

EXHIBIT A

TO REGISTRATION STATEMENT

Under the Foreign Agents Registration Act of 1938, as amended

RECEIVED
INTERNAL SECURITY
CRIMINAL DIVISION
OCT 25 1971

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 DGA International, Inc. 1225 Nineteenth Street, N.W., Washington, D.C. 20036		2. Registration No. 2621
3. Name of foreign principal Societe MTE	4. Principal address of foreign principal 32 Quai National 92806 Puteaux, FRANCE	

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.
- b) Name and title of official with whom registrant deals.

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

- 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,

- a) State the nature of the business or activity of this foreign principal

Design and construction of transit equipment

TERMINATED
DATE 8-19-77

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

***not to the knowledge of registrant**

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.

Societe Jeumont - Schneider (both publicly held corporations)
Societe Creusot - Loire

Date of Exhibit A	Name and Title	Signature <i>David B. G.</i>
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UNITED STATES DEPARTMENT OF JUSTICE
Washington, D.C. 20530

EXHIBIT B

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

RECEIVED
MAR 22 2 25 PM '76
RECORDS & COMM. UNIT
INTERNAL SECURITY
SECTION
ORIGINAL DIVISION

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
DGA International, Inc. 1225 19th Street, N.W. Washington, D.C. 20036	Societe MTE

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.

Normal sales activity to sell or license transit equipment in the U.S.

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

Assisting principal in:

1. Sale of locomotive
2. Licensing of linear motors and linear brakes
3. Sale or license of Bogie design
Sale or license of Regenerative Braking System
4. Sale or license of transit car propulsion system
5. Sale of rail passenger car parts
6. Exploration of market for light railcars
7. Exploration of market for complete high speed trains

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.

No such activities have been conducted or now contemplated. However, with respect to Item 7 in question 5 above, it may become necessary or desirable to support legislatively or with the Department of Transportation a federally funded program to upgrade track beds in the United States to accommodate high speed trains.

Date of Exhibit B	Name and Title	Signature
		<i>David B. G.</i>

^{1/} 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.

24 December 1969

REC'D
INTERNAL SECURITY
SECTION
CRIMINAL DIVISION

APR 22 2 25 PM '70

APR 22 2 25 PM '70

Mr. Philippe Boulen
Directeur General
Societe Jeumont-Schneider
5, Place de Rio de Janeiro
75 Paris (8e), France

Dear Mr. Boulen:

I thank you for the splendid and very agreeable lunch with you; Mr. Jullien and Mr. Devin last week. I am also grateful to Mr. Jullien and Mr. Devin for having devoted the better part of their weekend keeping my colleague, Tom Scambos, stimulated and occupied professionally and socially.

It is not clear to me whether this letter should be addressed to you or to Mr. Jullien and I have resolved the uncertainty by taking the liberty of communicating it through Mr. Devin with the request that he transmit it to whoever is the appropriate recipient.

As I think you know, we have developed in DGA International capabilities which I believe match the requirements that MTE has. Much of our work has been in the ground transportation equipment marketing. We have worked with the Rohr Corporation in assisting them to penetrate the transit car market here in the U. S. They have now done so, having recently won the contract to produce the 250 cars required for the new BART system in San Francisco. We like to think we were instrumental in helping Rohr to win that contract. In addition, as you know, we have worked successfully on behalf of Aerotrain in effecting an alliance with Rohr; we have reason to believe that this alliance will produce in the very near future a major procurement contract from the U. S. Department of Transportation for an operational Aerotrain system.

Much of our success has been due to DGA International personnel who have broad experience in ground transportation systems. Among them is Mr. Charles Carroll, a Vice President of DGA International, who was formerly Special Assistant to the Administrator of the Urban Mass Transportation Administration in the Department of Transportation.

Another staff member who will join DGA International on December 31, 1969, Mr. Thomas Floyd, was formerly Director of Advanced Research and Development within that same Administration. These two men have developed over the years an understanding of ground transportation markets and technologies and have established personal and professional relationships within the field that are of great value. Finally, Mr. Scambos has, since leaving the Navy as Program Manager of the F-111B program, become something of an expert on linear motor development in the U. S. In summary, given the activities in which we have been engaged and the personnel that we have, we are quite confident of our ability to be of assistance to MTE.

We have in DGA given a good deal of thought to the question of how MTE's interest could be advanced in the United States and I confess that we have developed some considerable enthusiasm at the prospect that we might be of assistance to MTE.

There are many formulas which could govern the relationship between MTE and DGA, and I am confident that we can arrive at a mutually agreeable one. It is our experience that when two parties conclude an exclusive relationship with each other, each must share in the rewards as well as the risks -- not only financial but also those associated with wedding oneself to an exclusive relationship. The relationship which we favor is one in which each party takes certain risks in anticipation of the success which one relationship would produce. On our part this would entail the establishment of time charges below our normal rate for straight consulting work, and the consideration of those charges as an advance against future contingent entitlements (commissions and the like). For MTE a relationship with us would be predicated upon the assumption that DGA International will share in the rewards of joint MTE/DGA efforts.

Consistent with this approach, we would propose that the following elements govern the MTE/DGA relationship:

1. On the basis of our experience in the transportation field, we see a potential market in the United States for MTE-designed products in at least three areas, to wit: locomotives, linear motors and brakes, and bogies. We propose that DGA International undertake a systematic study of the U. S. market opportunities for MTE, describe a set of reasonable goals, conceive a marketing strategy and help MTE execute a campaign to penetrate the U. S. market. Success penetration might very well require two years of effort, and you should realize this in advance.

2. Hourly time charges would be calculated at the rate of \$50/hour with a minimum monthly retainer of \$3,000 payable quarterly. We would not foresee the need to exceed this minimum during the first six months, unless we enter a period of contract negotiations sooner than expected.
3. ^{2,667} The \$3,000 retainer could be terminated at any time after six months on ninety days advance notice.
4. All time charges paid to DGA International would be paid, on a cumulative basis, as an advance against contingent income as described below. DGA International would receive the following contingent entitlements in connection with U.S. transactions on which it has worked:
 - a) On direct MTE sales to American customers
8 percent commission on sales revenue to MTE for hardware, engineering, software and other technical assistance.
 - b) On MTE license sales
13 percent of all royalties and cash for licenses paid to MTE.
 - c) On U.S. ventures in which MTE takes an equity interest
A share of any equity interest MTE obtains in the U.S. as a partner with an American company, DGA's share would not be less than 10 percent of MTE's interest and could be higher depending upon the amount of speculative marketing effort DGA would contribute as a stockholder to the venture.
5. Time charges paid DGA would be considered an advance against DGA entitlement under paragraphs 4(a) and 4(b) and against its share of profits derived by MTE under paragraph 4(c).

6. DGA International would bill MTE quarterly in advance for its minimum fee and monthly for reimbursement of actual out-of-pocket expenses directly attributable to and in MTE's interest. These would include long-distance travel, telecommunications, business dinners or lunches, but would not include DGA International personnel costs or general overhead. Billing for time charges in excess of the minimum would be made on the next statement.

Please let me know if the above meets with your approval. If so, we would be prepared to begin work thirty days after receipt of your letter of acceptance.

Sincerely,

Donald G. Agger
President

sef

25 February 1970

Mr. H. Jullien
Directeur General
Societe MTE
27, rue de la Michodiere
75 Paris (2e), France

Dear Mr. Jullien:

I was really very touched that you, Mr. Helynck and Mr. Vogelweith would be willing to encumber your private lives so that we could have dinner together last week. Mme. Jullien and Mme. Vogelweith were indeed very gracious and tolerant. In any event, I enjoyed myself thoroughly, but I am left with one burning question. How did you manage to convince your mother-in-law to live in Bombay?

Given the evident limitations in my French language capabilities, with the attendant high risk of misunderstanding some aspect of our last conversation, I thought it would be helpful if I recorded my recollection of what we have agreed upon.

1. We will not effect the six-month minimum commitment described in my letter of 24 December until you are able to develop some positive conviction about the nature, scope and probabilities of the U.S. market opportunity. However, the relationship between us will begin 1 March for a period of three months. During that time we will, among other things, prepare and organize for you a trip to the United States in May aimed at enabling you to reach a solid judgment on the U.S. market potential for MTE technology and equipment. In particular, we will orient your trip and our early efforts around three main elements:

- the possibility of securing financial support or sales orders for development of the 6000 h.p. locomotive;
- the potential for high-speed inter-city bogies;
- the potential for metro-type bogies.

While the idea of direct sales is not to be excluded, the primary focus will be on the identification and conceptualization of possible relationships with U.S. industrial partners.

2. During this three month period, the compensation formula described in my previous letter will apply except that the percentages indicated in paragraph 4 will be modified as follows:

- On MTE sales (paragraph 4a) DGA will receive 6 per cent on the first \$3 million, 4 per cent on sales from \$3 to \$4 million and 3 per cent on sales over \$4 million;
- On MTE royalties and cash (paragraph 4b) and interest in American ventures received in lieu of royalties or cash for licensing (paragraph 4c), DGA will receive 10 per cent of the consideration received by MTE.

I look forward to receiving the documentation you promised to send. We will begin our preliminary work immediately, but the effort in earnest cannot begin until the documentation is received.

Sincerely,

Donald G. Agger
President

22 September 1970

Mr. H. Jullien
Directeur General
Societe MTE
27, rue de la Michodiere
75 Paris (2e), France

Dear Mr. Jullien:

1. As proposed in my letter to you dated 22 July, I am writing to you to confirm our understanding of the future relationship between MTE and DGA as we discussed it at the Princeton Club in New York.
2. In our meeting, we agreed that the MTE/DGA relationship would be continued along the lines of our initial relationship, as defined by my letters of 24 December 1969 and 25 February 1970, and Mr. Helynck's letter of 11 March 1970, that is, \$3,000 minimum monthly fee; additional necessary time charges at \$50 per hour; time charges credited as advances against commissions; and relationship terminable by either party upon ninety days advance, written notice. At the same time, we should agree on two relatively self-evident clarifications which, I believe, are in MTE's interests.
 - 2.1. DGA is representing MTE's interests with Hawker-Siddeley Canada Ltd and MLW-Worthington Ltd. To ensure that MTE's interests in Canada are advanced in a coordinated manner, we will expand the territory covered by DGA to include Canada as well as the United States.
 - 2.2. Under present arrangements, all time charges paid by MTE to DGA since 1 March 1970 to the date of any contract or order giving rise to commissions to DGA will be applied as credits against the commissions due DGA. In MTE's interests this arrangement should be extended by providing that any such credits not fully utilized will be carried over to be credited in the same manner against the next commissionable transaction.

Page 2

Mr. H. Jullien

22 September 1970

3. I believe, and hope you are in accord, that the above reflects accurately the letter and spirit of our discussions and that it provides the basis for a continuing and fruitful relationship between our organizations.

Yours sincerely,

Donald G. Agger
President

bcc: J-C Devin

J:mm

SOCIÉTÉ MTE

SOCIÉTÉ ANONYME, CAPITAL 1.030.000 DE FRANCS
R. C. PARIS 54 B 1544

SIÈGE SOCIAL : 27, RUE DE LA MICHODIÈRE - 75 - PARIS (2^e)
TÉL. : 742.63.19 - ADR. TÉLÉGR. : MATRELECT-PARIS - TÉLEX : 21 830 F

N/RÉF.
(à rappeler dans votre réponse)

EG/418/70

V/RÉF.

DGA INTERNATIONAL, Inc.
1225 Nineteenth Street NW,

WASHINGTON, D.C. 20036
(U.S.A.)

PARIS, le 13 Novembre 1970

Dear Mr. AGGER,

In reply to your letter dated September 22, and in followance with our conversations, we confirm our agreement concerning the various points stated in your letter that we outline hereafter :

- 1 - On account of the present contact with MLW-WORTHINGTON Ltd and HAWKER-SIDDELEY Canada Ltd, we agree that you expand the territory covered by DGA to include Canada.
- 2 - We agree to extend the arrangement we have with you i.e. : billing your time charges at \$ 50 per hour, with a minimum of \$ 3.000 per month. This relationship can be terminated by either party upon ninety days written advance notice.
- 3 - All monthly payments effected by the MTE for covering the time charges since March 1, 1970 to the date of a contract, shall be considered as advance payment of the commissions.

.../...

EG/418/70
RH/ML

The commissions are those defined by your letter of February 25, 1970 :

- On sales made directly by the MTE, DGA shall receive :

6 % for the first \$ 3.000 (three million)

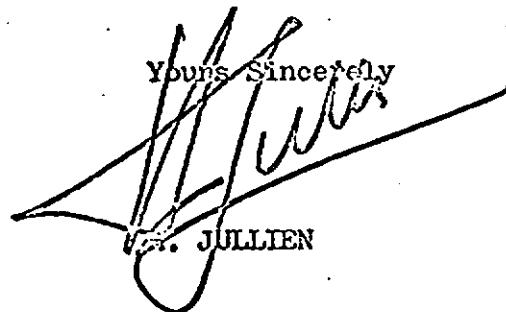
4 % for sales from \$ 3.000 to 4.000

3 % for sales above \$ 4.000 (four million)

- From royalties and payments received by the MTE for licence cession,
DGA shall receive 10 % of the amount received by the MTE.

We hope this work undertaken in collaboration will result in
fruitful business.

Yours Sincerely



J. JULLIEN

SAFE DEPOSIT

17 November 1970

Mr. H. Jullien
Directeur General
Societe MTE
27, rue de la Michodiere
Paris (2e), France

Dear Mr. Jullien:

Thank you for your 13 November letter confirming your agreement with the terms of the relationship between Societe MTE and DGA International, as outlined in my 22 September letter.

You may be assured that we at DGA welcome most enthusiastically the responsibilities attendant with the confidence that you have placed in us. We will continue to devote our best efforts to developing new and profitable business opportunities for MTE.

Yours sincerely,

Donald G. Agger
President

:mp

bcc: Jean-Charles Devlin

File: MTE
MTE/CONTRACTUAL

NOV 19

FOR TRANSLATION

M. Henri Jullien
Directeur Général
Société MTE
32 Quai Narional
92806 Puteaux
FRANCE

Dear M. Jullien:

The purpose of this letter is to confirm the agreements you and Mr. Agger reached on 20 July 1973 relative to certain aspects of the MTE/DGA contractual relationship.

1. Effective 1 August 1973 the hourly rates for professional manpower are changed from \$50/hour and \$40/hour to \$60/hour and \$50/hour. That is, in any month, the first 80 hours will be billed at \$60/hour and any further hours are billed at \$50/hour, instead of the previous \$50 and \$40.

2. If DGA should be involved, at MTE's request, in seeking technology in the United States for use by MTE in Europe, or in any other clearly non-commissionable activities of a major nature, DGA shall receive its regular fees for this effort, but the fees will not be treated as advances against commissions. Invoices covering any such efforts will clearly identify the fees associated with them as such.

A third area covering the question of a possible acquisition by MTE in the United States was discussed, but a decision was not made. It was agreed that Mr. Agger would suggest some suitable solution. We have no precise formula to suggest. We would propose instead to merely state that the principle of commissions would be in effect in such a case. If agreeable to you, we propose, then, that if DGA assists MTE in an acquisition in the United States, then DGA and MTE shall agree upon a commission to DGA consistent with the principles of other DGA commissions under our agreement.

There are so many possible arrangements that could arise that it seems futile to try to address each one in advance. We would be quite satisfied to depend upon good faith on both sides to arrive at a suitable solution within the general guideline given above. We would appreciate receiving your concurrence.

Sincerely,

Charles M. Carroll

eah

January 28, 1975

M. Henri Jullien
Directeur General
Societe MTE
32 Quai National
92806 Puteaux
FRANCE

Dear M. Jullien:

Enclosed are the following invoices:

- o Reimbursable expenses posted during the month of December 1974.
- o Supplementary services in excess of basic services during the months of October, November and December 1974.
- o Basic retainer for services covering the period 1 January through 31 March 1975.

The reimbursable expenses include travel costs for Messrs. Agger and Floyd to assist Messrs. Paris and Bethoux in Montreal on November 26, 1974, relative to the Montreal transit proposal.

The monthly billable hours during October, November and December were as follows:

<u>Period</u>	<u>Basic Services</u>	<u>Supplementary Services</u>	<u>Total</u>
October 1974	60.00	33.55	93.55
November 1974	60.00	9.75	69.75
December 1974	60.00	12.05	72.05
		Total	235.35

M. Henri Jullien
January 28, 1975
Page 2

There were no non-commissionable activities during the fourth quarter of 1974.

Please note the hourly rate increase effective November 1, 1974 (i. e., the first 80 hours are billed at \$65 per hour and any further hours are billed at \$55 per hour).

Sincerely,

Thomas H. Floyd Jr.

sef

Enclosures

April 14, 1976

M. Henri Jullien
Directeur General
Societe MTE
32 Quai National
92806 Puteaux, France

Dear M. Jullien:

For several months, the U.S. Department of Justice and DGA International have been reviewing DGA's client relationships to decide to what degree DGA should register as an agent under the Foreign Agents Registration Act. You may recall that DGA earlier registered with respect to the Concorde airplane. We are pleased that we have been informed by the Justice Department that our activities on behalf of Societe MTE, with one exception, do not require registration as they are considered solely commercial in nature.

The exception concerns the TGV project. The Justice Department has decided that DGA activities on behalf of the TGV could become political in the future, due to the special nature of the TGV and the U.S. Government's involvement in high-speed ground transportation. For this reason, we have had to register for the TGV and, in accordance with the conditions of this law, are prohibited from accepting commission compensation.

Accordingly, we hereby irrevocably and unconditionally renounce our entitlement to contingent compensation on the TGV program, as provided for in the letters of understanding comprising the contractual relationship between DGA and MTE, particularly your letter of November 13, 1970. Our compensation will therefore be solely in the form of fees, with no commission element.

Would you kindly acknowledge the above.

Sincerely,

Thomas H. Floyd Jr.

sef

bc Arthur Mason