

MAR 14 11 01 AM '71 REGISTRATION UNIT CRIMINAL DIVISION

EXHIBIT A TO REGISTRATION STATEMENT

Under the Foreign Agents Registration Act of 1938, as amended

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 Modern Talking Picture Service, Inc., 45 Rockefeller Plaza, New York, New York 10020	2. Registration No. 1803
3. Name of foreign principal Israel Consulate	4. Principal address of foreign principal -

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  Committee
  - Corporation  Voluntary group
  - Association  Other (specify) \_\_\_\_\_
- Individual - State his nationality \_\_\_\_\_

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

- a) Branch or agency represented by the registrant. 800 Second Avenue, New York, NY
- b) Name and title of official with whom registrant deals. Beverly Siegel and Yaakov Levy

7. If the foreign principal is a foreign political party, state: Not applicable

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

8. If the foreign principal is not a foreign government or a foreign political party, **Not applicable**

- 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.)

Not applicable

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.

Not applicable

Date of Exhibit A March 9, 1977	Name and Title Jack Lusk, Vice President	Signature <i>Jack Lusk</i>
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RECEIVED  
MAR 14 11 01 AM '77  
DEPARTMENT OF JUSTICEUNITED STATES DEPARTMENT OF JUSTICE  
Washington, D.C. 20530REGISTRATION UNIT  
CRIMINAL DIVISION

## EXHIBIT B

TO REGISTRATION STATEMENT  
Under the Foreign Agents Registration Act  
of 1938, as amended

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 duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Name of Registrant	Name of Foreign Principal
Modern Talking Picture Service, Inc.	Israel Consulate

Check Appropriate Boxes:

- The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.
  - 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 two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
  - The agreement or understanding between the registrant and 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.

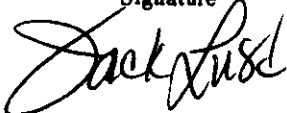
Effective 2/18/77 Modern commenced distribution of 50 prints each of 2 titles of 16mm sound color films: "Jerusalem Lives" and "Robert MacNeil Report With Golda Meir" to non-theatrical groups in the U.S. at a charge of \$4.50/booking for first 100 bookings certified each month and \$3.85/booking for each booking thereafter - budget \$5,000 each film per year; and 25 prints of one title - "Every Drop Counts" distributed to TV Broadcast stations in the U.S. at a charge of \$25/booking and \$12.50 to CATV Systems, less a discount of 10% on all bookings after a quantity of 10 billed per month - no budget established. (Synopses attached)

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

Registrant renders services in the distribution of this foreign principal's films, or any films they may wish to have Modern distribute, to non-theatrical groups and television stations in the U. S., which services include shipping, inspection, cleaning, repairs of the films, promotion and monthly reporting of bookings.

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.

Date of Exhibit B	Name and Title	Signature
March 9, 1977	Jack Lusk, Vice President	

<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.



# Modern Talking Picture Service

2/22  
RECEIVED  
DEPARTMENT OF JUSTICE  
MAR 14 11 01 AM '77  
FEDERAL BUREAU OF INVESTIGATION  
CRIMINAL DIVISION

February 17, 1977

Israel Consulate  
800 Second Avenue  
New York, New York

Attention: Mr. Yaakov Levy

Gentlemen:

In connection with our arranging for showings of your films, "Jerusalem Lives", "Every Drop Counts", "Robert MacNeil Report with Golda Meir" and all films you may wish to place with us for distribution in the future, we propose the following terms, which together with the provisions itemized on Page 3, shall constitute the entire agreement between us.

We shall arrange for showings by general 16mm audiences (consisting of community groups, clubs, schools and resorts) and television stations.

Showings will be limited to audiences in the United States.

We will furnish at our expense promotional materials for our use in announcing the films and for securing arrangements for their showing, copy for which we will submit to you for prior approval.

We will send you an advance notice of each booking. It is understood that we may arrange desirable bookings on short notice that will not allow actual delivery of the advance notice before the playdate.

For each of the bookings we make and serve under this agreement to general audiences, we will invoice you at the rate of \$4.50 per booking for the first 100 bookings certified each month and \$3.85 per booking for each booking thereafter, plus postage.

For each television booking we secure we will charge \$25.00 per completed booking to broadcast TV stations, and \$12.50 to CATV systems, less a discount of 10% on all bookings after a quantity of 10 is billed in one month.



# Modern Talking Picture Service

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It is agreed that you will supply us initially with 50 16mm prints of each of the films for community groups and 25 16mm prints of the film for television.

The terms of this agreement will be for a period of one year from receipt of prints, after which it may be terminated by either party by 60 days written notice to the other, in accordance with the conditions outlined on Page 3.

If the foregoing meets with your approval, kindly sign a copy of this agreement below the word "accepted" and return it to us. It will then constitute the agreement between us.

C

Very truly yours,

MODERN TALKING PICTURE SERVICE, INC.

O

By Gordon K. Reynolds  
Gordon K. Reynolds, Account Executive

P

By Jack Lusk  
Jack Lusk, Vice President

Y

ACCEPTED:

\_\_\_\_\_

Title

## GENERAL TERMS

**PRINTS:** Prints placed with us shall be supplied FOB our various offices serving the territory within which the prints are to be circulated. Prints may be supplied to a single office for forwarding at a charge of 50¢ per print plus transportation cost. Prints shall include any media, now in existence, or devised in the future, for the storage and subsequent exhibition of sound moving pictures, including but not limited to photographic film, magnetic tape, disk, etc., and your permission is granted to us to transfer, or cause to be transferred at our expense, and at our option, complete copies of photographic prints to such other media. Distribution and exhibition of such copies will be under the same terms as those governing the distribution and exhibition of photographic prints.

**PRINT SHIPMENT:** We will ship prints in time to accommodate scheduled bookings. Returned prints will be inspected, cleaned and minor repairs made as necessary. Booking schedules are based on our best knowledge of required print shipping times and on the assumption that borrowers will return prints promptly.

**SHOWING REPORTS:** We will obtain reports from the organizations which show the prints. These showing reports will be consolidated into a monthly summary report and sent to you together with a statement of shipments scheduled for future dates and shipments made but not yet reported.

**PRINT REPAIR:** If, during inspection, we find that prints have become worn or damaged so that they will no longer provide satisfactory showings, we will discard those prints. Any other disposition of damaged prints will be at your instruction, and you will reimburse us our out-of-pocket cost for such disposition. Damaged prints stored at your instruction will be subject to a monthly charge of \$0.25 each. We will store and apply without additional charge replacement prints and standard opening and closing sections supplied by you. We will submit quarterly reports of print inventory status and replacement needs.

**CASES/REELS:** When the shipping cases and reels provided with your prints become damaged or worn so that they no longer properly protect your prints, we will supply replacement cases and reels and will bill you at their current list price. At your option, you may supply cases and there will be a handling and storage charge of \$1.00 for each case provided by you and applied by us. Invoices for cases supplied by us will be submitted quarterly, and will cover cases supplied during the calendar quarter to the date of the invoice.

**LIABILITY:** Prints, except copies made at our expense, remain your property. We will be responsible for them during the time they are in our possession and while in transportation originated by us; we will not be responsible for damage or loss by exhibitors or during transportation originated by them.

It is agreed that prints depreciate through normal usage and that for the purpose of insurance or liability these prints will be valued at original cost depreciated at the rate of 30% a year for the first three years, and 10% in the fourth year.

Neither of us shall be liable for loss of prints through or occasioned by an Act of God or the public enemy or by riot, fire, insurrection, strikes, flooding, labor disturbances or by the failure of any transportation company or agency.

**TAXES:** In the event that Federal, State or Local statutes impose taxation on us because of our possession of your property, we will have the right to invoice you the net sums of any such taxes paid by us on your property.

**ADVERTISING:** In connection with advertising, publicity and promotion relating to the showing of your motion picture, we may use such expressions as "A Modern Talking Picture Service Program" or other similar expressions.

**PAYMENT:** You will pay our invoices for services and materials within thirty (30) days of receipt. Minimum service charges are based on calendar quarters (i.e. January-March, etc.) and an adjustment will appear on the first invoice of the following quarter if necessary. (Minimum service charges apply to all films of a single sponsor, not to each film individually). No minimum charge will be made for a quarter during which service commences nor the quarter next following, nor for the quarter during which service terminates.

**TERMINATION  
& CANCELLATION:**

It is understood that booking commitments will be made as much as eleven months ahead of scheduled showing dates.

It is further understood that all booking commitments which have been confirmed to film exhibitors at the time you indicate your intention to terminate distribution of a film, and within seven days thereafter, will be honored and served by us and paid for by you at the full booking rates agreed to herein, under your choice of one of the following options:

**Option A** - We will continue to serve scheduled bookings, collect show report cards from exhibitors, and submit monthly certification reports and invoices until all bookings are reported or until 18 calendar months after receipt of your notice of termination, whichever occurs first.

**Option B** - For one calendar month following receipt of your termination notice we will collect show report cards from exhibitors and we will submit our invoice, at regular rates quoted herein, for 85% of all bookings scheduled for dates later than in the month during which your termination notice is received, and for 50% of all other bookings which have not previously been reported and invoiced to you. We shall continue to serve scheduled bookings but we shall be under no obligation to furnish further reports to you and you shall have no further liability with respect to such bookings, other than for extra charges incurred by us at your specific direction.

**Option C** - Should you find it necessary to have us cancel confirmed bookings for any reason, including withdrawal of scheduled prints at your order, it is agreed that you shall pay us \$2.00 for each booking so cancelled to cover cost of original order processing, except that if you provide an alternate film, to be used in place of the cancelled film, this charge will not apply. This shall not affect your liability for bookings already served up to the time of cancellation; you may elect Option A or B, for payment for such bookings.

Prints of terminated films will be returned to you within 90 days of the time they are no longer needed to serve scheduled bookings (under Option C this would be 90 days from the date of cancellation, under Options A & B the timing would depend on the volume of commitments on hand) unless you direct otherwise. Copies made at our expense and at our option will be destroyed, erased, or otherwise rendered unusable at no cost to you. Prints not returned to you or otherwise disposed of at your direction 90 days after they are no longer needed to serve scheduled bookings will be stored at a cost to you of \$0.25 per print per month. You will reimburse us for any costs we incur in following your disposition instructions.

We will use our best efforts to submit invoices for cases, extra delivery and miscellaneous charges incurred for discontinued films in a timely manner, however, it is understood that such charges may be invoiced to you as late as the end of the calendar quarter during which a film terminates.

Collateral material associated with terminated programs will be stored at a cost to you of \$0.50 per square foot of warehouse space per month.

**INDEMNIFICATION:**

You shall, at your own cost, indemnify, defend and hold us and our licensees booking and showing your motion picture harmless from any claim or demand which may be made or asserted against us or said licensees by reason of any claim of violation or infringement of the trademark, tradename, copyright, literary, artistic, dramatic, personal, private, civic or property right, or the right of privacy of any individual, firm, corporation or association; and we shall have the right to participate in the defense of any action or actions brought in connection therewith. Neither of us shall be liable for any act, delay or omission occasioned by an Act of God or the public enemy, or by riot, insurrection, strikes, labor disturbances, or by any failure or delay by any transportation company or agency for any act, delay or omission not due to the personal negligence of either of us.

**FOREIGN  
DISTRIBUTION:**

Prices quoted for distribution outside the United States will be in the currency of the countries within which service is provided. Payment may be made in U.S. funds at the currency exchange rates in effect at the time of each payment.



Synopses of Israel Consulate's films:

JERUSALEM LIVES

Jerusalem, the most unique city in the world is like a kaleidoscope-always changing. One must go back 2,000 years and travel 50 meters down to discover who shaped Jerusalem. The uniqueness, complexities, and exotic qualities of the city are explored in this beautifully photographed film. Family life and experiences of everyday living are also highlighted.

ROBERT MAC NEIL REPORT WITH GOLDA MEIR

This film affords the viewer a unique opportunity of seeing Golda Meir, past Prime Minister of Israel, and hearing her discuss issues such as: the PLO, Israel's desire for peace, and American Israeli relations.

EVERY DROP COUNTS

A documentary film presenting a brief description of the water problem in Israel: the lack of water for developing the country especially in the south. The film accentuates the innovations in finding solutions like the "National Water Carrier" and the local all-automatic computer controlled watering system.

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