

Part I IDENTIFICATION

BEA USE ONLY

TRANSACTIONS OF U.S. BANKING AFFILIATE, WITH FOREIGN PARENT
MANDATORY CONFIDENTIAL QUARTERLY REPORT

MAIL REPORTS TO
U.S. Department of Commerce
Bureau of Economic Analysis
BE-49(Q)
Washington, DC 20230

OR
DELIVER REPORTS TO
U.S. Department of Commerce
Bureau of Economic Analysis, BE-49(Q)
Shipping and Receiving Section, M-100
1441 L Street, NW
Washington, DC 20005

1. Report for quarter ending
 Month: | Day: | Year: | Mark (X) if revised:

1 | | | | | | | | | | | | | | | | | | | | | |

2. Name and mailing address of U.S. affiliate

See General Instructions concerning consolidated reporting by U.S. affiliate.

Public reporting burden for this collection of information is estimated to be 1 hour per response (form). The burden on a U.S. affiliate will vary, however, depending upon the number of foreign parents the U.S. affiliate has. The estimated burden of 1 hour includes 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 burden, to Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230; and to the Office of Management and Budget, Paperwork Reduction Project 0608-0009, Washington, DC 20503.

NOTE - If item 7 is marked, complete only Parts III and IV (to report direct transactions of U.S. affiliate identified in item 2 with the foreign parent), as applicable. (Do not duplicate amounts consolidated in the BE-605 Bank or BE-605 report for the U.S. affiliate identified in item 9.) **If item 8 is marked**, the direct equity interest of the foreign parent in earnings, dividends, and position (in Parts II, V, and VII) of the U.S. affiliate identified in item 2 **must be reported separately** from the indirect equity interest which should be consolidated in the BE-605 Bank or BE-605 report for the U.S. affiliate identified in item 9. (Do not duplicate amounts consolidated in Parts III and IV of the BE-605 Bank or BE-605 report for the U.S. affiliate identified in item 9.)

IMPORTANT - Report items according to U.S. generally accepted accounting principles per books of the U.S. affiliate, **except in Part V**, where items 23-29 are to be reported at transactions value. Read instructions before completing this form. **REPORT ALL AMOUNTS IN THOUSANDS OF U.S. DOLLARS**

3. U.S. affiliate named in item 2 is - Mark (X) one
 a. A U.S. banking affiliate incorporated in the United States 003 1
 b. An unincorporated U.S. banking affiliate, such as a branch or agency of a foreign bank 2
 4. Name of foreign parent of U.S. affiliate (The foreign parent is the first person outside the U.S. which holds the direct investment interest; its ownership in the U.S. affiliate can be direct and/or indirect through another U.S. affiliate.)

Foreign parent named in item 4 holds - Mark (X) one
 6. Only a direct equity interest in the U.S. affiliate (as consolidated) 006 1
 7. Only an indirect equity interest in the U.S. affiliate through another U.S. affiliate (See NOTE at left.) 2
 8. Both a direct and an indirect equity interest in the U.S. affiliate (See NOTE at left.) 3
 9. If either item 7 or 8 is marked, identify below the U.S. affiliate(s) directly owned by the foreign parent named in item 4.

5. Country of foreign parent of U.S. affiliate 005 1

10. BEA USE ONLY 010 1

Part II FOREIGN PARENT'S DIRECT EQUITY IN U.S. AFFILIATE'S

Part IV FOREIGN PARENT'S DEBT INVESTMENT IN U.S. AFFILIATE

• Quarterly income - See Specific Instructions.

	Current quarter			Preceding quarter, if revised		
	Bil.	Mil.	Thou.	Bil.	Mil.	Thou.
11. Net income (loss) after provision for U.S. Federal, State, and local income taxes 011	\$			\$		
12. Certain realized and unrealized gains (losses), net of tax effect:						
a. Included in net income (item 11) 012						
b. Not included in net income (item 11) but taken directly to retained earnings or other equity account, excluding translation adjustment 013						
13. Translation adjustment for the quarter (an equity adjustment) 313						
• Quarterly remittances of earnings						
14. Dividends or distributed earnings - Dividends on common and preferred stock, excluding stock and liquidating dividends, of incorporated U.S. banking affiliate, or distributed earnings of a U.S. banking affiliate that is a branch or agency. (Report reimbursed losses in item 23) 014						
15. U.S. tax withheld on dividends or on distributed earnings of a U.S. banking affiliate that is a branch or agency 016						
16. Net amount of dividends or distributed earnings (item 14 less item 15) 017						

22. Loans from the foreign parent or home office that do not arise from the parent's or affiliate's normal banking business, including "permanent" debt investment - Branches and agencies should include deposits by the home office that may be required by regulatory agencies to offset portions of loan portfolios or maintain liquidity. Any amounts branches and agencies report here should be excluded from amounts reported in Part V or in Part VII, item 44. 124

	End-of-quarter			Beginning-of-quarter		
	Bil.	Mil.	Thou.	Bil.	Mil.	Thou.
1						
2						
3						

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Part III PAYMENTS AND RECEIPTS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT AND BETWEEN U.S. AFFILIATE AND FOREIGN AFFILIATES OF THE FOREIGN PARENT (FAFP)

Part V CHANGE DURING THE QUARTER IN FOREIGN PARENT'S EQUITY IN U.S. AFFILIATE

Enter amounts paid, received, or entered into intercompany accounts (whichever occurred first) during the quarter. Report items 17 through 21 net of any taxes withheld. - See Specific Instructions.

	Credited to foreign parent and FAFP by U.S. affiliate whether or not paid			Credited to U.S. affiliate by foreign parent and FAFP whether or not paid		
	Bil.	Mil.	Thou.	Bil.	Mil.	Thou.
17. Interest on invested debt (item 22) - Do not include interest from other types of loans 018	\$			\$		
18. Royalties, license fees, and other fees for the use or sale of intangible property 019						
19. Charges for the use of tangible property 020						
20. Allocated expenses 022						
21. Sales of services 023						

Report transactions during the quarter by the foreign parent that changed its equity holdings in the U.S. affiliate. REPORT ALL AMOUNTS EXCEPT ITEM 30 AT TRANSACTIONS VALUE, i.e., the value of the consideration given (received) by the foreign parent.

• Transactions between foreign parent and U.S. affiliate - See Specific Instructions.

23. Increase in equity interest - Include reimbursed losses 026

24. Decrease in equity interest 027

• Transactions between foreign parent and a person other than U.S. affiliate - See Specific Instructions.

Acquisition by foreign parent of equity interest in U.S. affiliate from -

25. U.S. persons other than the U.S. affiliate 028

26. All foreign persons 029

Sale by foreign parent of equity interest in U.S. affiliate to -

27. U.S. persons other than the U.S. affiliate 030

28. All foreign persons 031

• Total change during quarter of foreign parent's equity in U.S. affiliate

29. Transactions value - Equals sum of items 23, 25, and 26 minus sum of items 24, 27, and 28 032

30. Book value (approximate) that is equivalent to the transactions value reported in item 29 - See Specific Instructions. 033

Part VI FOREIGN PARENT'S SHARE OF THE CHANGE DURING THE QUARTER IN U.S. AFFILIATE'S LOAN LOSS RESERVE, EXCLUDING LOANS TRANSFERRED TO THE FOREIGN PARENT	Amount		
	Bil.	Mil.	Thou.
<i>Report amounts based on the foreign parent's percentage of equity ownership interest in the U.S. affiliate.</i>			
31. Loan loss reserve – Balance at close of prior quarter	134	\$	1
32. Provision for loan losses – Amount charged to the loan loss reserve account during current quarter	135		1
33. Loan losses – Amount of actual loan losses incurred during current quarter, including direct write-offs	136		1
34. Recovered losses – Amount of actual loan losses recovered during current quarter	137		1
35. Loan loss reserve – Balance at close of current quarter – Sum of items 31, 32, and 34 minus 33	138		1

Part VII ANNUAL INCOME AND EQUITY POSITION – See Specific Instructions.	Month	Day	Year
<i>Complete this section once each year after audit. (Complete no later than the second report following the close of the calendar or fiscal year.)</i>			
36. U.S. affiliate's calendar (or fiscal) year ending date	034		
37. Foreign parent's percentage of equity ownership interest in the U.S. affiliate at end of year – Enter to tenth of one percent.	035		%
Income statement items			
38. Foreign parent's direct equity in U.S. affiliate's annual net income (loss) after provision for U.S. Federal, State, and local income taxes	036	\$	1
39. Foreign parent's share of certain realized and unrealized gains (losses), net of tax effect:			1
a. Included in net income (item 38)	037		
b. Not included in net income (item 38) but taken directly to retained earnings or other equity account, excluding translation adjustment	038		
40. Foreign parent's share of translation adjustment for the year (an equity adjustment)	338		1
Owners' equity items – foreign parent's share			
41. Common and preferred stock and additional paid-in capital – (Incorporated affiliate only)	039		1
42. Retained earnings (deficit)	040		1
43. Other equity accounts, including translation adjustment – Specify	041		1
44. TOTAL – Sum of items 41, 42, and 43 For branches and agencies, enter total equity from home office	042	\$	1
			1
BEA USE ONLY			043

CERTIFICATION OF EXEMPTION – Mark (X) below to indicate reason affiliate is exempt and complete the "Person to Consult" and "Certification" sections below on this form. See "Reporting Requirements" for determining exempt status.

EXEMPT STATUS – Mark (X) one:

1 This U.S. affiliate is exempt because each of the three items listed below is equal to or less than \$20 million (positive or negative). Enter the amount for each of the three items – Data should be for the fully consolidated U.S. business enterprise and for, or as of the end of, the most recent financial year (use projections if annual data are unavailable).

	Bil.	Mil.	Thous.
• Total assets – Do not net out liabilities.	\$		
• Gross operating revenue, excluding sales taxes – Do not give gross margin.	\$		
• Net income (loss) after provision for U.S. income taxes	\$		
• The above data are for the 12-month period ended _____	Month	Day	Year

2 This U.S. affiliate is consolidated, merged, or reorganized into another U.S. affiliate. Complete the following:

• Name of other U.S. affiliate _____	Month	Day	Year
• Date of change in status			

3 This U.S. affiliate is only indirectly foreign owned through another U.S. affiliate, and has no direct transactions or accounts (debt investment balances) with the foreign parent(s) or any of its(their) foreign affiliates. NOTE – If the other U.S. affiliate has a majority interest (greater than 50%) in this U.S. affiliate, this item does not apply. See item 2. Also, this item does not apply to the separate banking and nonbanking activities of a bank holding company because both activities are treated as directly foreign owned.

4 In a prior quarter, the foreign parent's voting interest in this U.S. business enterprise was either (a) sold to a U.S. person that is not a U.S. affiliate, (b) liquidated, or (c) diluted, so that the foreign parent's voting interest is below 10%. Complete the following:

	Month	Day	Year
• Date sold, liquidated, or diluted			
• Approximate sale or liquidation value – If this amount was not reported in Part V of a prior quarter's Form BE-605 Bank, fill in Part V on page 1 of this form.	Bil.	Mil.	Thous.
	\$		

• If sold, name of other U.S. person(s) to whom sold _____
• If diluted, use "Other" space below to explain

5 Other – Specify and include reference to section of regulations or instructions on which claim is based.

PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT – Enter name and address				CERTIFICATION – The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with the Instructions, estimates have been provided where data are not available from customary accounting records or precise data could not be obtained without undue burden.			
				Authorized official's signature			
U.S. Telephone number →	Area code	Number	Extension	Print or type name and title			Date

TRANSACTIONS OF U.S. BANKING AFFILIATE WITH FOREIGN PARENT

Purpose – Reports on this form are required in order to provide reliable and up-to-date information on foreign direct investment in the United States for inclusion in the U.S. balance of payments and the national income and product accounts.

Authority – Reports on Form BE-605 Bank are mandatory under Section 5(b)(2) of the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108 as amended, hereinafter, "the Act"). In Section 3 of Executive Order 11961, the President designated the Department of Commerce as the Federal executive agency responsible for collecting the required data on direct investment, and the Secretary of Commerce has assigned this responsibility to the Bureau of Economic Analysis. The implementing regulations are contained in Title 15, CFR, Part 806.

This report has been approved by the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. 3501 et seq.).

Penalties – Whoever fails to report may be subject to a civil penalty not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such violation, upon conviction, may be punished by a like fine, imprisonment, or both. (See Section 6 of the Act, 22 U.S.C. 3105.)

Confidentiality – The information filed in this report may be used only for analytical and statistical purposes and access to the information shall be available only to officials and employees (including consultants and contractors and their employees) of agencies designated by the President to perform functions under the Act. The President may authorize the exchange of the information between agencies or officials designated to perform functions under the Act, but only for analytical and statistical purposes. No official or employee (including consultants and contractors and their employees) shall publish or make available any information collected under the Act in such a manner that the person to whom the information relates can be specifically identified. Reports and copies of reports prepared pursuant to the Act are confidential and their submission or disclosure shall not be compelled by any person without the prior written permission of the person filing the report and the customer of such person where the information supplied is identifiable as being derived from the records of such customer (22 U.S.C. 3104).

DEFINITIONS

United States, when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.

Foreign, when used in a geographic sense, means that which is situated outside the United States or which belongs to or is characteristic of a country other than the United States.

Person means any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the United States Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government-sponsored agency).

Foreign person means any person resident outside the United States or subject to the jurisdiction of a country other than the United States.

Direct investment means the ownership or control, directly or indirectly, by one person of 10 per centum or more of the voting securities of an incorporated business enterprise or an equivalent interest in an unincorporated business enterprise.

Foreign direct investment in the United States means the ownership or control, directly or indirectly, by one foreign person of 10 per centum or more of the voting securities of an incorporated U.S. business enterprise or an equivalent interest in an unincorporated U.S. business enterprise, including a branch.

Branch means the operations or activities conducted by a person in a different location in its own name rather than through an incorporated entity.

Affiliate means a business enterprise located in one country which is directly or indirectly owned or controlled by a person of another country to the extent of 10 per centum or more of its voting stock for an incorporated business or an equivalent interest for an unincorporated business, including a branch.

U.S. affiliate means an affiliate located in the United States in which a foreign person has a direct investment.

Foreign parent means the first foreign person in the ownership chain of the U.S. affiliate.

Affiliated foreign group means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 per centum of the person below it up to and including that person which is not owned more than 50 per centum by another foreign person, and (iii) any foreign person, proceeding down the ownership chain(s) of each of these members, which is owned more than 50 per centum by the person above it.

Foreign affiliate of foreign parent means, with reference to a given U.S. affiliate, any member of the affiliated foreign group owning the affiliate that is not a foreign parent of the affiliate.

U.S. corporation means a business enterprise incorporated in the United States.

Business enterprise means any organization, association, branch, or venture which exists for profitmaking purposes or to otherwise secure economic advantage, and any ownership of any real estate.

Banking covers business enterprises engaged in deposit banking or closely related functions, including commercial banks, Edge Act corporations engaged in international or foreign banking, foreign branches and agencies of U.S. banks whether or not they accept deposits abroad, U.S. branches and agencies of foreign banks whether or not they accept domestic deposits, savings and loans, savings banks, and bank holding companies, i.e., holding companies for which over 50 percent of their total income is from banks which they hold. (U.S. branches of foreign banks are U.S. persons; conversely, foreign branches of U.S. banks are foreign persons.)

REPORTING REQUIREMENTS

Who must report – Except as exempted below, a Form BE-605 Bank is required from every U.S. business enterprise in banking in which a foreign person had a direct and/or indirect ownership interest of 10 percent or more of the voting stock if an incorporated business enterprise or an equivalent interest if an unincorporated business enterprise at any time during the reporting period. Note, however, that a U.S. affiliate that is indirectly foreign owned and has no direct transactions or positions with a foreign parent (or foreign affiliate of the foreign parent) at any time during the year is exempt from filing a Form BE-605 Bank provided the Certificate of Exemption on page 2 of Form BE-605 Bank is (or has been) filed.

Reports are required even though the foreign person's equity interest in the U.S. business enterprise may have been established, acquired, liquidated, sold, or inactivated during the reporting period.

For reporting foreign direct investment in a U.S. nonbanking business enterprise, use related Form BE-605, Transactions of U.S. Affiliate, Except A U.S. Banking Affiliate, with Foreign Parent.

Consolidated reporting by U.S. affiliate – A U.S. affiliate shall file on a fully consolidated basis, including in the consolidation all other U.S. banking affiliates in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. (Foreign subsidiaries of the U.S. affiliate are not to be included in the consolidation, except as provided below under the equity method of accounting.) **Note:** Banks and bank holding companies (BHC's) that directly or indirectly own more than a 50 percent interest in one or more U.S. affiliates in nonbanking industries are not permitted to file a single consolidated report on Form BE-605 Bank. Rather, all their U.S. affiliates in banking, including International Banking Facilities (IBF's), must be fully consolidated on Form BE-605 Bank, and all their U.S. affiliates in nonbanking must be consolidated on Form BE-605. (Note: A U.S. affiliate that provides support to a bank, such as a real estate subsidiary set up to hold the office buildings occupied by a U.S. banking affiliate, is considered to be in banking and should be consolidated on Form BE-605 Bank.)

If a directly foreign-owned U.S. banking affiliate or BHC files separate reports for its banking and nonbanking activities, both reports should be classified as directly foreign owned. In the "name of U.S. affiliate" line at the beginning of each form, write "banking" on Form BE-605 Bank and "nonbanking" on Form BE-605.

All U.S. banking branches and agencies (including IBF's) directly owned by a given foreign parent may be aggregated on a single Form BE-605 Bank.

Operations of branches that are separately chartered offshore, in the Cayman Islands or the Bahamas, for example, are not to be reported in the BE-605 Bank survey, because they are considered to be foreign branches of the foreign parent.

A listing of the names and addresses of the U.S. affiliates included in the consolidation must be provided with the first filing and then updated as necessary. The list should indicate each U.S. affiliate's direct owner and the percentage of direct ownership interest held. For an incorporated U.S. banking affiliate, its U.S. branches should not be listed.

NOTE: If a U.S. affiliate in a consolidated group is both directly and indirectly owned by the same foreign parent, the foreign parent's indirect equity interest and any direct transactions or positions between the affiliate and its foreign parent should be included in the report for the consolidated group. A separate BE-605 Bank must be filed to report the foreign parent's direct equity interest. However, Parts III, IV, and VI should not be completed because those data should be included in the report for the consolidated group.

Equity method of accounting – Investments by the U.S. affiliate in business enterprises not included in the consolidation and which are 20 percent or more owned should be accounted for following the equity method of accounting when computing net income.

Multiple foreign parents – Where two or more foreign persons hold reportable equity interests in a U.S. affiliate, a separate report must be filed to report transactions or accounts with each foreign parent.

Exemption – A U.S. affiliate is not required to file a report if each of the following three items for the U.S. affiliate (not the foreign parent's share) is equal to or less than \$20,000,000, either positive or negative:

- (1) Total assets,
- (2) Annual gross operating revenues; and
- (3) Annual net income (loss) after provision for U.S. income taxes.

Quarterly reports for a year may be required retroactively when it is determined that the exemption level has been exceeded. If a U.S. affiliate's total assets, sales, or net income exceed the exemption level in a given year, it is deemed that the exemption level will also be exceeded in the following year.

NOTE: If any one of the three items above exceeds the exemption level, either positive or negative, the U.S. affiliate must report. A U.S. affiliate claiming exemption from filing a report must complete the Certificate of Exemption and the "Person to Consult" and "Certification" sections on page 2, of Form BE-605 Bank and return the entire form to BEA at the address noted on page 1.

GENERAL INSTRUCTIONS

What to report and relationship to Treasury International Capital report forms – Direct investment in a U.S. banking affiliate reportable on this form is defined to include only the foreign parent's "permanent" debt and equity investment; similarly, the direct investment flows that enter the U.S. balance of payments accounts for these affiliates include only transactions related to such "permanent" investment. All other transactions and positions – mainly claims and liabilities arising from the parent's and affiliate's normal banking business – are excluded from direct investment because they are included, with other banking claims and liabilities, in the portfolio investment data reported on the Treasury Department's International Capital (TIC) Forms BQ-1, BQ-2, BL-1, BL-2, and BC.

In order to avoid duplication in U.S. Government statistics, debt investment (item 22) owners' equity (item 44), and changes in owners' equity (item 30) should not be reported on Treasury's TIC forms. Also, interest and fees related to items reportable on Treasury's TIC forms should not be reported in Part III of Form BE-605 Bank.

Debt transactions and positions of the U.S. banking affiliate with foreign affiliates of the foreign parent should be reported on Treasury's TIC forms, not on Form BE-605 Bank.

GENERAL INSTRUCTIONS – Continued

Filing of report – Reports filed by mail through the U.S. Postal Service should be sent to: U.S. Department of Commerce, Bureau of Economic Analysis, BE-49(O), Washington, DC 20230. Reports filed by direct private delivery should be directed to: U.S. Department of Commerce, Bureau of Economic Analysis, BE-49(O), Shipping and Receiving Section M-100, 1441 L Street, NW, Washington, DC 20005.

Form BE-605 Bank is a quarterly report. A single copy of each report should be filed within 30 days after the close of each calendar (or fiscal) quarter, except for the final quarter of the calendar (or fiscal) year, when reports should be filed within 45 days. Requests for extension of the filing date, additional forms, or clarification of the reporting requirements or instructions should be directed to the appropriate address shown above.

Currency amounts should be reported in U.S. dollars and rounded to the nearest thousand. If an amount is between ± \$500, enter "0." Use parentheses to indicate negative numbers.

Accounting methods – Data are to be provided from the U.S. affiliate's books on a basis consistent with generally accepted accounting principles of the United States, unless otherwise specified.

Estimates may be provided where necessary in order to file a timely report.

Assistance – If there are any questions concerning the report, telephone (202) 606-5577 during office hours – 8:30 a.m. to 4:30 p.m. eastern time.

SPECIFIC INSTRUCTIONS

A U.S. affiliate that is only indirectly foreign owned (item 7 must be marked), but is required to file a separate report on Form BE-605 Bank because it has direct transactions or positions with the foreign parent, should complete only Parts I, III, and IV as applicable.

PART II

Item 11 – Net income should be reported on a quarterly basis, **not on a cumulative or year-to-date basis**. Net income for the period shown in item 11 should be entered in column 1. Column 2 should be used to correct data that were incorrect or were not given in the preceding report. Do not delay filing because current quarter data are not available. Estimates may be used where necessary.

The amount entered should represent the foreign parent's equity, based on its directly held equity interest in the U.S. affiliate's net income (loss) for the quarter, before provision for common and preferred dividends and before any deduction for U.S. withholding taxes on dividends, but after provision for U.S. Federal, State, and local income taxes.

Net income should include, **on an equity basis**, the U.S. affiliate's share in the net income of all domestic and foreign business enterprises owned by it to the extent of 20 percent or more.

If this report is for the U.S. affiliate's direct transactions or accounts with a foreign parent that does not hold a direct equity interest, the foreign parent's share in net income should be zero on this Form BE-605 Bank (but included in the report filed by the U.S. affiliate identified in item 9). If the foreign parent holds both a direct and an indirect equity interest, only the share representing the direct equity interest should be given in this item; the indirect equity interest should be reported by the U.S. affiliate identified in item 9.

Items 12a and b – Certain realized and unrealized gains (losses) include:

- (1) Gains or losses from the sale, disposition, or revaluation of investment securities.
- (2) Gains or losses from the sale, exchange, write-off, or revaluation of land, other property, plant, and equipment, or other assets.
- (3) Gains or losses from remeasurement of the U.S. affiliate's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the period and transaction gains (losses) taken to income in accordance with FASB 52.
- (4) Gains or losses due to extraordinary items (except those resulting from the early retirement or forgiveness of debt, legal judgements, and accidental damage to fixed assets).
- (5) Material gains or losses resulting from unusual or infrequently occurring items.

The foreign parent's share of such gains or losses included in your income statement should be reported in item 12a after provision for U.S. Federal, State, and local income taxes. The foreign parent's share of such gains or losses not included in your income statement but, instead, taken directly to retained earnings or other equity account, such as changes in valuation per FASB 115, should be reported in item 12b after provision for U.S. Federal, State, and local income taxes. Do **not** include foreign currency translation adjustment; report such adjustment in item 13.

Include in item 12a or 12b, as appropriate, the foreign parent's share of realized gains or losses due to profit or loss on the sale or maturity of investments and of unrealized gains or losses due to changes in the valuation of investments.

Item 13 – Report foreign parent's share of your foreign currency translation adjustment resulting from the translation of foreign affiliate financial statements from the affiliates' functional currencies into the U.S. dollar. The adjustment should be determined in accordance with FASB 52 or other current standards of the Financial Accounting Standards Board. Report the translation adjustment here on a quarterly basis, not on a cumulative or year-to-date basis.

Items 14 and 16 – Enter dividends as of the date they were either paid or accrued as debt investment (item 22), whichever occurred first. Any subsequent settlement of dividends declared but not paid should **not** be reported here again but should be reflected only as a reduction in item 22. Stock and liquidating dividends should not be included in item 14.

PART III

Items 17-21 – Enter amounts as of the date they were either received, paid, or accrued as debt investment between the payor and payee, whichever occurred first. Include amounts for which payment was made in kind. For an item accrued as debt investment prior to the reporting period, any subsequent settlement of the account should not be reported here again but should be reflected only as a reduction in debt investment (item 22). Exclude interest and fees relating to the items reportable on the Treasury International Capital reporting forms.

Item 19 – Include rentals for operating leases of one year or less and net rent on operating leases of more than one year. Net rent is equivalent to the total lease payment less the return of capital (depreciation) component.

Item 20 – Include allocated expenses and reimbursements for management, professional, technical, or other services that normally would be included in "other income" in the income statement of the provider of the services.

Item 21 – Receipts or payments for services that are separately billed and that would normally be **included** in gross operating revenues of the seller of the services.

PART IV

Items 22 – Report loans from the foreign parent or home office that do not arise from the parent's or affiliate's normal banking business. Incorporated banking affiliates are to report that part of total liabilities that is considered to be "permanent" debt investment by the foreign parent. Branches and agencies should include: deposits by the home office that may be required by regulatory agencies to offset portions of loan portfolios or maintain liquidity, such as special deposits, reserve deposits, or capital maintenance accounts; and non-interest-bearing loans from the home office, whether or not denominated in U.S. dollars (but converted to U.S. dollars for purposes of this report).

If it is necessary to translate the balances to U.S. dollars, use the same exchange rate to translate the opening balance for the current quarter as was used to translate the closing balance for the previous quarter. If the closing balance on the previous quarter's report was in error, **note the correction**. Entries in item 22 should be consistent with entries in items 17-21 insofar as they reflect the later entries. For example, interest shown in item 17 and accrued but not paid by the U.S. affiliate in the current quarter should be included in item 22. Do not include accounts reportable on Treasury International Capital reporting forms.

PART V

Items 23-30 – Entries in Part V are necessary to identify the cause of any changes in equity holdings by the foreign parent in the U.S. affiliate during the quarter. When changes in the foreign parent's equity holdings in the U.S. affiliate occur during the quarter, the amount involved in the transaction that changed the capital account should be entered in the appropriate item at transactions value. Exclude changes caused by carrying net income to the equity account, the payment of stock or cash dividends (other than liquidating dividends), or the distribution of earnings during the period. Exclude effect of treasury stock transactions with persons other than the foreign parent and reorganizations in capital structure that do not affect total equity. Branches and agencies, report reimbursed losses in item 23.

Item 23 – Incorporated U.S. affiliate, report the foreign parent's purchases of capital stock from the U.S. affiliate and other contributions by the foreign parent of equity capital not resulting in the issuance of stock to the foreign parent by the U.S. affiliate. Branches and agencies, report the foreign parent's share of any increase in the U.S. affiliate's equity (or home office account), excluding amounts reported in Parts II and IV.

Item 24 – Incorporated U.S. affiliate, report sales of capital stock by the foreign parent to the U.S. affiliate, returns of contributed equity capital to the foreign parent not resulting in a reduction of issued stock, and distributions to the foreign parent (excluding amounts reported in Parts II and IV) following total liquidation of the U.S. affiliate. Branches and agencies, report the foreign parent's share of any decrease in the U.S. affiliate's equity (or home office account), excluding amounts reported in Parts II and IV.

Item 30 – The amount given here should approximate the change in the foreign parent's share of total owner's equity, after allowance is made to exclude changes caused by carrying net income to the equity account, payment of stock or cash dividends (other than liquidating dividends), distribution of earnings, and treasury stock transactions.

PART VII

Items 36-44 – Complete once a year, not later than the second filing following the close of the calendar year (or fiscal year if the U.S. affiliate's books are not kept on a calendar year basis). For example, following the end of the calendar year, this section must be completed on the report due within 30 days after the close of the first quarter, or April 30. **Best estimates are permitted** where necessary in order to file a timely report.

Items 38-40 – Same instructions as for items 11, 12, and 13, **except that** these items refer to the annual figure for the year designated in item 36.

Items 41-44 – Show the proportion of capital owned and equity in surplus accounts by the foreign parent as of the end of the year shown in item 36. The retained earnings account underlying the foreign parent's share of retained earnings, item 42, must be computed on the equity basis consistent with items 11 and 38.

TRANSACTIONS OF U.S. AFFILIATE, EXCEPT A U.S. BANKING AFFILIATE, WITH FOREIGN PARENT

Purpose – Reports on this form are required in order to provide reliable and up-to-date information on foreign direct investment in the United States for inclusion in the U.S. balance of payments and the national income and product accounts.

Authority – Reports on Form BE-605 are mandatory under Section 5(b)(2) of the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108 as amended, hereinafter, "the Act"). In Section 3 of Executive Order 11961, the President designated the Department of Commerce as the Federal executive agency responsible for collecting the required data on direct investment, and the Secretary of Commerce has assigned this responsibility to the Bureau of Economic Analysis. The implementing regulations are contained in Title 15, CFR, Part 806.

This report has been approved by the Office of Management and Budget under the Paperwork Reduction Act (44 U.S.C. 3501 et seq.).

Penalties – Whoever fails to report may be subject to a civil penalty not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such violation, upon conviction, may be punished by a like fine, imprisonment, or both. (See Section 6 of the Act, 22 U.S.C. 3105.)

Confidentiality – The information filed in this report may be used only for analytical and statistical purposes and access to the information shall be available only to officials and employees (including consultants and contractors and their employees) of agencies designated by the President to perform functions under the Act. The President may authorize the exchange of the information between agencies or officials designated to perform functions under the Act, but only for analytical and statistical purposes. No official or employee (including consultants and contractors and their employees) shall publish or make available any information collected under the Act in such a manner that the person to whom the information relates can be specifically identified. Reports and copies of reports prepared pursuant to the Act are confidential and their submission or disclosure shall not be compelled by any person without the prior written permission of the person filing the report and the customer of such person where the information supplied is identifiable as being derived from the records of such customer (22 U.S.C. 3104).

DEFINITIONS

United States, when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.

Foreign, when used in a geographic sense, means that which is situated outside the United States or which belongs to or is characteristic of a country other than the United States.

Person means any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the United States Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government-sponsored agency).

Foreign person means any person resident outside the United States or subject to the jurisdiction of a country other than the United States.

Direct investment means the ownership or control, directly or indirectly, by one person of 10 per centum or more of the voting securities of an incorporated business enterprise or an equivalent interest in an unincorporated business enterprise.

Foreign direct investment in the United States means the ownership or control, directly or indirectly, by one foreign person of 10 per centum or more of the voting securities of an incorporated U.S. business enterprise or an equivalent interest in an unincorporated U.S. business enterprise, including a branch.

Branch means the operations or activities conducted by a person in a different location in its own name rather than through an incorporated entity.

Affiliate means a business enterprise located in one country which is directly or indirectly owned or controlled by a person of another country to the extent of 10 per centum or more of its voting stock for an incorporated business or an equivalent interest for an unincorporated business, including a branch.

U.S. affiliate means an affiliate located in the United States in which a foreign person has a direct investment.

Foreign parent means the first foreign person in the ownership chain of the U.S. affiliate.

Affiliated foreign group means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 per centum of the person below it up to and including that person which is not owned more than 50 per centum by another foreign person, and (iii) any foreign person, proceeding down the ownership chain(s) of each of these members, which is owned more than 50 per centum by the person above it.

Foreign affiliate of foreign parent means, with reference to a given U.S. affiliate, any member of the affiliated foreign group owning the affiliate that is not a foreign parent of the affiliate.

U.S. corporation means a business enterprise incorporated in the United States.

Business enterprise means any organization, association, branch, or venture which exists for profitmaking purposes or to otherwise secure economic advantage, and any ownership of any real estate.

Banking covers business enterprises engaged in deposit banking or closely related functions, including commercial banks, Edge Act corporations engaged in international or foreign banking, foreign

branches and agencies of U.S. banks whether or not they accept deposits abroad, U.S. branches and agencies of foreign banks whether or not they accept domestic deposits, savings and loans, savings banks, and bank holding companies, i.e., holding companies for which over 50 percent of their total income is from banks which they hold. (U.S. branches of foreign banks are U.S. persons; conversely, foreign branches of U.S. banks are foreign persons.)

REPORTING REQUIREMENTS

Who must report – Except as exempted below, a Form BE-605 is required from every U.S. business enterprise, except a U.S. banking affiliate, in which a foreign person had a direct and/or indirect ownership interest of 10 percent or more of the voting stock if an incorporated business enterprise or an equivalent interest if an unincorporated business enterprise at any time during the reporting period. Note, however, that a U.S. affiliate that is indirectly foreign owned and has no direct transactions or positions with a foreign parent (or foreign affiliate of the foreign parent) at any time during the year is exempt from filing a Form BE-605 provided the Certificate of Exemption on page 3 of Form BE-605 is (or has been) filed.

Reports are required even through the foreign person's equity interest in the U.S. business enterprise may have been established, acquired, liquidated, sold, or inactivated during the reporting period.

For reporting foreign direct investment in U.S. banking affiliates, use related Form BE-605 Bank, Transactions of U.S. Banking Affiliate with Foreign Parent.

Consolidated reporting by U.S. affiliate – A U.S. affiliate shall file on a fully consolidated basis, including in the consolidation all other U.S. affiliates in which it directly or indirectly owns more than 50 percent of the outstanding voting interest, except that banking operations must be reported separately from other consolidated operations. (Foreign subsidiaries of the U.S. affiliate are not to be included in the consolidation, except as provided below under the equity method of accounting.) However, separate reports may be filed where a given U.S. affiliate is not normally consolidated due to unrelated operations or lack of control, provided written permission has been requested from and granted by BEA.

A listing of the names and addresses of the U.S. affiliates included in the consolidation must be provided with the first filing and then updated as necessary. The list should indicate each U.S. affiliate's direct owner and the percentage of direct ownership interest held.

NOTE: If a U.S. affiliate in a consolidated group is both directly and indirectly owned by the same foreign parent, the foreign parent's indirect equity interest and any direct transactions or positions between the affiliate and its foreign parent should be included in the report for the consolidated group. A separate BE-605 must be filed to report the foreign parent's direct equity interest. However, Parts III, IV, and VI should not be completed because those data should be included in the report for the consolidated group.

Equity method of accounting – Investments by the U.S. affiliate in business enterprises not included in the consolidation and which are 20 percent or more owned should be accounted for following the equity method of accounting when computing net income.

Multiple foreign parents – Where two or more foreign persons hold reportable equity interests in a U.S. affiliate, a separate report must be filed to report transactions or accounts with each foreign parent. Note, however, that transactions or accounts with foreign affiliates of a foreign parent, whether located in the same or in a different foreign country as the foreign parent, should not give rise to separate reports but should be entered in Part VI (on page 2) of the form for that foreign parent.

Exemption – A U.S. affiliate is not required to file a report if each of the following three items for the U.S. affiliate (not the foreign parent's share) is equal to or less than \$20,000,000, either positive or negative:

- (1) Total assets,
- (2) Annual sales of gross operating revenues, excluding sales taxes (not gross margin), and
- (3) Annual net income (loss) after provision for U.S. income taxes.

Quarterly reports for a year may be required retroactively when it is determined that the exemption level has been exceeded. If a U.S. affiliate's total assets, sales, or net income exceed the exemption level in a given year, it is deemed that the exemption level will also be exceeded in the following year.

NOTE: If any one of the three items above exceeds the exemption level, either positive or negative, the U.S. affiliate must report. A U.S. affiliate claiming exemption from filing a report must complete the Certificate of Exemption and the "Person to Consult" and "Certification" sections on page 3, of Form BE-605 and return the entire form to BEA at the address noted on page 1.

GENERAL INSTRUCTIONS

Filing of report – Reports filed by mail through the U.S. Postal Service should be sent to: U.S. Department of Commerce, Bureau of Economic Analysis, BE-49(Q), Washington, DC 20230. Reports filed by direct private delivery should be directed to: U.S. Department of Commerce, Bureau of Economic Analysis, BE-49(Q), Shipping and Receiving Section M-100, 1441 L Street, NW, Washington, DC 20005.

Form BE-605 is a quarterly report. A single copy of each report should be filed within 30 days after the close of each calendar (or fiscal) quarter, except for the final quarter of the calendar (or fiscal) year, when reports should be filed within 45 days. Requests for extension of the filing date, additional forms, or clarification of the reporting requirements or instructions should be directed to the appropriate address shown above.

CONTINUE ON REVERSE

GENERAL INSTRUCTIONS – Continued

Currency amounts should be reported in U.S. dollars and rounded to the nearest thousand. If an amount is between ± \$500, enter "0." Use parentheses to indicate negative numbers.

Accounting methods – Data are to be provided from the U.S. affiliate's books on a basis consistent with generally accepted accounting principles of the United States, unless otherwise specified.

Estimates may be provided where necessary in order to file a timely report.

Assistance – If there are any questions concerning the report, telephone (202) 606-5577 during office hours – 8:30 a.m. to 4:30 p.m. eastern time.

SPECIFIC INSTRUCTIONS

A U.S. affiliate that is only indirectly foreign owned (item 7 must be marked), but is required to file a separate report on Form BE-605 because it has direct transactions or positions with the foreign parent or foreign affiliates of the foreign parent, should complete only Parts I, III, IV, and VI, as applicable.

All U.S. affiliates, whether directly or indirectly foreign owned, must complete Part VI, page 2, if the U.S. affiliate has direct transactions with foreign affiliates of the foreign parent.

PART II

Item 11 – Net income should be reported on a quarterly basis, **not on a cumulative or year-to-date basis**. Net income for the period shown in item 11 should be entered in column 1. Column 2 should be used to correct data that were incorrect or were not given in the preceding report. Do not delay filing because current quarter data are not available. Estimates may be used where necessary.

The amount entered should represent the foreign parent's equity, based on its directly held equity interest in the U.S. affiliate's net income (loss) for the quarter, before provision for common and preferred dividends and before any deduction for U.S. withholding taxes on dividends, but after provision for U.S. Federal, State, and local income taxes. U.S. affiliates in extractive industries should report net income before depletion charges, except charges representing the amortization of the actual cost of capital assets.

Net income should include, **on an equity basis**, the U.S. affiliate's share in the net income of all domestic and foreign business enterprises owned by it to the extent of 20 percent or more.

If this report is for the U.S. affiliate's direct transactions or accounts with a foreign parent that **does** not hold a direct equity interest, the foreign parent's share in net income should be zero on this Form BE-605 (but included in the report filed by the U.S. affiliate identified in item 9). If the foreign parent holds both a direct and an indirect equity interest, only the share representing the direct equity interest should be given in this item; the indirect equity interest should be reported by the U.S. affiliate identified in item 9.

Items 12a and b – Certain realized and unrealized gains (losses) include:

- (1) Gains or losses from the sale, disposition, or revaluation of investment securities. (Dealers in securities, other finance companies, and insurance companies, see special instructions below.)
- (2) Gains or losses from the sale, exchange, write-off, or revaluation of land, other property, plant, and equipment, or other assets. (Real estate companies, see special instructions below.) However, gains or losses from the sale of inventory assets in the ordinary course of trade or business should not be included.
- (3) Gains or losses from remeasurement of the U.S. affiliate's foreign-currency-denominated assets and liabilities due to change in foreign exchange rates during the period and transaction gains (losses) taken to income in accordance with FASB 52.
- (4) Gains or losses due to extraordinary items (except those resulting from the early retirement or forgiveness of debt, legal judgements, and accidental damage to fixed assets).
- (5) Material gains or losses resulting from unusual or infrequently occurring items.

The foreign parent's share of such gains or losses included in your income statement should be reported in item 12a after provision for U.S. Federal, State, and local income taxes. The foreign parent's share of such gains or losses not included in your income statement but, instead, taken directly to retained earnings or other equity account, such as changes in valuation per FASB 12, should be reported in item 12b after provision for U.S. Federal, State, and local income taxes. Do **not** include foreign currency translation adjustment; report such adjustment in item 13.

Special instructions for DEALERS IN SECURITIES (classified in ISI code 612): Do **not** include realized gains or losses due to profit or loss on the sale or maturity of investments in either item 12a or 12b. However, unrealized gains or losses due to changes in the valuation of investments that are recognized during the period should be included in item 12a or 12b as appropriate.

Special instructions for FINANCE COMPANIES other than dealers in securities (classified in ISI code 612) and INSURANCE COMPANIES (classified in ISI code 631, 632, or 639): Include in item 12a or 12b, as appropriate, the foreign parent's share of realized gains or losses due to profit or loss on the sale or maturity of investments and of unrealized gains or losses due to changes in the valuation of investments.

Special instructions for REAL ESTATE COMPANIES (classified in ISI code 650): Gains or losses from the sale of real estate in the ordinary course of trade or business should **not** be included in item 12a. However, a gain or loss that is recognized due to revaluation of assets without a sale should be shown in item 12a or 12b.

Item 13 – Report foreign parent's share of your foreign currency translation adjustment resulting from the translation of foreign affiliate financial statements from the affiliates' functional currencies into the U.S. dollar. The adjustment should be determined in accordance with FASB 52 or other current standards of the Financial Accounting Standards Board. Report the translation adjustment here on a quarterly basis, **not** on a cumulative or year-to-date basis.

Items 14 and 17 – Enter dividends as of the date they were either paid or entered into intercompany accounts (item 24), whichever occurred first. Any subsequent settlement of dividends declared but not paid should **not** be reported here again but should be reflected only as a reduction in item 24. Stock and liquidating dividends should not be included in item 14.

PART III

Items 18–23 – Enter amounts as of the date they were either received, paid, or entered into intercompany accounts between the payor and payee, whichever occurred first. Include amounts for which payment was made in kind. For an item entered into intercompany account prior to the reporting period, any subsequent settlement of the account should not be reported here again but should be reflected only as a reduction in intercompany account items 24 and 25.

Item 20 – Include rentals for operating leases of one year or less and net rent on operating leases of more than one year. Net rent is equivalent to the total lease payment less the return of capital (depreciation) component. Exclude film and television tape rentals.

Item 22 – Include allocated expenses (such as R & D assessments) and reimbursements for management, professional, technical, or other services that normally would be **excluded** from sales or gross operating revenues of the provider of the services. Exclude any amounts related to merchandise.

Item 23 – Receipts or payments for services that are separately billed and that would normally be **included** in sales or gross operating revenues of the seller of the services. Exclude any amounts related to merchandise.

PART IV

Items 24 and 25 – Include all intercompany accounts or indebtedness of the U.S. affiliate with the foreign parent whether current or long-term. (See Part VI for reporting transactions with foreign affiliates of the foreign parent.) Note that the current quarter's opening balance should be equal to the previous quarter's closing balance; therefore, if it is necessary to translate the balances to U.S. dollars, use the same exchange rate to translate the opening balance for the current quarter as was used to translate the closing balance for the previous quarter. If the closing balance on the preceding quarter's report was in error, **note the correction**. Entries in items 24 and 25 should be consistent with entries in items 18–23 insofar as they reflect the later entries. For example, film rentals shown in item 21 and accrued but not paid by the U.S. affiliate in the current quarter should be included in item 24.

If leases between the U.S. affiliate and the foreign parent are capitalized, then the outstanding capitalized value should be shown here as an intercompany balance. Lease payments should be disaggregated into the amount which is (a) a reduction in the intercompany balance, which would be reflected in one of these items, and (b) interest, which would be entered in item 18.

PART V

Items 26–32 – Entries in Part V are necessary to identify the cause of any changes in equity holdings by the foreign parent in the U.S. affiliate during the quarter. When changes in the foreign parent's equity holdings in the U.S. affiliate occur during the quarter, the amount involved in the transaction that changed the capital account should be entered in the appropriate item at transactions value. Exclude changes caused by carrying net income to the equity account, the payment of stock or cash dividends (other than liquidating dividends), or the distribution of earnings during the period. Exclude effect of treasury stock transactions with persons other than the foreign parent and reorganizations in capital structure that do not affect total equity.

Item 26 – Incorporated U.S. affiliate, report the foreign parent's purchases of capital stock from the U.S. affiliate and other contributions by the foreign parent of equity capital not resulting in the issuance of stock to the foreign parent by the U.S. affiliate. Unincorporated U.S. affiliate, report the foreign parent's share of any increase in the U.S. affiliate's equity (or home office account), excluding amounts reported in Parts II and IV.

Item 27 – Incorporated U.S. affiliate, report sales of capital stock by the foreign parent to the U.S. affiliate, returns of contributed equity capital to the foreign parent not resulting in a reduction of issued stock, and distributions to the foreign parent (excluding amounts reported in Parts II and IV) following total liquidation of the U.S. affiliate. Unincorporated U.S. affiliate, report the foreign parent's share of any decrease in the U.S. affiliate's equity (or home office account), excluding amounts reported in Parts II and IV.

Item 33 – The amount given here should approximate the change in the foreign parent's share of total owner's equity, after allowance is made to exclude changes caused by carrying net income to the equity account, payment of stock or cash dividends (other than liquidating dividends), distribution of earnings, and treasury stock transactions.

PART VI

Report direct transactions during the quarter with foreign affiliates of the foreign parent in accordance with column headings. **Do not include transactions already reported in Parts III and IV of this form.** In Section A, report payments and liabilities to, and in Section B, report receipts and receivables due from, foreign affiliates of the foreign parent. In the country column, enter only one foreign country per line. If more lines than provided are needed in order to list all countries, use additional sheets as necessary. A copy of Part VI may be used for this purpose. Note, however, only countries with an amount of \$500 thousand or more must be reported on separate lines. Countries for which all amounts are less than \$500 thousand may be combined on line 46, "Unallocated by country," for U.S. affiliate's payments and liabilities and on line 59, "Unallocated by country," for U.S. affiliate's receipts and receivables.

PART VII

Items 61–69 – Complete once a year, not later than the second filing following the close of the calendar year (or fiscal year if the U.S. affiliate's books are not kept on a calendar year basis). For example, following the end of the calendar year, this section must be completed on the report due within 30 days after the close of the first quarter, or April 30. **Best estimates are permitted** where necessary in order to file a timely report.

Items 63–65 – Same instructions as for items 11, 12, and 13, except that these items refer to the annual figure for the year designated in item 61.

Items 66–69 – Show the proportion of capital owned and equity in surplus accounts by the foreign parent as of the end of the year shown in item 61. The retained earnings account underlying the foreign parent's share of retained earnings, item 67, must be computed on the equity basis consistent with items 11 and 63.