Balint
Campaign Manager

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

b) Is this foreign principal

Owned by a foreign government, foreign political party, or other foreign principal Yes No

Directed by a foreign government, foreign political party, or other foreign principal Yes No

Controlled by a foreign government, foreign political party, or other foreign principal Yes No

Financed by a foreign government, foreign political party, or other foreign principal Yes No

Subsidized in whole by a foreign government, foreign political party, or other foreign principal Yes No

Subsidized in part by a foreign government, foreign political party, or other foreign principal Yes No

9. Explain fully all items answered "Yes" in Item 8(b). *(If additional space is needed, a full insert page may be used.)*

10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

Date of Exhibit A

2/12/98

Name and Title

CECILIA CIEPIELA, ^{NEOT}
EXEC

Signature

Cecilia Ciepiela

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in triplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

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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.

Name of Registrant

Name of Foreign Principal

Capital Services of Washington, Inc.

Alliance of Free Democrats
(Szabad Demokraták Szövetsége SDS)

Check Appropriate Boxes:

- 1. The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach three copies of the contract to this exhibit.
- 2. There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach three copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
- 3. The agreement or understanding between the registrant and the foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.

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

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

Registrant will engage in the following activities on behalf of foreign principal:

1. Dissemination of information to the U.S. print and electronic media
2. Conversion of videotapes from Hungary for distribution to networks in the U.S.
3. Assistance in fundraising event(s)

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?¹
Yes No

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

Registrant's political activities will be limited.

Registrant may distribute above-referenced information to U.S. public or officials to inform them of foreign principals election activities.

Date of Exhibit B

3/12/90

Name and Title

CECILIA CIEPIELA
ACCOUNT EXECUTIVE

Signature

Cecilia Ciepiela

¹Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

SZABAD DEMOKRATÁK SZÖVETSÉGE

1092 Budapest Ráday u.23
1450 Budapest Pf. 50.

Telefon: 118-77-33, 118-47-88
Telefax: 118-79-44



TO: CSI

JOHN RENDON

FROM: TIBOR VIDÓS

February 7, 1990

To whom it may concern:

The purpose of this letter is to authorize Capital Services of Washington Inc. to act as agent for the Alliance of Free Democrats. Capital Services is providing assistance to the Alliance of Free Democrats in conjunction with the Hungarian elections scheduled for March 25, 1990. This assistance and the services that will be provided have been defined by the campaign manager and board of directors.

Should you have any questions please feel free to contact me.

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CRIMINAL DIVISION
Campaign Manager
Alliance of Free Democrats