

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 <b>Deutsche Aerospace Washington, Inc. 1350 I Street, N.W., Suite 800 Washington, D.C. 20005-3305</b>	2. Registration No. <b>4719</b>
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3. Name of foreign principal <b>Deutsche Aerospace AG</b>	4. Principal address of foreign principal <b>Leopoldstrasse 175 8000 Munich 40 Federal Republic of Germany</b>
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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:

**Not applicable**

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

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

**Not applicable**

- a) Principal address
- b) Name and title of official with whom registrant deals.
- c) Principal aim

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U.S. DEPARTMENT OF JUSTICE

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

**Deutsche Aerospace AG, a subsidiary of Daimler-Benz AG, is engaged in commercial activities worldwide. Its activities are organized among the following four groups: Aircraft, Space Systems, Defense and Civil Applications, and Propulsion Systems.**

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.)

8 b - As of July 15, 1992, the Federal German State of Bavaria held a 8.58% interest in Deutsche Aerospace AG. The Federal German State of Hamburg held a 5.99% interest in Deutsche Aerospace AG. The role of both states is purely advisory; the States are not permitted to participate in company management or policy determination.

**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, D.C. 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

Name of Registrant <b>Deutsche Aerospace Washington, Inc.</b>	Name of Foreign Principal <b>Deutsche Aerospace AG</b>
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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.

**Deutsche Aerospace Washington, Inc. has established an office at the address indicated in the Registration Statement, at which it will perform the activities described in detail in the attached Agreement with Deutsche Aerospace AG.**

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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.

**The activities in which the registrant proposes to engage on behalf of Deutsche Aerospace AG are described fully in the attached Agreement.**

6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?<sup>1</sup>  
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.

**It is possible that the registrant may engage in certain activities which arguably may fall within the definition of "political activities" set out in Section 1(o) of the Act. While it is not possible to predict the precise nature of these activities, all such activities will occur in furtherance of the registrant's commercial interests. Accordingly, such activities, if undertaken, will be confined principally to economic, trade and tax issues.**

Date of Exhibit B	Name and Title	Signature
	<b>Dr. Manfred Hollstein President</b>	

<sup>1</sup>Political 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.

## AGREEMENT

Agreement effective as of the 3rd day of March, 1992, by and between Deutsche Aerospace AG, a corporation organized and existing under the laws of the Federal Republic of Germany and having its principal place of business at Munich, Germany (hereinafter referred to as "the Client"), and Deutsche Aerospace Washington, Inc., a corporation organized and existing under the laws of the State of Delaware and having its principal place of business at the District of Columbia, U.S.A. (hereinafter referred to as "the Company").

### WITNESSETH:

WHEREAS, the Client is a company engaged in the manufacture and distribution of various aerospace and other products and the rendering of services in the Federal Republic of Germany and in other countries, and

WHEREAS, the Client desires that the Company provide certain representative services in the United States to the Client and the Company desires to provide such services, subject to the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto hereby agree as follows:

1. The Company agrees that to the best of its abilities and in close consultation with the Client, it will perform, with its own personnel, the following tasks and services during the term of this Agreement:
  - a. Promote and maintain in the United States a positive and consistent image of technological leadership of the Client and its affiliates.
  - b. On a regular basis and as promptly as possible, inform the Client regarding legal and political developments in the United States which could affect the Client and its affiliates.
  - c. Advocate before appropriate federal legislative bodies the general economic, trade and tax interests and concerns of the Client and its affiliates and assist the Client and its affiliates, as requested, in their dealings with said bodies regarding the formation and adoption of laws and regulations.

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- d. Report the existence of economic opportunities available to the Client and its affiliates in aerospace or other relevant technologies in which the United States government plays an important role.
  - e. Coordinate, consult and cooperate with the activities of the Client's and its affiliates' representatives, if any, in the United States regarding the activities described herein to insure that the Client's public affairs in the United States continue to be served in a uniform, consistent and professional manner.
2.
    - a. This Agreement shall not create a relationship of principal and agent between the Client and the Company in the performance of the foregoing activities.
    - b. The Company and its officers, directors, and employees shall have no power or authority to bind the Client or its affiliates or to negotiate or conclude contracts on behalf of or in the name of the Client or its affiliates, or to impose any liability or obligation to third parties upon the Client or its affiliates.
3. In consideration of the services to be rendered by the Company hereunder, and of its undertaking to make them available to the Client during the term of this Agreement, the Client shall pay to the Company a fee equal to the sum of the following amounts:
    - a. the direct costs and deductions incurred by the Company with respect to such services, including, without limitation, costs or deductions for compensation, bonuses, and travel expenses attributable to employees directly engaged in performing such services, costs or deductions for material and supplies directly consumed in rendering such services, and other costs specifically identified with such services;
    - b. the indirect costs and deductions incurred by the Company with respect to such services, including (i) costs or deductions with respect to the utilities, occupancy, supervisory and clerical compensation, and other overhead costs and deductions of the Company in connection with the direct costs or deductions referred to in Section 3 a, and (ii) an appropriate share of the costs or deductions relating to applicable general and administrative expenses reasonably allocable to a particular service or activity, including, without limitation, depreciation, rent, property taxes, other costs of occupancy and other overhead costs; provided, however, that such



indirect costs and deductions shall not include (i) interest expense on indebtedness not incurred specifically for the benefit of the Client or its affiliates or (ii) expenses of compliance with regulations or policies imposed upon the Company by governmental authority which are not directly related to the services contemplated under this Agreement; plus

- c. an additional amount equal to ten percent (10 %) of the sum of the costs and deductions set forth in Section 3 a and b hereof.
4. In the event that the Company shall, at the request of the Client, perform services other than those provided for under this Agreement, the amount and nature of the compensation to be paid by the Client to the Company for such services shall be determined in each instance by mutual agreement of the parties.
5. The Company shall submit to the Client quarterly statements setting forth its activities in carrying out its obligations under this Agreement.
6. The termination of any one or more of the services enumerated in paragraph 1 hereof or the termination of this Agreement shall not affect the provisions of Sections 3 and 4 hereof, or affect or terminate any right or claim of the Company for compensation or reimbursement under the provisions of Sections 3 and 4 hereof for services rendered prior to such termination.
7. In the event of a dispute between the parties with respect to computations required to be made under this Agreement, the Client and the Company shall appoint an internationally recognized independent public accounting firm satisfactory to both the Client and the Company (the "Neutral Accountants"). The Neutral Accountants shall act as experts and not as arbitrators, and their determination shall be final, binding and conclusive as between the Client and the Company, absent fraud or manifest error. The fees of the Neutral Accountants in connection with any determination made under this Agreement shall be apportioned between the Client and the Company as part of the determination of the relevant dispute or controversy, in such manner as the accountants making such determination shall deem equitable.
8. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns, but may not be assigned by either party without the prior written consent of the other.

X

9. This Agreement shall not be changed, modified or discharged in whole or in part except by an instrument in writing signed by both parties hereto, or their respective successors or assigns, or otherwise as provided herein.
10. Any notice, report or other communication required or permitted to be given hereunder shall be in writing unless some other method of giving such notice, report or other communication is accepted by the party to whom it is given at the following address:

To the Client:

Deutsche Aerospace AG  
Leopoldstrasse 175  
8000 Munich 40  
Federal Republic of Germany

Attention: Eckhart Ramthun  
SVP External Relations

To the Company:

Deutsche Aerospace Washington, Inc.  
Suite 420  
1155 Connecticut Avenue, N.W.  
Washington, D.C. 20036

Attention: Jürgen Bach  
President.

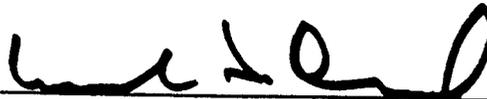
Either party may at any time give notice in writing to the other party of a change of its address for the purpose of this Section 10.

11. The provisions of this Agreement shall be governed by and construed in accordance with the laws of the District of Columbia without regard to the conflict of laws provisions thereof.
12. This Agreement shall continue in effect for a period of one year beginning as of the 3rd day of March, 1992, and shall be automatically renewed for successive calendar year periods unless either party shall give written notice of termination not less than thirty (30) calendar days before the beginning of any renewal period.



IN WITNESS WHEREOF, each of the undersigned parties has caused this Agreement to be executed by its duly authorized corporate officer as of the date and year first above written.

DEUTSCHE AEROSPACE AG

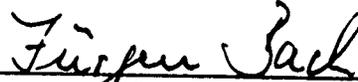
By:   
Name: Karl J. Dersch  
Title: Member of the Board  
of Management

\_\_\_\_\_  
Date

By:   
Name: Eckart Ramthun  
Title: Senior Vice President  
External Relations

20.3.92  
Date

DEUTSCHE AEROSPACE WASHINGTON, INC.

By:   
Name: Jürgen Bach  
Title: President

20/3/92  
Date