

OMB No. 0608-0042: Approval Expires 11/30/2010

BEA Identification Number →



**MANDATORY — CONFIDENTIAL**

**2007 BENCHMARK SURVEY OF FOREIGN DIRECT INVESTMENT  
IN THE UNITED STATES  
(LONG FORM)**

**DUE DATE: MAY 31, 2008**

**ELECTRONIC FILING:** Go to [www.bea.gov/efile](http://www.bea.gov/efile) for details

**OR**

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

**OR**

**DELIVER REPORTS TO:** U.S. Department of Commerce  
Bureau of Economic Analysis, BE-49(A)  
Shipping and Receiving Section, M100  
1441 L Street, NW  
Washington, DC 20005

**OR**

**FAX REPORTS TO:** (202) 606-1905\*

\*See the **NOTE** at the bottom of this page if you plan to fax your report to BEA.

**ASSISTANCE**

**Email:** [be12/15@bea.gov](mailto:be12/15@bea.gov)

**Telephone:** (202) 606-5577

**FAX:** (202) 606-5319

**Copies of blank forms:** [www.bea.gov/fdi](http://www.bea.gov/fdi)

**Definitions of key terms** – See pages 28 and 29.

**A. Name and address of U.S. business enterprise** – If a label has been affixed, make any changes directly on the label. If a label has not been affixed, enter the BEA Identification Number of this U.S. affiliate, if available, in the box at the upper right hand corner of this page.

Name of U.S. affiliate  
1002 0

c/o (care of)  
1010 0

Street or P.O. Box  
1003 0

City State  
1004 0 0998 0

ZIP Code Foreign Postal Code  
1005 0 OR 0

**B. Location of U.S. affiliate** – If the mailing address in item A is in care of someone other than the U.S. affiliate, give the name and location of the primary U.S. headquarters of the affiliate. If the U.S. affiliate is a real estate investment with no U.S. headquarters, give the name (if any) and location of the real estate. If the real estate is in more than one location, give the name and location of the real estate with the largest gross book value.

Name of U.S. affiliate  
1300 0

Street or P.O. Box  
1301 0

City State  
1302 0 1304 0

ZIP Code  
1303 0

**IMPORTANT**

Please review the **Instructions** starting on page 27 before completing this form. **Insurance and real estate companies** see Special Instructions starting on page 32.

- Who must file BE-12(LF)** – Form BE-12(LF) must be filed for a nonbank majority-owned U.S. affiliate with total assets, sales or gross operating revenues, or net income greater than \$175 million (positive or negative). For more information see instruction I.A.2 on page 28. If you do not meet these filing criteria, see instruction I.A.1 starting on page 27 to determine which form to file.
- Accounting principles** – If feasible use U.S. Generally Accepted Accounting Principles to complete Form BE-12(LF) unless you are requested to do otherwise by a specific instruction. References in the instructions to Financial Accounting Standards Board statements are referred to as "FAS."
- U.S. affiliate's 2007 fiscal year** – The affiliate's financial reporting year that had an ending date in calendar year 2007.
- Consolidated reporting** – A U.S. affiliate must file on a fully consolidated **domestic U.S.** basis, including in the consolidation ALL non-bank **U.S. affiliates** in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The consolidation rules are found in instruction IV.2 on page 29.
- Rounding** – Report currency amounts in U.S. dollars rounded to thousands (omitting 000). **Do not enter amounts in the shaded portions of each line.**

**Example** – If amount is \$1,334,891.00 report as: →

Bil.	Mil.	Thous.	Dols.
	1	335	

**MANDATORY CONFIDENTIALITY PENALTIES**

This survey is being conducted under the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended). The filing of reports is mandatory and the Act provides that your report to this Bureau is confidential. Whoever fails to report may be subject to penalties. See page 27 for more details.

**PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT** – Enter name and address

Name 1000 0

Address 1029 0

1030 0

1031 0

**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 estimates may 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 \_\_\_\_\_ Date \_\_\_\_\_

TELEPHONE NUMBER 1001 1 Area code Number 2 Extension

0990 0 Print or type name 0991 0 Print or type title

FAX NUMBER 0999 1 Area code Number

0992 1 Telephone number 2 Extension 3 FAX number

**May FAX and/or email be used in correspondence between your enterprise and BEA**, including FAX'ed reports, and/or to discuss questions relating to this survey that may contain information about your company that you may consider confidential? **NOTE:** The Internet and telephone systems are not secure means of transmitting confidential information unless it is encrypted. If you choose to communicate with BEA via FAX or electronic mail, BEA cannot guarantee the security of the information during transmission, but will treat information we receive as confidential in accordance with Section 5(c) of the International Investment and Trade in Services Survey Act.

1027 Email: 1  Yes (If yes, please print your email address.) → Email address (Please print)  
2  No  
1028

1032 FAX: 1  Yes  
2  No

**PART I – IDENTIFICATION OF U.S. AFFILIATE**

**Additional Instructions** by line item are at the back of this form starting with Section IV of the instructions on page 29.

**IDENTIFICATION OF U.S. AFFILIATE**

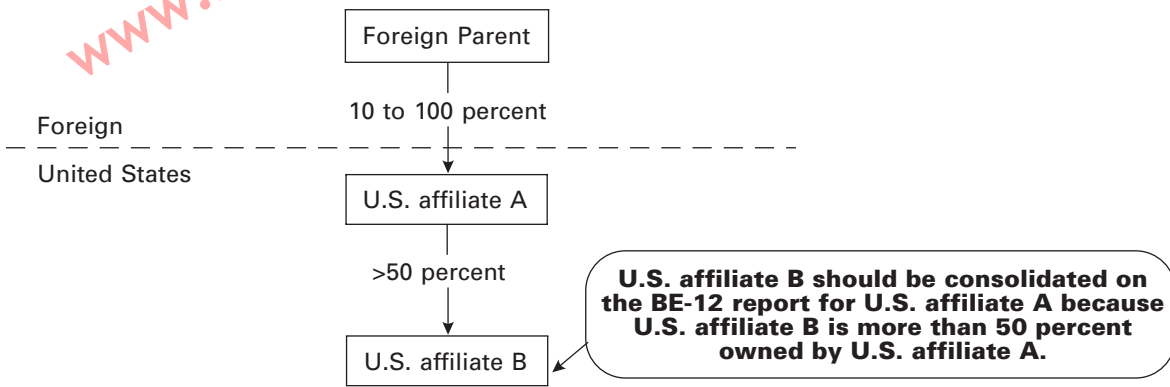
**1. What financial reporting standards will be used to complete this BE-12 report?** NOTE: Unless it is highly burdensome or not feasible, the BE-12 report should be completed using U.S. Generally Accepted Accounting Principles (U.S. GAAP).

<sup>1399</sup> <sup>1</sup>  U.S. Generally Accepted Accounting Principles

<sup>1</sup> <sup>2</sup>  International Financial Reporting Standards or other reporting standards, but with adjustments to correct for any material differences between U.S. GAAP and the reporting standards used. *Specify the reporting standards used.* ↴

<sup>1</sup> <sup>3</sup>  International Financial Reporting Standards or other reporting standards, but without adjustments to correct for any material differences between U.S. GAAP and the reporting standards used. *Specify the reporting standards used.* ↴

**2. Consolidated reporting by the U.S. affiliate – Is more than 50 percent of the voting interest in this U.S. affiliate owned by another U.S. affiliate of your foreign parent?**



**NOTE – Arrows connecting boxes represent direction of ownership**

<sup>1400</sup> <sup>1</sup>  **Yes** **If "Yes"** – Do not complete this report unless exception 2d described in the consolidation rules on page 29 applies. If this exception does not apply, please forward this BE-12 survey packet to the U.S. business enterprise owning your company more than 50 percent, and notify BEA of the action taken by filing a **BE-12 Claim For Not Filing** with item (e) completed on page 2. The BE-12 Claim For Not Filing can be downloaded from our web site at: [www.bea.gov/fdi](http://www.bea.gov/fdi)

<sup>1</sup> <sup>2</sup>  **No** **If "No"** – Complete this report in accordance with the consolidation rules on pages 29.

**3. Enter Employer Identification Number(s) used by the U.S. affiliate to file income and payroll taxes.**

Primary <sup>1006</sup> <sup>1</sup> <input style="width: 150px;" type="text"/>	Other <sup>2</sup> <input style="width: 150px;" type="text"/>
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**4. REPORTING PERIOD** – Reporting period instructions are found in instruction 4 starting on page 29. If there was a **change in fiscal year**, please review instruction 4.c. on pages 29 and 30.

Month	Day	Year
<sup>1007</sup> 1		

This U.S. affiliate's financial reporting year ended in **calendar year 2007** on →

**Example** – If the financial reporting year ended on March 31, report for the 12-month period ended March 31, **2007**.

**5. Did the U.S. business enterprise become a U.S. affiliate during its fiscal year that ended in calendar year 2007?**

<sup>1008</sup> <sup>1</sup>  **Yes** – **If "Yes"** – Enter date U.S. business enterprise became a U.S. affiliate and see instruction 5 on page 30. →

Month	Day	Year
<sup>1009</sup> 1		

<sup>1</sup> <sup>2</sup>  **No**

**NOTE** – For a U.S. business enterprise that became a U.S. affiliate during its fiscal year that ended in calendar year 2007, leave the close FY 2006 data columns blank.

## PART 1 – IDENTIFICATION OF U.S. AFFILIATE – Continued

**6. Form of organization of U.S. affiliate** — Mark (X) one

<sup>1011</sup> 1  Incorporated in U.S.

Reporting rules for unincorporated affiliates are found in instruction 6 on page 30.

<sup>1</sup> 2  U.S. partnership — Reporting rules for partnerships are found in instruction 6b on page 30.

<sup>1</sup> 3  U.S. branch of a foreign person

<sup>1</sup> 4  Limited Liability Company (LLC) — Reporting rules for LLCs are found in instruction 6c on page 30.

<sup>1</sup> 5  Real property not in 1–4 above — Reporting rules for real estate are found in instruction V.C. starting on page 32.

<sup>1</sup> 6  Business enterprise incorporated abroad, but whose head office is located in the United States and whose business activity is conducted in, or from, the United States

<sup>1</sup> 7  Other — Specify ↘

**7. U.S. affiliates fully consolidated in this report** — The consolidation rules are found on page 29. Except as noted in the consolidation rules, more-than-50-percent-owned U.S. affiliates must be fully consolidated in this report.

If this report is for a single unconsolidated U.S. affiliate, enter "1" in the box below. If more than one U.S. affiliate is consolidated in this report, enter the number of U.S. affiliates consolidated. Hereinafter they are considered to be one U.S. affiliate. **Exclude from the consolidation all foreign business enterprises owned by this U.S. affiliate.** Foreign operations in which you own a majority interest are to be deconsolidated. Include unconsolidated businesses on an equity basis or, if less than 20 percent owned, in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting.

<sup>1012</sup> 1

**Number — If number is greater than one, complete the Supplement A on page 23.**

**8. U.S. affiliates NOT fully consolidated** — See instruction 8 on page 30.

**Number of U.S. affiliates in which this U.S. affiliate has an ownership interest that ARE NOT fully consolidated in this report.**

<sup>1013</sup> 1

**Number — If number is not zero, complete the Supplement B on page 25.**

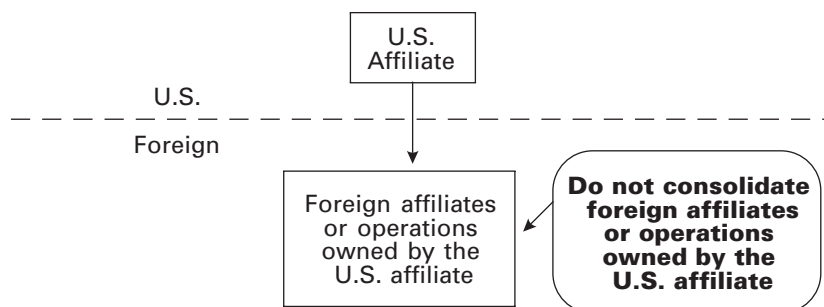
The U.S. affiliate named on page 1 must include data for unconsolidated U.S. affiliates on an equity basis or, if less than 20 percent owned, in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting, and must notify the unconsolidated U.S. affiliates of their obligation to file a Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank in their own names.

**9. Does this U.S. affiliate own any foreign affiliates or operations?**

<sup>1014</sup> 1  Yes

<sup>1</sup> 2  No

**If "Yes"** — DO NOT consolidate foreign operations. Foreign operations in which you own an interest of 20 percent or more, including those in which you own a majority interest, are to be deconsolidated and reported using the equity method of accounting. If your ownership interest is less than 20 percent, foreign operations are to be reported in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting. Reporting rules for foreign operations are found in the instruction 2a on page 29.



**NOTE: Arrows connecting boxes represent direction of ownership**

**10. Did this U.S. affiliate acquire or establish any U.S. business enterprises or segments during the reporting period that are now either contained in this report on a fully consolidated basis, merged into this U.S. affiliate, or reflected as an equity investment?**

<sup>1015</sup> 1  Yes

<sup>1</sup> 2  No

**If "Yes"** — File a Form BE-13 to reflect each acquisition if you have not done so already. Forms can be found at: [www.bea.gov/fdi](http://www.bea.gov/fdi)

**11. Did this U.S. affiliate sell, transfer ownership of, or liquidate any of its U.S. subsidiaries, operating divisions, segments, etc., during its fiscal year that ended in calendar year 2007?**

<sup>1016</sup> 1  Yes

<sup>1</sup> 2  No

**PLEASE CONTINUE ON PAGE 4.**

**PART I – IDENTIFICATION OF U.S. AFFILIATE – Continued**

**IMPORTANT NOTE** – Complete columns 3 and 4 ONLY if the percentage of direct voting ownership given in columns 1 and 2 DOES NOT equal the equity interest. "Voting interest" and "equity interest" are defined in instructions 12–16 on pages 30 and 31.

**Ownership** — Enter percent of ownership, in this U.S. affiliate, to a tenth of one percent, based on voting and equity interests if an incorporated affiliate or an equivalent interest if an unincorporated affiliate.

**Foreign parent** — A foreign parent is the FIRST person or entity outside the U.S. in a chain of ownership that has a 10 percent or more voting interest (direct or indirect) in this U.S. affiliate.

**12. Ownership held directly by foreign parent(s) of this affiliate** — Give name of each foreign parent with direct ownership. If more than 4, continue on a separate sheet. See example 1 below for an illustration of ownership held directly by foreign parents.

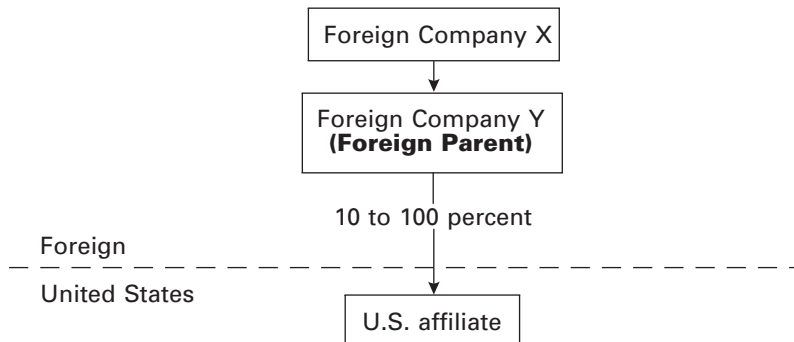
	REPORTING PERIOD			
	Voting interest		Equity interest	
	Close FY 2007 (1)	Close FY 2006 (2)	Close FY 2007 (3)	Close FY 2006 (4)
<b>a.</b>	1017	. %	. %	. %
<b>b.</b>	1018	. %	. %	. %
<b>c.</b>	1019	. %	. %	. %
<b>d.</b>	1020	. %	. %	. %
<b>13. Ownership held indirectly by foreign parent(s) of this U.S. affiliate through another U.S. affiliate</b> — The foreign parents of these other U.S. affiliates are indirect foreign parents of this U.S. affiliate. If you put an entry in column (1) or (2), please complete items 17–21 below. See example 2 below for an illustration of ownership held indirectly by foreign parents.	1060	. %	. %	. %
<b>14. Ownership held directly by all other U.S. persons or entities</b>	1061	. %	. %	. %
<b>15. Ownership held directly by all other foreign persons or entities</b>	1062	. %	. %	. %
<b>16. TOTAL of ownership interests — Sum of items 12 through 15</b>		100.0%	100.0%	100.0%

**NOTE** IF THERE IS AN ENTRY IN COLUMN (1) OR (2) OF ITEM 13 ABOVE, PLEASE COMPLETE ITEMS 17 THROUGH 20 BELOW.

	Give the name of each U.S. affiliate holding a direct ownership interest in this U.S. affiliate. If more than 4, continue on a separate sheet. See example 2 below for an illustration of a direct ownership interest held by a U.S. affiliate. (a)	Percent of direct voting interest in this U.S. affiliate held by the U.S. affiliate listed in column (a).		For the U.S. affiliate listed in column (a), give the name of the U.S. entity (U.S. affiliate) in its ownership chain that is directly owned by a foreign parent. If the U.S. affiliate listed in column (a) is directly owned by a foreign parent, also list that U.S. affiliate here. (b)	BEA USE ONLY (3)
		Close FY 2007 (1)	Close FY 2006 (2)		
<b>17.</b>	1063	. %	. %		3
<b>18.</b>	1064	. %	. %		3
<b>19.</b>	1065	. %	. %		3
<b>20.</b>	1066	. %	. %		3
<b>21. Sum of items 17 through 20.</b> The sum of these percentages must equal item 13 columns (1) and (2). →	1071	. %	. %	BEA USE ONLY →	3

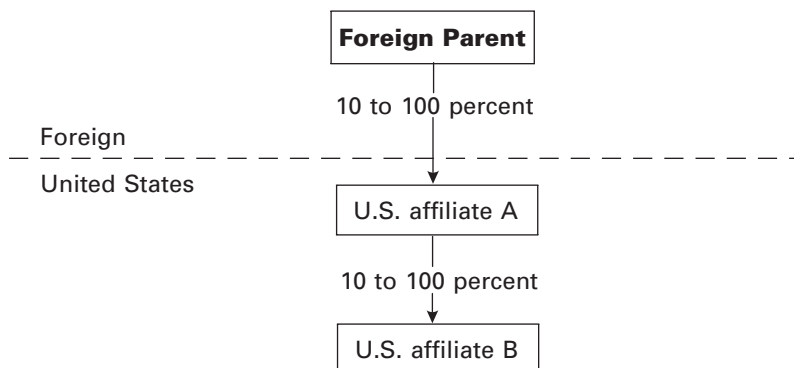
**EXAMPLES OF DIRECT AND INDIRECT FOREIGN OWNERSHIP**

**Example 1 – Ownership held directly by a foreign parent**



Foreign Company Y is the foreign parent because it is the first owner located outside the U.S. in a chain of ownership that owns 10 percent or more of the U.S. affiliate.

**Example 2 – Ownership held indirectly by a foreign parent through another U.S. affiliate**



U.S. affiliate B is indirectly owned by the foreign parent through U.S. affiliate A. U.S. affiliate A has a direct ownership interest in U.S. affiliate B.

**NOTE: Arrows connecting boxes represent direction of ownership**

BEA USE ONLY	1070	1	2	3	4	5
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**PART I – IDENTIFICATION OF U.S. AFFILIATE – Continued**

**22. Major activity(ies) of fully consolidated U.S. affiliate** – For an inactive affiliate, select the activity(ies) based on its last active period; for "start-ups," select the intended activity(ies).

**CHECK ALL BOXES THAT DESCRIBE A MAJOR ACTIVITY OF THE FULLY CONSOLIDATED U.S. AFFILIATE**

	Producer of goods (1)	Seller of goods the U.S. affiliate does not produce (2)	Producer or distributor of information (3)	Provider of services (4)	Real estate (5)	Other (6)
1072	<sup>1</sup> 1 <input type="checkbox"/>	<sup>2</sup> 2 <input type="checkbox"/>	<sup>3</sup> 3 <input type="checkbox"/>	<sup>4</sup> 4 <input type="checkbox"/>	<sup>5</sup> 5 <input type="checkbox"/>	<sup>6</sup> 6 <input type="checkbox"/> – Specify <input checked="" type="checkbox"/>

**23. What is (are) the major product(s) and/or service(s) involved in this (these) activity(ies)?** If a product, also state what is done to it, i.e., whether it is mined, manufactured, sold at wholesale, transported, packaged, etc. (For example, "manufacture widgets.")

1163 0

**INDUSTRY CLASSIFICATION, TOTAL SALES, AND EMPLOYEES OF FULLY CONSOLIDATED U.S. AFFILIATE**

**Enter the 4-digit International Surveys Industry (ISI) code(s) and the sales and employment associated with each code in items 24 through 33 below.** If you use fewer than ten codes, you must account for total sales in items 24 through 32.

**Column (1) – ISI Code** – For a full explanation of each code, see the *Guide to Industry Classifications for International Surveys, 2007*. A copy of this guide can be found on our web site at: [www.bea.gov/naics2007](http://www.bea.gov/naics2007). For an inactive affiliate, show the industry classification(s) based on its last active period; for "start-ups" with no sales, show the intended activity(ies).

**Book publishers, printers, and Real Estate Investment Trusts** – See instructions for items 24–37 on page 31.

**Column (2) – Sales – Total sales or gross operating revenues, excluding sales taxes** – Gross sales minus returns, allowances, and discounts; or gross operating revenues. EXCLUDE sales or consumption taxes levied directly on the consumer and excise taxes levied directly on manufacturers, wholesalers, and retailers. INCLUDE revenues generated during the year from the operations of a discontinued business segment, but EXCLUDE gains or losses from DISPOSALS of discontinued operations. Report such gains or losses on page 8, item 61.

**Derivative instruments** – EXCLUDE all gains and losses from derivative instruments. Report gains and losses from derivative instruments as certain realized and unrealized gains (losses) on page 8, item 61.

**Dividends, interest, and investment gains (losses)** – INCLUDE dividends and interest earned ONLY by finance and insurance companies and units. EXCLUDE dividends and interest earned by non-finance and non-insurance companies and units. Non-finance and non-insurance companies and units should report dividends and interest as other income (page 8, item 62). EXCLUDE all investment gains and losses. Report all investment gains and losses as certain realized and unrealized gains (losses) (page 8, item 61).

**Holding companies** (ISI code 5512) must show total income as reported in item 63 on page 8. **Note** – A U.S. affiliate that is a conglomerate must determine its industry code based on the activities of the fully consolidated domestic U.S. business enterprise. The "holding company" classification, therefore, is often an invalid industry classification for a conglomerate.

**Column (3) – Number of employees** – INCLUDE all full-time and part-time employees on the payroll at the end of FY 2007, associated with each ISI code. For employees engaged in manufacturing activities, also see the instructions for column (4) of the state schedule located on page 16. EXCLUDE contract workers and other workers not carried on the payroll of this U.S. affiliate. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of the number on the payroll at the end of the fiscal year that ended in calendar year 2007. If employment at the end of FY 2007 or the count taken at some other time during FY 2007, was unusually high or low because of temporary factors (e.g., a strike), give the number of employees that reflects normal operations. If the business enterprise's activity involves large seasonal variations, give the average number of employees for FY 2007. If given, the average should be the average for FY 2007 of the number of persons on the payroll at the end of each payroll period, month, or quarter. If precise figures are not available, give your best estimate.

**NOTE:** → For most U.S. Reporters, the employment distribution in column (3) is not proportional to the sales distribution in column (2). Therefore, do not distribute employment by industry in proportion to sales by industry.

	ISI code (1)	Sales (2)				Number of employees engaged in activities encompassed in each industry code in column (1) (3)
		Bil.	Mil.	Thous.	Dols.	
<b>24.</b> Enter code with largest sales	1164	1	2			3
<b>25.</b> Enter code with 2nd largest sales	1165	1	2			3
<b>26.</b> Enter code with 3rd largest sales	1166	1	2			3
<b>27.</b> Enter code with 4th largest sales	1167	1	2			3
<b>28.</b> Enter code with 5th largest sales	1168	1	2			3
<b>29.</b> Enter code with 6th largest sales	1169	1	2			3
<b>30.</b> Enter code with 7th largest sales	1170	1	2			3
<b>31.</b> Enter code with 8th largest sales	1171	1	2			3
<b>32.</b> Enter code with 9th largest sales	1176	1	2			3
<b>33.</b> Enter code with 10th largest sales	1177	1	2			3
<b>34. Number of employees of administrative offices and other auxiliary units</b> – INCLUDE employees at corporate headquarters, central administrative, and regional offices located in the U.S. that provide administration and management or support services for the consolidated U.S. affiliate. Support services include accounting, data processing, legal, research and development and testing, and warehousing. Also INCLUDE employees located at a U.S. operating unit (e.g., a manufacturing plant or warehouse) that provide administration and management or support services to more than one U.S. operating unit. <b>EXCLUDE employees located at a U.S. operating unit that provide administration and management or support services for only that one unit.</b> Instead, report such employees in column (3) of items 24 through 33 above on the lines in which column (1) shows the industry(ies) of the operating unit(s) where these employees are located.	1178					3
<b>35.</b> Sales and employees accounted for – Sum of items 24 through 34	1172		2			3
<b>36.</b> Sales and employees not accounted for above – Item 33 must have an entry if amounts are entered on this line.	1173		2			3
<b>37. TOTAL SALES OR GROSS OPERATING REVENUES (excluding sales taxes) AND EMPLOYEES</b> – Sum of items 35 and 36, columns (2) and (3) (Total sales must equal item 59 and also item 76. Total employees must equal item 89 column (1) and also item 155 column (3). →	1174	1	2			3
<b>38. Number of employees covered by collective bargaining agreements</b> – Of the total employees reported in item 37, column (3), what is the number covered by collective bargaining agreements. If none, enter zero. Employees covered by collective bargaining agreements are defined in instruction 38 on page 31.						1

**PART I – IDENTIFICATION OF U.S. AFFILIATE – Continued**

*Reports all amounts in thousands of U.S. dollars.*

**CROSS-BORDER SERVICES TRANSACTIONS**

**39. Did this U.S. affiliate receive payments or credits from, or make payments or issue credits to, persons or entities located outside of the United States for any of the items listed below?**

- Royalties, license fees, and other fees for the use or sale of intangible property
- Services including but not limited to: accounting, advertising, computer, construction and related services, consulting, data base, financial, insurance, legal, management, operational leasing, public relations, research and development.

1186 <sup>1</sup>  Yes <sup>2</sup>  No

**INSURANCE INDUSTRY ACTIVITIES**

Insurance related activities are covered by industry codes 5243 (Insurance carriers, except life insurance carriers) and 5249 (life insurance carriers).

**40a. Of the total sales and gross operating revenues reported on line 37, column 2, were any of the sales or revenues generated by insurance related activities?**

1180 <sup>1</sup>  Yes – Answer items 40b and 40c  
<sup>2</sup>  No – Skip to item 41a

**NOTE: Complete items 40b and 40c ONLY if item 40a is answered "Yes."**

**40b. Premiums earned** — Report premiums, gross of commissions, included in revenue during the reporting year. Calculate as direct premiums written (including renewals) net of cancellations, plus reinsurance premiums assumed, minus reinsurance premiums ceded, plus unearned premiums at the beginning of the year, minus unearned premiums at the end of the year. EXCLUDE all annuity premiums. Also EXCLUDE premiums and policy fees related to universal and adjustable life, variable and interest-sensitive life, and variable-universal life policies.

	Amount (1)			
	Bil.	Mil.	Thous.	Dols.
1				
1181	\$			

**40c. Losses incurred** — Report losses incurred for the insurance products covered by question 40b. EXCLUDE loss adjustment expenses and losses that relate to annuities. Also EXCLUDE losses related to universal and adjustable life, variable and interest-sensitive life, and variable-universal life policies.

For property and casualty insurance, calculate as net losses paid during the reporting year, minus net unpaid losses at the beginning of the year, plus net unpaid losses at the end of the year. In the calculation of net losses, INCLUDE losses on reinsurance assumed from other companies and EXCLUDE losses on reinsurance ceded to other companies. Unpaid losses include both case reserves and losses incurred but not reported.

For life insurance, losses reflect policy claims on reinsurance assumed or on primary insurance sold, minus losses recovered from reinsurance ceded, adjusted for changes in claims due, unpaid, and in course of settlement.

1				
1182	\$			

**WHOLESALE AND RETAIL TRADE INDUSTRY ACTIVITIES — Goods purchased for resale without further processing**

Wholesale trade industry activities include the wholesaling of durable and nondurable goods. These activities are covered by industry codes 4231 through 4251.

Retail trade industry activities are covered by industry codes 4410 through 4540.

**41a. Of the total sales and gross operating revenues reported on line 37, column 2, were any of the sales or revenues generated by wholesale or retail trade activities?**

1183 <sup>1</sup>  Yes – Answer items 41b and 41c  
<sup>2</sup>  No – Skip to item 42

**NOTE: Complete items 41b and 41c ONLY if item 41a is answered "Yes."**

**41b. Enter the cost of goods purchased for resale without further processing during the fiscal year that ended in calendar year 2007** →

	Amount (1)			
	Bil.	Mil.	Thous.	Dols.
1				
1184	\$			

**41c. Enter the closing balances at the end of fiscal years 2007 and 2006 of the inventory of goods purchased for resale without further processing.**

	BALANCES							
	CLOSE FY 2007 (1)				Close FY 2006 (Unrestated) (2)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1					2			
1185	\$				\$			

**BEA USE ONLY**

	1	2	3	4	5
1200					
1201					
1202					
1203					

## PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE

Report all amounts in thousands of U.S. dollars.

## Section A — BALANCE SHEET

NOTE — Disaggregate all asset and liability items in the detail shown. Show receivables and payables between the U.S. affiliate and the foreign parent group(s) in the proper asset and liability accounts of the U.S. affiliate rather than as a net amount. An illustration of foreign parent group is at the bottom of page 9. Also show receivables and payables between the U.S. affiliate and foreign affiliates owned by this U.S. affiliate. Insurance companies see page 32, V.A., for special instructions.

## • ASSETS

		BALANCES												
		Close FY 2007 (1)				Close FY 2006 (Unrestated) (2)								
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.					
<b>42. Cash items</b> — Deposits in financial institutions and other cash items. <i>Do NOT include overdrafts as negative cash. Note</i> — Although including certificates of deposit (CDs) in CASH is permitted by generally accepted accounting principles, <b>exclude</b> CDs and other deposits of the U.S. affiliate held by the foreign parent group(s). Include them below in item 43a, current receivables.	2101	\$							2					
<b>43a. Current receivables (gross amount before allowance for doubtful accounts)</b> — Trade accounts, trade notes, and other current receivables. Include CDs and other deposits held by the foreign parent group(s). ( <i>See note in item 42 above.</i> )	2102								2					
<b>43b. Allowance for doubtful accounts</b> — Include doubtful current receivable amounts reported in item 43a plus any doubtful noncurrent receivable amounts reported in item 48 (other noncurrent assets).	2103								2					
<b>44. Inventories</b> — Land development companies, exclude land held for resale (include in item 45); finance and insurance companies, exclude inventories of marketable securities (include in item 45 or item 48, as appropriate).	2104								2					
<b>45. Other current assets, including land held for resale and current marketable securities.</b>	2105								2					
<b>46. Equity investment in unconsolidated U.S. affiliates and all foreign entities</b> — Include all U.S. and foreign investments that are to be reported on the equity basis. Include equity in undistributed earnings since acquisition. NOTE: Foreign operations in which you own an interest of 20 percent or more, including those in which you own a majority interest, are to be deconsolidated. Include all unconsolidated businesses on an equity basis or, if less than 20 percent owned, in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting.	2106								2					
<b>47. Property, plant, and equipment, net</b> — Include land, timber, mineral rights, structures, machinery, equipment, special tools, deposit containers, construction in progress, and capitalized tangible and intangible exploration and development costs of the affiliate, at historical cost net of accumulated depreciation, depletion, and amortization. Include items on capital leases from others, per FAS 13 (Accounting for Leases), and property you own that you lease to others under operating leases. Exclude all other types of intangible assets, and land held for resale. (An unincorporated affiliate should include items owned by its foreign parent but which are in the affiliate's possession in the United States whether or not carried on the affiliate's own books or records.)	2107								2					
<b>48. Other noncurrent assets</b> — Include noncurrent receivables; other investments; intangible assets not included in item 47 above, net of amortization; and all noncurrent assets not included above. — <i>Specify major items</i> ↘	2108								2					
<b>49. TOTAL ASSETS — Sum of items 42 through 48</b> —————→	2109	\$							2	\$				
• LIABILITIES									2					
<b>50. Current liabilities and long-term debt</b> — Trade accounts, trade notes, other current liabilities, long-term debt, and securities that are debt per FAS 150 (Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity).	2111	\$							2	\$				
<b>51. Other noncurrent liabilities</b> — Items other than those identifiable as long-term debt, such as deferred taxes and minority interest in consolidated U.S. subsidiaries. — <i>Specify</i> ↘	2113								2					
<b>52. TOTAL LIABILITIES — Sum of items 50 and 51</b> —————→	2114	\$							2	\$				
• OWNERS' EQUITY									2					
<b>53. Capital stock and additional paid-in capital</b> — Common and preferred, voting and non-voting capital stock and additional paid-in capital.	2116	\$							2	\$				
<b>54. Retained earnings (deficit)</b>	2117								2					
<b>55. Treasury stock</b>	2118	(		)					2	(		)		
<b>56. Accumulated other comprehensive income (loss)</b>		Close FY 2007 (1)				Close FY 2006 (Unrestated) (2)								
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.					
<b>56a. Translation adjustment</b>	2122	\$				\$								
<b>56b. All other components</b>	2128	\$				\$								
<b>56c. Total accumulated other comprehensive income (loss) — Equals sum of 56a and 56b</b> —————→	2129								2					
<b>57. Other</b> — <i>Specify major items</i> ↘	2119								2					
<b>58. TOTAL OWNERS' EQUITY</b> — <i>Sum of items 53, 54, 55, 56c and 57 for incorporated U.S. affiliates and those unincorporated U.S. affiliates for which this breakdown is available. For those unincorporated U.S. affiliates that cannot provide a breakdown for items 53 through 57, report total owners' equity in this item. For both incorporated and unincorporated U.S. affiliates, total owners' equity must equal item 49 minus item 52.</i> —————→	2120	\$				\$			2	\$				

## PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued

Report all amounts in thousands of U.S. dollars.

Section B — INCOME STATEMENT	Amount			
	(1)			
	Bil.	Mil.	Thous.	Dols.
Insurance companies see page 32, V.A. for special instructions.				
• INCOME				
<b>59. Total sales or gross operating revenues, excluding sales taxes</b> — Item 59 must equal item 37, column 2 and also item 76. 2149	1			\$
<b>60. Income from equity investments in unconsolidated U.S. affiliates and all foreign entities</b> — Report equity in earnings during the reporting period for all U.S. and foreign investments included on the equity basis in item 46. For investments owned less than 20 percent and not subject to FAS 115, report dividends received. 2150	1			
<b>61. Certain realized and unrealized gains (losses)</b> — <b>Note:</b> Please read the following instructions carefully as they are keyed to economic accounting concepts and in some cases may deviate from what is normally required by U.S. Generally Accepted Accounting Principles. <b>Report at gross amount before</b> income tax effect. Include tax effect in item 65 below. Report gains (losses) resulting from: <b>a.</b> Extraordinary, unusual, or infrequently occurring items that are material. INCLUDE losses from accidental damage or disasters, after estimated insurance reimbursement. INCLUDE other material items, including writeups, writedowns, and writeoffs of tangible and intangible assets; gains (losses) from the sale or other dispositions of capital assets; and gains (losses) from the sale or other dispositions of financial assets, including securities. EXCLUDE legal judgments. Report legal judgments against the U.S. affiliate in item 64. Report legal settlements in favor of the U.S. affiliate in item 62; <b>b.</b> Restructuring. INCLUDE restructuring costs that reflect write downs or writeoffs of assets or liabilities. EXCLUDE actual payments, or charges to establish reserves for future actual payments, such as for severance pay, and fees to accountants, lawyers, consultants, or other contractors. Report them in item 64; <b>c.</b> Sales or disposition of land, other property, plant and equipment, or other assets, and FAS 144 (Accounting for the Impairment or Disposal of Long-Lived Assets) impairment losses. EXCLUDE gains or losses from the sale of inventory assets in the ordinary course of trade or business. Real estate companies, see special instructions IV.61.(2) on page 31; <b>d.</b> Sales or other disposition of financial assets, including investment securities; FAS 115 holding gains (losses) on securities classified as trading securities; FAS 115 impairment losses; and gains and losses derived from derivative instruments. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies, see special instructions IV.61.(1) on page 31; <b>e.</b> Goodwill impairment as defined by FAS 142 (Goodwill and Other Intangible Assets); <b>f.</b> DISPOSALS of discontinued operations. EXCLUDE income from the operations of a discontinued segment. Report such income as part of your income from operations in items 24 through 37; <b>g.</b> Remeasurement of the U.S. affiliate's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the reporting period; <b>h.</b> The cumulative effect of a change in accounting principle; and <b>i.</b> Change in accounting estimate of provision for expected stock option forfeitures under the inception method as defined by FAS 123(R) (Share-Based Payments). 2151	1			\$
<b>62. Other income</b> — Legal settlements in favor of the U.S. affiliate, nonoperating, and other income not included above. — <i>Specify major items</i> ↘ 2152	1			\$
<b>63. TOTAL INCOME</b> — <i>Sum of items 59 through 62</i> → 2153	1			\$
• COSTS AND EXPENSES				
<b>64. Cost of goods sold or services rendered, and selling, general, and administrative expenses</b> — Operating expenses that relate to sales or gross operating revenues, item 59, and selling, general, and administrative expenses. INCLUDE production royalty payments to governments, their subdivisions and agencies, and to other persons. INCLUDE legal judgments against the U.S. affiliate. INCLUDE depletion charges representing the amortization of the actual cost of capital assets, but EXCLUDE all other depletion charges. EXCLUDE goodwill impairment as defined by FAS 142 (Goodwill and Other Intangible Assets). Report such impairment losses in item 61 above. For guidance on restructuring costs, see item 61b above. 2154	1			\$
<b>65. Income taxes</b> — Provision for U.S. Federal, State, and local incomes taxes. INCLUDE the income tax effect of certain realized and unrealized gains (losses) reported in item 61. EXCLUDE production royalty payments. 2156	1			
<b>66. Other costs and expenses not included above, including minority interest in profits and losses that arise out of consolidation.</b> — <i>Specify major items</i> ↘ 2157	1			
<b>67. TOTAL COSTS AND EXPENSES</b> — <i>Sum of items 64 through 66</i> → 2158	1			\$
• NET INCOME				
<b>68. Net income (loss) after provision for U.S. Federal, State, and local income taxes</b> — <i>Item 63 minus item 67</i> 2159	1			\$
<b>Section C — CHANGE IN RETAINED EARNINGS (DEFICIT)</b> — If retained earnings (deficit) is not shown as a separate account, show change in total owners' equity.				
<b>69. Balance, close FY ended in 2006 before restatement due to a change in the entity (i.e., due to mergers, acquisitions, divestitures, etc.) or due to a change in accounting methods or principles, if any</b> — Enter amount from item 54, column (2); if retained earnings (deficit) is not shown as a separate account, enter amount from item 58, column (2). 2211	1			\$
<b>70. Increase (decrease) due to restatement of FY 2006 closing balance.</b> — <i>Specify reason(s) for change</i> ↘ 2212	1			
<b>71. FY 2006 closing balance as restated</b> — <i>Item 69 plus item 70.</i> 2213	1			\$
<b>72. Net income (loss)</b> — <i>Enter amount from item 68.</i> 2214	1			
<b>73. Dividends or earnings distributed</b> — Incorporated affiliate, enter amount of dividends declared, inclusive of withholding taxes, out of current- or prior-period income, on common and preferred stock, <b>excluding stock dividends.</b> Unincorporated affiliate, enter amount of current- or prior-period net income distributed to owners. 2215	1			
<b>74. Other increases (decrease) in retained earnings (deficit), including stock or liquidating dividends, or in total owners' equity if retained earnings (deficit) are not shown as a separate account, including capital contributions (return of capital).</b> — <i>Specify</i> ↘ 2217	1			
<b>75. FY 2007 closing balance</b> — <i>Sum of items 71, 72, and 74 minus item 73; also must equal item 54 column (1) if retained earnings (deficit) is shown as a separate account, or item 58, column (1) if retained earnings (deficit) is NOT shown as a separate account.</i> 2218	1			\$



**PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued**

*Report all amounts in thousands of U.S. dollars.*

**Section D — DISTRIBUTION OF SALES OR GROSS OPERATING REVENUES**

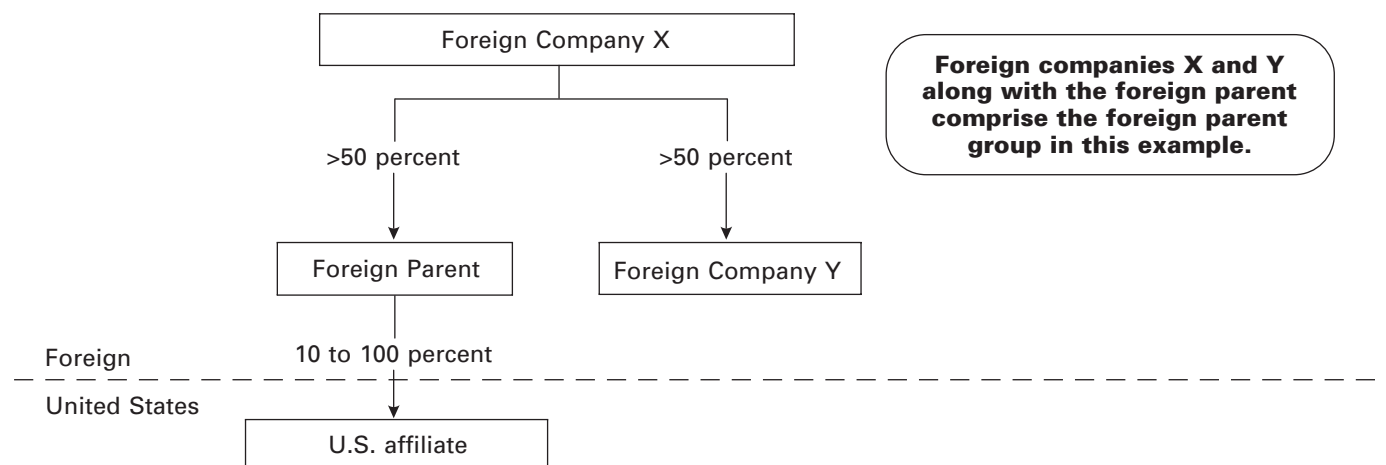
**Distribute sales or gross operating revenues among three categories — sales of goods, sales of services, and investment income.** For the purpose of this distribution, "goods" are normally outputs that are tangible and "services" are normally outputs that are intangible. When a sale consists of both goods and services and cannot be unbundled (i.e., the goods and services are not separately billed), classify the sales as goods or services based on whichever accounts for a majority of the value. Give best estimates if actual figures are not available.

**NOTE — BEFORE COMPLETING THIS SECTION, PLEASE SEE THE INSTRUCTIONS FOR ITEMS 76 THROUGH 83 ON PAGE 31.** Insurance companies also see page 32, V.A. for special instructions.

**Utilities and Oil & Gas Producers and Distributors** — To the extent feasible, revenues are to be allocated between sales of goods and sales of services. Revenues earned from the sale of a product (e.g., electricity, natural gas, oil, water, etc.) are to be reported as sales of goods. Revenues earned from the distribution or transmission of a product (e.g., fees received for the use of transmission lines, pipelines, etc.) are to be reported as sales of services.

		Amount (1)			
		Bil.	Mil.	Thous.	Dols.
<b>76. TOTAL SALES OR GROSS OPERATING REVENUES, EXCLUDING SALES TAXES —</b> <i>Equals item 59, and also sum of items 77 through 79</i>	2243	\$			
<b>77. Sales of Goods</b>	2244	\$			
<b>78. Investment income included in gross operating revenues (e.g., dividends and interest generated by finance and insurance subsidiaries or units)</b>	2245	\$			
<b>79. Sales of Services, Total — Sum of items 80 through 83</b>	2246	\$			
<b>80. To U.S. persons or entities</b>	2247				
<b>81. To foreign parent group.</b> See the example at the bottom of this page for an illustration of foreign parent group.	2248				
<b>82. To foreign affiliates owned by this U.S. affiliate.</b> See item 9 on page 3 for a diagram that illustrates foreign affiliates owned by this U.S. affiliate.	2249				
<b>83. To other foreign persons</b>	2250				

**EXAMPLE OF FOREIGN PARENT GROUP**



**NOTE: Arrows connecting boxes represent direction of ownership**

**DEFINITIONS OF KEY TERMS**

**Foreign parent group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 percent of the person below it up to and including that person which is not owned more than 50 percent 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 percent by the person above it.

The term "**person**" in the above paragraph is used in the broad legal sense and includes companies. See instruction II.C. on page 28 for the complete definition of "person."

**PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued**

**Report all amounts in thousands of U.S. dollars.**

<b>Section E – EMPLOYEE COMPENSATION</b>	Amount for all employees (1)			
	Bil.	Mil.	Thous.	Dols.
<b>EMPLOYEE COMPENSATION</b> — Base compensation on payroll records. Employee compensation must cover compensation charged as an expense on the income statement, charged to inventories, or capitalized during the reporting period. EXCLUDE compensation related to activities of a prior period, such as compensation capitalized or charged to inventories in prior periods. See instructions 84–86 on page 31 for more detailed definitions of wages and salaries and employee benefit plans.				
<b>84. Wages and salaries</b> — Employees' gross earnings (before payroll deductions), and all direct and in-kind payments by the employer to employees.	2251	\$		
<b>85. Employee benefit plans</b> — Employer expenditures for all employee benefit plans, including those required by government statute, such as employer's Social Security taxes, those resulting from collective bargaining contracts, and those that are voluntary.	2252			
<b>86. TOTAL EMPLOYEE COMPENSATION</b> — Sum of items 84 and 85	2253	\$		

<b>Section F – EMPLOYEES AND EMPLOYEE COMPENSATION BY STANDARD OCCUPATION CLASSIFICATION (SOC) GROUPS</b>		Number of employees at close of FY 2007 (1)	Employee compensation for FY 2007 (2)			
		Number	Bil.	Mil.	Thous.	Dols.
<b>Please report employees and employee compensation by SOC.</b> See instructions 87–89 on page 32 for a list of the major SOC groups. <b>Column (1) – Number of employees at close of FY 2007</b> – MUST equal the number reported on page 5, item 37, column (3). <b>Column (2) – Employee compensation for FY 2007</b> – MUST equal the amount reported in item 86 above.						
<b>87. Managerial, professional, and technical employees (SOC 11–29)</b>	2260	1	2			
<b>88. All other employees (SOC 31–55)</b>	2261	1	2			
<b>89. TOTAL NUMBER OF EMPLOYEES AND EMPLOYEE COMPENSATION</b> — Column (1) must equal item 37 column (3) and also item 155 column (3). Column (2) must equal item 86.	2262	1	2			

<b>Section G – COMPOSITION OF LIABILITIES AND RECEIVABLES OF U.S. AFFILIATE</b>	Total Equals sum of columns (2)–(5)				With foreign parent group (FPG) (See example at the bottom of page 9 for illustration of FPG)				With foreign affiliates owned by this U.S. affiliate (See page 3 item 9 for diagram illustrating foreign affiliates owned by this U.S. affiliate)				With other foreign persons or entities				With U.S. persons or entities			
	(1)				(2)				(3)				(4)				(5)			
CLOSE FY 2007	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
<b>90. Current liabilities and long-term debt</b> – Column (1) must equal item 50, column (1).	2254	\$			\$				\$				\$				\$			
<b>91. Current and non-current receivables</b> — Column (1) must equal item 43a, column (1), and that part of item 48, column (1), that is noncurrent receivables.  <b>NOTE</b> — Include certificates of deposit and other deposits held by the foreign parent group(s) that would otherwise be included in cash, item 42. (See Note in item 42.)	2256	\$			\$				\$				\$				\$			

<b>Section H – LAND AND OTHER PROPERTY, PLANT, AND EQUIPMENT</b>		All acres of U.S. land owned at close of FY 2007. Exclude acres of mineral rights if you do not own the land. (To nearest whole acre)	Gross book value of all land and other property, plant, and equipment at historical cost (Include gross book value of mineral rights)			
		(1)	(2)			
		Number	Bil.	Mil.	Thous.	Dols.
<b>92. TOTAL LAND AND OTHER PROPERTY, PLANT, AND EQUIPMENT AT CLOSE OF FY 2007</b> — Column (2) must equal item 104 and item 155 column (5)		2354	1	2		
<b>93. Gross book value of land owned</b> — The portion of item 92, column (2), that is the gross book value of land owned. Include undeveloped and agricultural land, and also the value of land you own that is located under developed properties such as office buildings, apartment buildings, retail buildings, etc. If your accounting and reporting systems do not separately account for land and building components when buildings sit upon land that you own, provide your best estimate of the gross book value of the land owned.		2356	\$			
<b>BEA USE ONLY</b>		2357	1			

## PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued

Report all amounts in thousands of U.S. dollars.

SCHEDULE OF CHANGE FROM FY 2006 CLOSING BALANCES TO FY 2007 CLOSING BALANCES		Amount (1)			
		Bil.	Mil.	Thous.	Dols.
• BALANCES AT CLOSE FY 2006, BEFORE RESTATEMENT DUE TO A CHANGE IN THE ENTITY					
<b>94. Net book value of all land and other property, plant, and equipment, wherever carried on the balance sheet</b>	2386	\$			
• CHANGES DURING FY 2007					
<b>95. Give amount by which the net book value in item 94 would be restated due to a change in entity (i.e., due to the acquisition of or merger with another company, or the divestiture of a subsidiary, etc.), if the answer to item 5, 10, or 11 was "Yes," or due to a change in accounting methods or principles.</b> If a decrease, put amount in parentheses. Report in item 61 any gains (losses) resulting from the sale or disposition of U.S. affiliates.	2387	1			
<b>Expenditures</b> – Expenditures cover all purchases by, or transfers to, the U.S. affiliate of land and other property, plant, and equipment. <b>Exclude</b> all changes in land and other property, plant, and equipment caused by a change in the entity (i.e., due to the acquisition of or merger with another company, etc.) or by a change in accounting methods or principles during your 2007 fiscal year; include such changes in item 95 above.					
<b>Expenditures by the U.S. affiliate for, or transfers into the U.S. affiliate of,</b>					
<b>96. Land</b> – Report expenditures for land except land held for resale. Report land held for resale in item 101.	2388	1			
<b>97. Mineral rights, including timber</b> – Report capitalized expenditures to acquire mineral and timber rights. Exclude capitalized expenditures for the exploration and development of natural resources. Include those in item 98.	2389	1			
<b>98. Property, plant, and equipment other than land and mineral rights</b> (Exclude changes due to mergers and acquisitions. Report them in item 95.)	2390	1			
<b>99. Depreciation expense for FY 2007</b>	2392	1			
<b>100. Depletion expense for FY 2007</b>	2393	1			
<b>101. Net book value of sales, retirements, impairments, or transfers out of assets defined for inclusion in this section, and other decreases (increases)</b> — INCLUDE expenditures for land held for resale. EXCLUDE amounts relating to the divestiture of U.S. affiliates. Report such amounts in item 95. Report any gains (losses) resulting from asset impairments and the sale or disposition of property, plant, and equipment in item 61. — <i>Specify major items</i> ↘	2394	1			
• BALANCES AT CLOSE FY 2007					
<b>102. Net book value</b> — <i>Sum of items 94 through 98, minus sum of items 99 through 101.</i>	2395	1			
<b>103. Accumulated depreciation and depletion.</b>	2396	1			
<b>104. Gross book value of all land and other property, plant, and equipment, wherever carried on the balance sheet</b> — <i>Sum of items 102 and 103; must also equal item 92 column (2) and item 155, column (5).</i>	2397	\$			
• ADDENDUM					
<b>105. Expensed petroleum and mining exploration and development expenditures</b> — Include expensed expenditures to acquire or <b>lease</b> mineral rights. Exclude expenditures that are capitalized and expenditures made in prior years that are reclassified in the current year; such expenditures are considered to be expenditures only in the year when initially expensed.	2398	\$			
<b>Section I — INTEREST AND TAXES</b>					
<b>106. Interest income from all sources (including foreign parents and affiliates), after deduction of taxes withheld at the source.</b> Do not net against interest expense (item 107).	2400	\$			
<b>107. Interest expense plus interest capitalized, paid or due to all payees (including to foreign parents and affiliates), before deduction of U.S. tax withheld by the affiliate.</b> Do not net against interest income (item 106).	2401	\$			
<b>108. Other taxes and non-tax payments (EXCLUDING income and payroll taxes)</b> — Amount paid or accrued for the year, net of refunds or credits, to U.S. Federal, State, and local governments, their subdivisions and agencies for —					
• Sales, consumption, and excise taxes <b>collected by you on goods and services you sold</b>					
• Premium taxes paid by insurance companies					
• Property and other taxes on the value of assets and capital					
• Any remaining taxes (other than income and payroll taxes)					
• Non-tax liabilities (other than for purchases of goods and services) such as —					
• Import and export duties					
• Production royalties for natural resources					
• License fees, fines, penalties, and similar items					
<b>NOTE:</b> The amount reported in this item SHOULD NOT EQUAL the amount reported in item 65.	2402	\$			
	2404	1	2	3	4
<b>BEA USE ONLY</b>					5

**PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued**

*Report all amounts in thousands of U.S. dollars.*

**Section J – TECHNOLOGY**

**Research and development (R&D) expenditures** – Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, taxes, materials and supplies, overhead — whether or not allocated to others — and all other indirect costs. See instructions 109–116 on page 32 for more details of what to include.

**NOTE** — Items 109 through 114 pertain to R&D performed by the U.S. affiliate, including R&D performed by the U.S. affiliate for others under contract. This is the basis on which National Science Foundation surveys request information on R&D. The FAS 2 (Accounting for Research and Development Costs) measure of R&D (i.e., R&D from which the firm **benefits**) is the sum of items 110 and 115.

**109. R&D performed BY the U.S. affiliate, total** — Sum of items 110 through 114. EXCLUDE the cost of R&D funded by the U.S. affiliate but performed by others. Report such R&D costs in item 115 below.

**110. For own account**

**111. For Federal Government** (i.e., federally financed R&D)

**112. For foreign parent group.** See the example at the bottom of page 9 for an illustration of foreign parent group.

**113. For foreign affiliates owned by this U.S. affiliate.** See item 9 on page 3 for a diagram that illustrates foreign affiliates owned by this U.S. affiliate.

**114. For others under contract**

**115. R&D performed FOR U.S. affiliate by others on a contractual basis**

**116. Research and development employees** — Report the number of employees engaged in R&D in the United States (including the District of Columbia, Puerto Rico, and all territories and possessions of the United States) during the fiscal year that ended in calendar year 2007.

R&D employees are scientists, engineers, and other professional and technical employees, including managers, engaged in scientific or engineering R&D work, at a level that requires knowledge of physical or life sciences, engineering, mathematics, statistics, or computer science at least equivalent to that acquired through completion of a four-year college course with a major in one of these fields (i.e., training may be either formal or by experience).

Amount  
(1)

Bil. Mil. Thous. Dols.

1

2403 \$

1

2405

1

2406

1

2411

1

2412

1

2407

1

2408

Number  
(1)

1

2409

1

2410

**BEA USE ONLY**

**Section K – EXPORTS AND IMPORTS OF GOODS BY U.S. AFFILIATE ON A SHIPPED BASIS**

**"U.S. trade in goods" is the physical movement of goods between the customs area of the United States and the customs area of a foreign country.** Goods shipped by, or to, the U.S. affiliate whether or not they were actually charged or consigned by, or to, the U.S. affiliate, are considered to be trade of the U.S. affiliate.

**BASIS FOR REPORTING U.S. TRADE IN GOODS DATA: "Shipped" versus "Charged"**

**Report U.S. trade in goods data on this BE-12 report using the "shipped" basis.** The shipped basis looks at the physical movement of goods. Data reported on the "shipped" basis for exports are based on (i) when, (ii) to whom, and (iii) to where the goods were shipped. Data reported on the "shipped" basis for imports are based on (i) when, (ii) from whom, and (iii) from where the goods were shipped. The "shipped" basis is the same basis on which official U.S. trade statistics are kept and to which the trade data reported on the BE-12 will be compared.

**DO NOT REPORT the U.S. trade in goods data using the "charged" basis.** U.S. affiliates normally keep their accounting records on a "charged basis." Data reported on the "charged" basis are based on (i) when, (ii) to or from whom, and (iii) to or from where goods are charged for accounting and bookkeeping purposes. The "charged" basis may be used if there is no material difference between it and the "shipped" basis. However, if there is a material difference, the "shipped" basis must be used or adjustments must be made to the "charged" basis data to approximate a "shipped" basis. To adjust "charged" basis data to a "shipped" basis it may be necessary to look at export and import declarations filed with U.S. customs or shipping and receiving documents to determine the physical movement of goods.

Differences between the "charged" and "shipped" basis may be substantial. A major difference arises when a U.S. affiliate buys goods in foreign country A and sells them in foreign country B. Because the goods did not physically enter or leave the United States, they are not U.S. trade. However, when the U.S. affiliate records the transactions on its books, it would show a purchase charged to it from country A and a sale charged by it to country B. If the U.S. affiliate's trade data in this survey were prepared on the "charged" basis, the purchase and sale would appear incorrectly as a U.S. import and U.S. export, respectively. Other differences arise when the U.S. affiliate charges the sale of its products to a foreign parent, but ships the goods directly from the United States to an unaffiliated foreign person. If the data are on the "shipped" basis, this should be a U.S. export to an unaffiliated foreign person, not to the foreign parent.

**117. For this U.S. affiliate is there a material difference between the "shipped" and "charged" basis?** See the discussion above for information on the "shipped" versus the "charged" basis.

2500 <sup>1</sup>  Yes <sup>2</sup>  No

**118. On what basis will the trade data in this section be prepared?** NOTE: The trade data should be reported using the "shipped" basis.

2501 <sup>1</sup>  "Shipped" basis.

<sup>1</sup>  "Charged" basis without adjustments because there is no material difference between the "charged" and the "shipped" basis.

<sup>1</sup>  "Charged" basis with adjustments to correct for material differences between the "charged" and the "shipped" basis.

<sup>1</sup>  Other — Specify ↴

**PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued**

*Report all amounts in thousands of U.S. dollars.*

**Section K — EXPORTS AND IMPORTS OF GOODS BY U.S. AFFILIATE ON A SHIPPED BASIS — Continued**

**Report the value of goods exported and imported by the U.S. affiliate during the fiscal year that ended in calendar year 2007. EXCLUDE services. Software publishers see the instructions below under packaged general use computer software.**

**Timing** — Only include goods actually shipped between the United States and a foreign country during FY 2007 regardless of when the goods were charged or consigned. For example, include goods shipped by the U.S. affiliate in FY 2007 that were charged or consigned in FY 2008, but exclude goods shipped in FY 2006 that were charged or consigned in FY 2007.

**In-transit goods** — EXCLUDE the value of in-transit goods. In-transit goods are goods that are not processed or consumed by residents in the intermediate country(ies) through which they transit; the in-transit goods enter those countries only because those countries are along the shipping lines between the exporting and importing countries. In-transit goods are goods that are en route from one foreign country to another via the United States (such as from Canada to Mexico via the United States), and goods en route from one part of the United States to another part via a foreign country (such as from Alaska to Washington State via Canada).

**Capital goods** — Include capital goods (e.g., manufacturing equipment used to produce goods for sale) but exclude the value of ships, planes, railroad rolling stock, and trucks that were temporarily outside the United States transporting people or merchandise.

**Consigned goods** — Include consigned goods in the trade figures when shipped or received, even though they are not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned.

**Electricity and water** — Report the value of electricity and water exports and imports if the product value can be separated out from the service value. Report ONLY the product value (electricity and water). DO NOT report the service value (transmission and distribution).

**Natural gas distribution** — INCLUDE the value of natural gas that is exported or imported as trade in goods. However, EXCLUDE natural gas that you do not produce or sell, but simply transmit for others via a pipeline.

**Packaged general use computer software** — INCLUDE exports and imports of packaged general use computer software. Value such exports and imports at the full transaction value, i.e., including both the value of the media on which the software is recorded and the value of the information contained on the media. EXCLUDE receipts or payments for customized software designed to meet the needs of a specific user. This type of software is considered a service and should **not** be reported as trade in goods. EXCLUDE receipts and payments for software that is transmitted electronically rather than physically shipped. Also EXCLUDE negotiated licensing fees for software to use on networks.

**Column (1) — Valuation of exports and imports** — Value U.S. goods exports and imports f.a.s. (free alongside ship) at the port-of-exportation. INCLUDE all costs incurred up to the point of loading the goods aboard the export carrier at the U.S. or foreign port of exportation, including the selling price at the interior point of shipment (or cost if not sold), packaging cost, and inland freight and insurance. EXCLUDE all subsequent costs such as loading costs, U.S. and foreign import duties, and freight and insurance from the port of exportation to the port of entry.

**Columns (2), (3), and (4) — By (or to) whom the goods were shipped** — Shipment by, or to, an entity refers to the physical movement of merchandise to or from the U.S. customs area by, or to, that entity regardless of by, or to, whom the goods were charged or consigned. For example, if the U.S. affiliate charges goods to a foreign parent but ships the goods to an unaffiliated foreign person, record the goods as U.S. goods exports by the U.S. affiliate to the unaffiliated foreign person (column (4) below).

Goods shipped by an independent carrier or a freight forwarder to or from the United States at the expense of a U.S. affiliate are, respectively, imports or exports of the U.S. affiliate.

	TOTAL				Shipped to (by) foreign parent group(s). (See example at the bottom of page 9 for illustration of foreign parent group.)				Shipped to (by) foreign affiliates owned by this U.S. affiliate. (See item 9 on page 3 for an illustration of foreign affiliates owned by this U.S. affiliate)				Shipped to (by) all other foreign persons			
	(1)		(2)		(3)		(4)									
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
<b>119. Exports of U.S. affiliate to foreign persons</b> — Shipped by U.S. affiliate to foreign persons (valued f.a.s. U.S. port). 2502	1				2				3				4			
	\$			\$				\$				\$				
<b>120. Imports of U.S. affiliate from foreign persons</b> — Sum of items 121 through 124. Shipped to U.S. affiliate by foreign persons (valued f.a.s. foreign port). 2515	1				2				3				4			
	\$			\$				\$				\$				
<b>IMPORTS BY INTENDED USE:</b>	1				2				3				4			
<b>121. Capital equipment and other goods charged by U.S. affiliate to its fixed asset accounts.</b> 2529																
	\$			\$				\$				\$				
<b>122. Goods intended for further processing, assembly, or manufacture by this affiliate before resale to others.</b> 2530	1				2				3				4			
	\$			\$				\$				\$				
<b>123. Goods for resale without further processing, assembly, or manufacture by this affiliate.</b> 2528	1				2				3				4			
	\$			\$				\$				\$				
<b>124. Other</b> — Specify major items 2531	1				2				3				4			
	\$			\$				\$				\$				

**PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued**

*Report all amounts in thousands of U.S. dollars.*

**EXPORTS OF GOODS BY U.S. AFFILIATE TO FOREIGN PERSONS BY COUNTRY OF ULTIMATE DESTINATION**

**Report exports of goods by the U.S. affiliate to each country of ultimate destination.** The country of ultimate destination is the country where the goods are to be consumed, further processed, or manufactured, **as known to the shipper at the time of exportation.** If the shipper does not know the country of ultimate destination, credit the shipment to the last country to which the shipper knows that the goods will be shipped in the same form as exported.

125. <b>TOTAL</b> for each column on page 14 must equal sum of items 126 through 154. Also must equal amounts reported on page 13 item 119.	BEA USE ONLY (1)	EXPORTS — Shipped by U.S. affiliate to foreign persons (valued f.a.s. U.S. port)															
		TOTAL <i>Equals item 119, column (1).</i> (2)				Shipped to foreign parent group(s). <i>Equals item 119, column (2).</i> (3)				Shipped to foreign affiliates owned by this U.S. affiliate. <i>Equals item 119, column (3).</i> (4)				Shipped to all other foreign persons. <i>Equals item 119, column (4).</i> (5)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
<b>A</b> 2600		2				3				4				5			
		\$				\$				\$				\$			
<b>TO COUNTRY OF ULTIMATE DESTINATION</b> — Enter amounts for all individual countries to which exports to each were \$500,000.00 or more.																	
126. <b>Australia</b> 2601	<b>601</b>																
127. <b>Belgium</b> 2602	<b>302</b>																
128. <b>Brazil</b> 2603	<b>202</b>																
129. <b>Canada</b> 2604	<b>100</b>																
130. <b>China</b> 2605	<b>650</b>																
131. <b>France</b> 2606	<b>307</b>																
132. <b>Germany</b> 2607	<b>308</b>																
133. <b>Hong Kong</b> 2608	<b>611</b>																
134. <b>India</b> 2609	<b>612</b>																
135. <b>Indonesia</b> 2610	<b>613</b>																
136. <b>Italy</b> 2611	<b>314</b>																
137. <b>Japan</b> 2612	<b>614</b>																
138. <b>Korea, Republic of</b> 2613	<b>626</b>																
139. <b>Malaysia</b> 2614	<b>617</b>																
140. <b>Mexico</b> 2615	<b>213</b>																
141. <b>Netherlands</b> 2616	<b>319</b>																
142. <b>Singapore</b> 2617	<b>625</b>																
143. <b>Sweden</b> 2618	<b>324</b>																
144. <b>Switzerland</b> 2619	<b>325</b>																
145. <b>Taiwan</b> 2620	<b>628</b>																
146. <b>Thailand</b> 2621	<b>629</b>																
147. <b>United Kingdom</b> 2622	<b>327</b>																
<b>Other individual countries to which exports to each were \$500,000.00 or more — Specify (Use supplemental sheets if necessary, to account for all such countries.)</b> ↗																	
148. 2623																	
149. 2624																	
150. 2625																	
151. 2626																	
152. 2627																	
153. 2628																	
154. <b>Exports to all other countries not listed or written-in above for which exports to each were LESS than \$500,000.00.</b> 2698	<b>709</b>																
		\$				\$				\$				\$			

## PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued

Report all amounts in thousands of U.S. dollars.

## IMPORTS OF GOODS BY U.S. AFFILIATE FROM FOREIGN PERSONS BY COUNTRY OF ORIGIN

Report imports of goods by the U.S. affiliate from each country of origin. The country of origin is the country where the goods were grown, mined, or manufactured. If the country cannot be determined, credit the transactions to the country from which the goods were shipped.

125. TOTAL for each column on page 15 must equal sum of items 126 through 154. Also must equal amounts reported on page 13 item 120.	B 2600	BEA USE ONLY (6)	IMPORTS — Shipped to U.S. affiliate by foreign persons (valued f.a.s. foreign port)															
			TOTAL Equals item 120, column (1). (7)				Shipped by foreign parent group(s). Equals item 120 column (2). (8)				Shipped by foreign affiliates owned by this U.S. affiliate. Equals item 120 column (3). (9)				Shipped by all other foreign persons. Equals item 120, column (4). (10)			
			Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
		6	7	8	9	10												
			\$			\$			\$				\$					
<b>FROM COUNTRY OF ORIGIN —</b> Enter amounts for all individual countries from which imports were \$500,000.00 or more.																		
126. Australia	2601	601	7	8	9	10												
127. Belgium	2602	302	7	8	9	10												
128. Brazil	2603	202	7	8	9	10												
129. Canada	2604	100	7	8	9	10												
130. China	2605	650	7	8	9	10												
131. France	2606	307	7	8	9	10												
132. Germany	2607	308	7	8	9	10												
133. Hong Kong	2608	611	7	8	9	10												
134. India	2609	612	7	8	9	10												
135. Indonesia	2610	613	7	8	9	10												
136. Italy	2611	314	7	8	9	10												
137. Japan	2612	614	7	8	9	10												
138. Korea, Republic of	2613	626	7	8	9	10												
139. Malaysia	2614	617	7	8	9	10												
140. Mexico	2615	213	7	8	9	10												
141. Netherlands	2616	319	7	8	9	10												
142. Singapore	2617	625	7	8	9	10												
143. Sweden	2618	324	7	8	9	10												
144. Switzerland	2619	325	7	8	9	10												
145. Taiwan	2620	628	7	8	9	10												
146. Thailand	2621	629	7	8	9	10												
147. United Kingdom	2622	327	7	8	9	10												
<b>Other individual countries for which imports from each were \$500,000.00 or more — Specify (Use supplemental sheets if necessary, to account for all such countries.)</b> ↘																		
148.	2623		7	8	9	10												
149.	2624		7	8	9	10												
150.	2625		7	8	9	10												
151.	2626		7	8	9	10												
152.	2627		7	8	9	10												
153.	2628		7	8	9	10												
154. Imports from all other countries not listed or written-in above for which imports from each were LESS than \$500,000.00.	2698	709	7	8	9	10												
			\$		\$				\$				\$					

## Section L — SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION

## INSTRUCTIONS FOR PAGE 17

The Schedule of Employment and Property, Plant, and Equipment, by Location covers the 50 States, the District of Columbia, and all territories and possessions of the United States. Include in this schedule only amounts pertaining to those U.S. business enterprises that are fully consolidated into the reporting U.S. affiliate. Do not consolidate or include amounts for foreign business enterprises or operations, whether incorporated or unincorporated.

**Location** of employees or of an asset is the U.S. State, territory, or possession in which the person is permanently employed, or in which the land or other property, plant, and equipment is physically located and to which property taxes, if any, on such assets are paid. For example, an employee carried on the payroll of a company located in California who is on a duty assignment for one year or less in Texas should be shown as being located in California, not Texas. (If the duty assignment is for more than one year, show the employee as being located in Texas, not California.)

**Column (3)** — The total number of employees reported in item 155 column (3) MUST equal the total number of employees reported on page 5 item 37 column (3) and page 10 item 89 column (1).

**Column (4)** — INCLUDE all employees on the payrolls of operating manufacturing plants in the state. INCLUDE administrative office and other auxiliary employees located at an operating plant and who serve only that plant but EXCLUDE administrative office and other auxiliary employees who serve more than one plant.

**Column (5)** — INCLUDE land and other property, plant, and equipment, whether carried as investments, in fixed asset accounts, or in other balance sheet accounts. INCLUDE land held for resale, held for investment purposes, and all other land owned. INCLUDE property you own that you lease to others under operating leases. INCLUDE land and other property, plant, and equipment on capital leases from others, but EXCLUDE that on capital leases to others. Value land and other property, plant, and equipment at historical cost before allowances for depreciation or depletion.

**Column (6)** — INCLUDE the gross book value of commercial property you own, and commercial property you use or operate that is leased from others under a capital lease. Commercial property INCLUDES ALL buildings and associated land leased or rented to others under operating leases. Commercial property INCLUDES apartment buildings; office buildings; hotels; motels; and buildings used for wholesale, retail, and services trades, such as shopping centers, recreational facilities, department stores, bank buildings, restaurants, public garages, and automobile service stations. INCLUDE the value of land associated with these buildings. INCLUDE office buildings and associated land owned by industrial companies NOT located at industrial sites. EXCLUDE furniture and equipment located at commercial property. EXCLUDE property you use for agricultural, mining, manufacturing, or other industrial purposes (such as water and sewage treatment, electric power generation, and other utility plants), property you use to support these activities, such as research labs and warehouses, and office buildings located at industrial sites. Also EXCLUDE educational buildings, hospitals, nursing homes, institutional buildings, and all undeveloped land.

## Instructions for items 209, 211, and 212:

**209. U.S. offshore oil and gas sites** – Use this line to report offshore oil and gas sites located within U.S. claimed territorial waters but NOT located within the territorial waters of a specific state. Offshore oil and gas sites located within the territorial waters of a specific state should be reported in that state along with all related property, plant, equipment, and employees. For offshore oil and gas sites located outside U.S. claimed territorial waters, see item 211e below.

**211. Foreign** — Except as noted below, do not include employees, land, and other property, plant, and equipment, located outside of the United States in item 211 or elsewhere on the Schedule of Employment and Property, Plant, and Equipment, By Location.

- a. Employees normally located in the United States who are on a temporary duty assignment outside of the country for one year or less should be reported in the U.S. state, territory, or possession where they are normally located.
- b. Employees normally located in the United States who are on a duty assignment outside of the country for more than one year and carried on the payroll of the domestic U.S. affiliate should be reported in item 211. Exclude these employees from the BE-12 report if they are carried on a foreign payroll.
- c. Real estate located outside the United States that is owned by the U.S. affiliate and carried on its books but which generates no revenues for, or reimbursements to, the U.S. affiliate should be reported in item 211. Real estate located outside the United States that generates revenues for, or reimbursements to, the U.S. affiliate, or that facilitates the foreign operations of the U.S. affiliate is a foreign subsidiary and should not be consolidated on this BE-12 report.
- d. Machinery and similar equipment located outside the United States at a foreign operating location or subsidiary that are owned by the foreign operating location or subsidiary should not be consolidated on this BE-12 report. However, if such machinery or similar equipment are owned by the U.S. affiliate and loaned or leased (under an operating lease) to the foreign operating location or subsidiary, then it should be included in item 211 "foreign."
- e. Use the "foreign" line to report oil and gas sites that (1) are owned by the U.S. affiliate; (2) are located outside of U.S. claimed territorial waters; (3) are **not** incorporated in a foreign country; (4) are **not** organized as a branch; and (5) do **not** otherwise have a physical presence in a foreign country as evidenced by plant and equipment or employees located in a foreign country.
- f. Use the category "foreign" to report communication channels that physically exist (i.e., are tangible) that are (1) located outside of the United States, (2) owned by the U.S. affiliate, and (3) carried directly on the U.S. affiliate's book (i.e., not carried on the books of a foreign affiliate owned by the U.S. affiliate). Report satellites in item 212.

**212. Other property, plant, and equipment** — Use this line to report (1) items that frequently switch locations such as aircraft, railroad rolling stock, ships of U.S. registry, and vehicles engaged in interstate transportation, (2) items such as pipelines, fiber optic cable, power lines, etc., located in more than one state that cannot be allocated among specific states, (3) satellites, underwater cable, and other communication channels that are not located in a specific state, (4) property leased to others, except land or buildings, under operating leases, and (5) items owned by an unincorporated U.S. affiliate's foreign parent but which are in the U.S. affiliate's possession in the United States.



## PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued

## Section L — SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION

PLEASE REVIEW THE INSTRUCTIONS ON PAGE 16.

Report all amounts in thousands of U.S. dollars.

LOCATION	State code	Number of employees at the end of FY 2007 — Total must equal item 37, column (3) and item 89 column (1).	The portion of employees in column (3) that are manufacturing employees	Gross book value (historical cost) of all land and other property, plant, and equipment wherever carried on balance sheet, FY 2007 closing balance. Must equal item 92 column (2) and item 104.				The portion of column (5) that is commercial property			
				(5)		(6)					
155. TOTAL for each column must equal sum of items 156 through 212	(2)	(3) Number	(4) Number	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
2700		3	4	5	\$			6	\$		
156. Alabama	2701	2 01	3	4	5			6			
157. Alaska	2702	2 02	3	4	5			6			
158. Arizona	2703	2 04	3	4	5			6			
159. Arkansas	2704	2 05	3	4	5			6			
160. California	2705	2 06	3	4	5			6			
161. Colorado	2706	2 08	3	4	5			6			
162. Connecticut	2707	2 09	3	4	5			6			
163. Delaware	2708	2 10	3	4	5			6			
164. Florida	2709	2 12	3	4	5			6			
165. Georgia	2710	2 13	3	4	5			6			
166. Hawaii	2711	2 15	3	4	5			6			
167. Idaho	2712	2 16	3	4	5			6			
168. Illinois	2713	2 17	3	4	5			6			
169. Indiana	2714	2 18	3	4	5			6			
170. Iowa	2715	2 19	3	4	5			6			
171. Kansas	2716	2 20	3	4	5			6			
172. Kentucky	2717	2 21	3	4	5			6			
173. Louisiana	2718	2 22	3	4	5			6			
174. Maine	2719	2 23	3	4	5			6			
175. Maryland	2720	2 24	3	4	5			6			
176. Massachusetts	2721	2 25	3	4	5			6			
177. Michigan	2722	2 26	3	4	5			6			
178. Minnesota	2723	2 27	3	4	5			6			
179. Mississippi	2724	2 28	3	4	5			6			
180. Missouri	2725	2 29	3	4	5			6			
181. Montana	2726	2 30	3	4	5			6			
182. Nebraska	2727	2 31	3	4	5			6			
183. Nevada	2728	2 32	3	4	5			6			
184. New Hampshire	2729	2 33	3	4	5			6			
185. New Jersey	2730	2 34	3	4	5			6			
186. New Mexico	2731	2 35	3	4	5			6			
187. New York	2732	2 36	3	4	5			6			
188. North Carolina	2733	2 37	3	4	5			6			
189. North Dakota	2734	2 38	3	4	5			6			
190. Ohio	2735	2 39	3	4	5			6			
191. Oklahoma	2736	2 40	3	4	5			6			
192. Oregon	2737	2 41	3	4	5			6			
193. Pennsylvania	2738	2 42	3	4	5			6			
194. Rhode Island	2739	2 44	3	4	5			6			
195. South Carolina	2740	2 45	3	4	5			6			
196. South Dakota	2741	2 46	3	4	5			6			
197. Tennessee	2742	2 47	3	4	5			6			
198. Texas	2743	2 48	3	4	5			6			
199. Utah	2744	2 49	3	4	5			6			
200. Vermont	2745	2 50	3	4	5			6			
201. Virginia	2746	2 51	3	4	5			6			
202. Washington	2747	2 53	3	4	5			6			
203. West Virginia	2748	2 54	3	4	5			6			
204. Wisconsin	2749	2 55	3	4	5			6			
205. Wyoming	2750	2 56	3	4	5			6			
206. District of Columbia	2751	2 11	3	4	5			6			
207. Puerto Rico	2752	2 43	3	4	5			6			
208. Virgin Islands	2753	2 52	3	4	5			6			
209. U.S. offshore oil and gas sites – See instruction 209 on page 16.	2756	2 65	3	4	5			6			
210. Other U.S. areas – includes Guam, American Samoa, and all other territories and possessions not separately listed	2754	2 60	3	4	5			6			
211. Foreign – See instruction 211 on page 16.	2758	2 70	3	4	5			6			
212. Other property, plant and equipment – See instruction 212 on page 16.	2759	2 71			5						

**PART III - INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT**

Name of U.S. business enterprise shown in item A on page 1 of this BE-12(LF)

**Instructions for Part III** - Prepare a separate Part III to report each ownership interest held by a foreign parent, at anytime during the fiscal year that ended in calendar year 2007, in the U.S. affiliate named on page 1 of this BE-12. Such ownership interests are reported on page 4 (and, if applicable, continued on a separate sheet). If a foreign parent held **both direct and indirect** ownership interests in this U.S. affiliate, prepare one Part III to report the direct interest and a separate Part III to report the indirect interest. A Part III must also be prepared for foreign parent ownership interests disposed of in their entirety during the year.

Use this Part III to report the foreign parent with the largest voting interest **at year-end**. Use photocopies of this Part III to report all additional direct and indirect voting interests, if any, held by foreign parents in this U.S. affiliate.

**If more than one Part III is filed, do not duplicate positions in, or transactions with, the U.S. affiliate.**

**Section A - IDENTIFICATION OF FOREIGN PARENT AND ULTIMATE BENEFICIAL OWNER (UBO)**

**213. Number of Part III's filed by the U.S. affiliate - If there is only one, enter "1."**

3010

**BEA USE ONLY**  
Control number

-

**214. What is the name of the foreign parent being reported on in this Part III?**

3011

Name of foreign parent

**215. For the foreign parent named in item 214 above, this Part III is being used to report - Mark (X) one**

- a.  a **direct** ownership interest in the U.S. affiliate (as reported in item 12 on page 4). See example 1 on page 4 for an illustration of a direct ownership interest.
- b.  an **indirect** ownership interest in the U.S. affiliate (as reported in item 13 on page 4). See example 2 on page 4 for an illustration of an indirect ownership interest.

**216. If item 215a is marked - Give percent of -**

	Close FY 2007 (1)	Close FY 2006 (2)
a. voting interest owned . . . . . 3014	. %	. %
b. equity interest owned . . . . . 3015	. %	. %

"Voting interest" and "equity interest" are defined in instruction 12-16 on page 30 at the back of this form. If the U.S. affiliate is a partnership or Limited Liability Company also see instructions 6.b. and 6.c. on page 30 at the back of this form.

**NOTE** - Sum of item 216a, (voting interest owned) columns 1 and 2 of all Part III's must equal the sum of item 12 columns 1 and 2. The sum of item 216b, columns 1 and 2 of all Part III's must equal the sum of item 12 columns 3 and 4.

**217. Country in which foreign parent named in item 214 -**

- a. is incorporated or organized, if a business enterprise, or is a resident, if an individual . . . . .
- b. is located, if a business enterprise and the country is different from that in item 217a . . . . .

**BEA USE ONLY**

3016

3017

**218. Enter the industry code of the foreign parent** named in item 214, from the list of codes at the bottom of this page that best describes the PRIMARY activity of the SINGLE entity named as the foreign parent. DO NOT base the code on the world-wide sales of all consolidated subsidiaries of the foreign parent.

3018

**FOREIGN PARENT AND UBO INDUSTRY CODES**

**Note:** "ISI codes" are International Surveys Industry codes, as given in the *Guide to Industry Classifications for International Surveys, 2007*.

- 01** Government and government-owned or -sponsored enterprise, or quasi-government organization or agency
- 02** Pension fund - Government run
- 03** Pension fund - Privately run
- 04** Estate, trust, or nonprofit organization (that part of ISI code 5252 that is estates and trusts)
- 05** Individual
- Private business enterprise, investment organization, or group engaged in:**
- 06** Insurance (ISI codes 5242, 5243, 5249)
- 07** Agriculture, forestry, fishing and hunting (ISI codes 1110-1140)
- 08** Mining (ISI codes 2111-2127)
- 09** Construction (ISI codes 2360-2380)
- 10** Transportation and warehousing (ISI codes 4810-4939)
- 11** Utilities (ISI codes 2211-2213)
- 12** Wholesale and retail trade (ISI codes 4231-4251 and 4410-4540)
- 13** Banking, including bank holding companies (ISI codes 5221 and 5229)
- 14** Holding companies, excluding bank holding companies (ISI codes 5512 and 5513)
- 15** Other finance (ISI codes 5223, 5224, 5231, 5238, that part of ISI code 5252 that is not estates and trusts, and ISI code 5331)
- 16** Real estate (ISI code 5310)
- 17** Information (ISI codes 5111-5191)
- 18** Professional, scientific, and technical services (ISI codes 5411-5419)
- 19** Other services (ISI codes 1150, 2132, 2133, 5321, 5329, and 5611-8130)
- Manufacturing, including fabricating, assembling, and processing of goods:**
- 20** Food (ISI codes 3111-3119)
- 21** Beverages and tobacco products (ISI codes 3121 and 3122)
- 22** Pharmaceuticals and medicine (ISI code 3254)
- 23** Other chemicals (ISI codes 3251-3259, except 3254)
- 24** Nonmetallic mineral products (ISI codes 3271-3279)
- 25** Primary and fabricated metal products (ISI codes 3311-3329)
- 26** Computer and electronic products (ISI codes 3341-3346)
- 27** Machinery manufacturing (ISI codes 3331-3339)
- 28** Electrical equipment, appliances and components (ISI codes 3351-3359)
- 29** Motor vehicles and parts (ISI codes 3361-3363)
- 30** Other transportation equipment (ISI codes 3364-3369)
- 31** Other manufacturing (ISI codes 3130-3231, 3261, 3262, 3370-3399)
- 32** Petroleum manufacturing, including integrated petroleum and petroleum refining without extraction (ISI codes 3242-3244)

**PART III – INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT – Continued**

**Section A – IDENTIFICATION OF FOREIGN PARENT AND ULTIMATE BENEFICIAL OWNER – Continued**

**NAME, COUNTRY, AND INDUSTRY CODE OF ULTIMATE BENEFICIAL OWNER (UBO)**

**Furnish the name, country, and industry code of the UBO.** The UBO is that person or entity, proceeding up the ownership chain beginning with and including the foreign parent, that is not more than 50 percent owned or controlled by another person or entity. See instruction II.O. on page 28 for the complete definition of UBO.

**NOTE: See the diagrams at the bottom of this page for examples of the UBO.**

**219. Is the foreign parent named in item 214 also the UBO?** If the foreign parent is owned or controlled MORE THAN 50 percent by another person or entity, then the foreign parent is NOT the UBO.

3019 <sup>1</sup>  Yes – (example 1 below) – *Skip to 222*

<sup>1</sup>  No – (examples 2A and 2B below) – *Continue with 220*

**220. Enter the name of the UBO of the foreign parent.** If the UBO is an individual, or an associated group of individuals, enter "individual." See instruction II.D. on page 28 for the definition of associated group. Identifying the UBO as "bearer shares" is not an acceptable response.

3021 0

**221. Enter country of UBO.** For individuals, see instruction V.F. on page 33.

**BEA USE ONLY**

3022 1

**222. Enter the industry code of the UBO** from the list of codes at the bottom of page 18. **NOTE** – The UBO industry code is based on the consolidated world-wide activities of all majority-owned subsidiaries of the UBO. Select the industry code that best reflects the consolidated world-wide sales of the UBO, including all of its majority-owned subsidiaries.

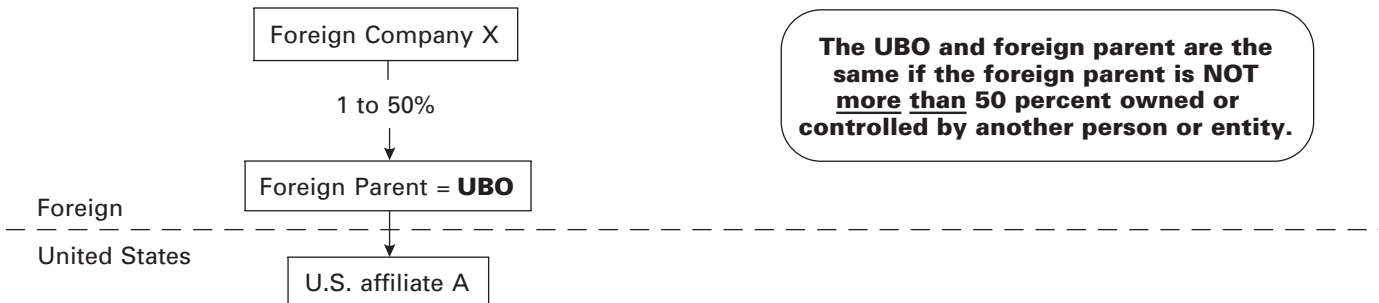
3023 1

DO NOT USE CODE 14 UNLESS YOU RECEIVE PERMISSION FROM BEA. Code "14" (holding company) is normally NOT a valid UBO industry code.

**PLEASE CONTINUE WITH QUESTION 223 ON PAGE 20**

**EXAMPLES OF THE ULTIMATE BENEFICIAL OWNER (UBO)**

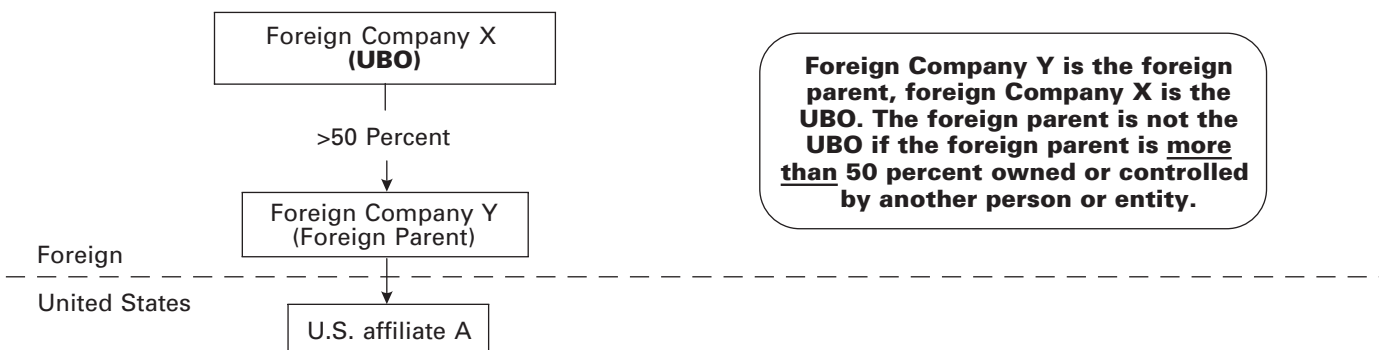
**Example 1 – The UBO and Foreign Parent are the same**



The UBO and foreign parent are the same if the foreign parent is NOT more than 50 percent owned or controlled by another person or entity.

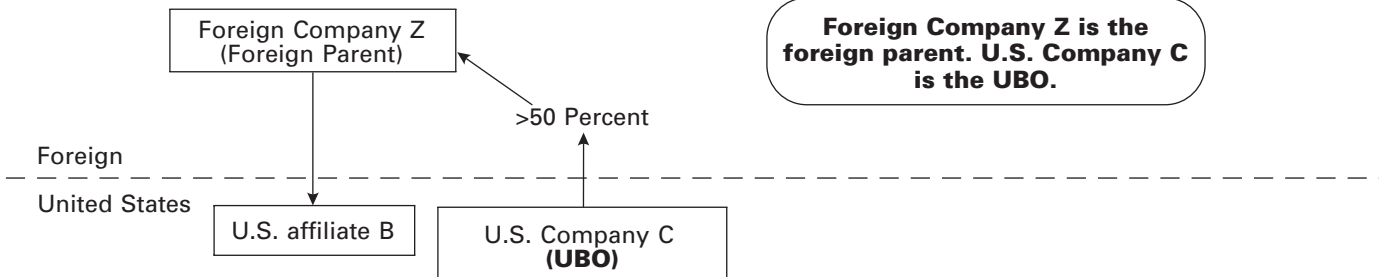
**Examples 2A and 2B – The Foreign Parent is NOT the UBO**

**A. The UBO is a foreign person or entity**



Foreign Company Y is the foreign parent, foreign Company X is the UBO. The foreign parent is not the UBO if the foreign parent is more than 50 percent owned or controlled by another person or entity.

**B. The UBO is a U.S. person or entity**



Foreign Company Z is the foreign parent. U.S. Company C is the UBO.

**NOTE: Arrows connecting boxes represent direction of ownership**

**PART III – INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT – Continued**

*Report all amounts in thousands of U.S. dollars.*

**NOTE**

Data reported in Sections B, C, and D, must be for the fully consolidated U.S. affiliate. The consolidation rules are found on page 29 at the back of this form.

**223. Copy your answer from item 215 on page 18 to the appropriate box below and follow the applicable instructions.**

- a. <sup>1</sup>  A **direct** interest – Complete all items on Part III pages 20 and 21 and then continue with Part IV on page 22. Do not duplicate data reported on other Part IIIs.
- b. <sup>2</sup>  An **indirect** interest – Complete ONLY items 224, 225, and 226 on Part III page 20 and then continue with Part IV on page 22. Do not duplicate data reported on other Part IIIs.

**Section B – INTERCOMPANY BALANCES, INTEREST, DIVIDENDS, AND DISTRIBUTED EARNINGS BETWEEN THE U.S. AFFILIATE AND THE FOREIGN PARENT NAMED IN ITEM 214**

**Report all current and long-term intercompany accounts, interest, and dividends or distributed earnings between the U.S. affiliate and the foreign parent named in item 214.**

**Capital leases** – If leases between the U.S. affiliate and the foreign parent are capitalized, then the outstanding capitalized value should be reported in items 224 and 225 as an intercompany balance. Lease payments should be disaggregated into the amounts that are (i) a reduction in an intercompany balance, to be reported in items 224 or 225, and (ii) interest, to be reported in item 226.

**Derivatives Contracts – Exclude** the value of outstanding financial derivatives contracts and any payments or receipts resulting from the settlement of those contracts. For example, the settlements of interest rate derivatives should NOT be reported as interest or as another type of transaction on this form. Derivatives contracts are covered by the Treasury International Capital (TIC) Form D, Report of Holdings of, and Transactions in, Financial Derivatives Contracts with Foreign Residents.

**LIABILITIES AND RECEIVABLES**

**What were the balances owed directly to, and due directly from, the foreign parent?**

- Do NOT net liabilities against receivables.

**Report amounts according to the books of the U.S. affiliate.**

**224. Liabilities owed directly TO the foreign parent named in item 214 by the U.S. affiliate – Current and long-term**

		BALANCE							
		FY 2007 (1)				FY 2006 (2)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1						2			
	\$					\$			

**225. Receivables due to the U.S. affiliate directly FROM the foreign parent named in item 214 – Current and long-term.** Include certificates of deposit and other deposits of the U.S. affiliate (that would otherwise be included in cash on your balance sheet) held by the foreign parent. See note in item 42 on page 7.

1						2			
---	--	--	--	--	--	---	--	--	--

**INTEREST**

**What were the interest payments and receipts between the U.S. affiliate and the foreign parent named in item 214?**

- **Report** amounts GROSS OF WITHHOLDING TAXES
- Include interest on capital leases.
- Do NOT net payments against receipts.

	Payments or credits by U.S. affiliate to foreign parent								Receipts by or credits to U.S. affiliate from foreign parent								
	Gross payments (before deduction of U.S. tax withheld) (1)				U.S. tax withheld (2)				Gross receipts (before deduction of foreign tax withheld) (3)				Foreign tax withheld (4)				
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	
<b>226. Interest</b>																	
	1				2					3				4			
	\$				\$					\$				\$			

**DIVIDENDS OR DISTRIBUTED EARNINGS**

**Report** dividends as of the date they were declared or paid, GROSS of any U.S. tax withheld. Any subsequent settlement of dividends declared but not paid SHOULD NOT be reported a second time, but should be reflected only as a reduction in item 224.

- **Exclude** stock and liquidating dividends. **Report** liquidating dividends in item 230.

**Report** gross amounts of earnings distributed by unincorporated U.S. affiliates, whether out of current or past earnings.

- INCORPORATED U.S. AFFILIATE

**227. Dividends** — On common and preferred stock, **excluding** stock and liquidating dividends

		Payments or credits by U.S. affiliate to foreign parent							
		Gross payments (before deduction of U.S. tax withheld) (1)				U.S. tax withheld (2)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1						2			
	\$					\$			

- UNINCORPORATED U.S. AFFILIATE

**228. Distributed earnings**

1						2			
	\$					\$			

**BEA USE ONLY**

3106

**PART III – INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT – Continued**

*Report all amounts in thousands of U.S. dollars.*

**Section C – CHANGES IN EQUITY HOLDINGS IN THE U.S. AFFILIATE DURING THE YEAR BY THE FOREIGN PARENT NAMED IN ITEM 214**

Entries in Section C are necessary to identify the amount and cause of any changes in equity holdings by the foreign parent in the U.S. affiliate during the year.

**Report** the transactions (i.e., market) value of consideration given or received for increases or decreases in the foreign parent's equity holdings in the U.S. affiliate.

FOR TRANSACTIONS BETWEEN FOREIGN PARENT AND U.S. AFFILIATE

**229. What is the transaction value of the foreign parent's increase in equity interest?**

**Include:**

- purchases of capital stock by the foreign parent from the U.S. affiliate;
- contributions of equity by the foreign parent that did not result from the issuance of stock to the foreign parent by the U.S. affiliate;
- capitalization of intercompany debt (report the amount of debt converted to equity as the transaction value of the equity increase) and adjust the debt balance as appropriate in item 224.

**Exclude changes caused by:**

- carrying net income to the equity account;
- the effect of treasury stock transactions with persons other than the foreign parent;
- reorganizations in capital structure that do not affect total equity.

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
3065	\$		

**230. What is the transaction value of the foreign parent's decrease in equity interest?**

**Include:**

- 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 the reduction of issued stock;
- liquidating dividends;
- distributions to the foreign parent following total liquidation of the U.S. affiliate.

**Exclude** changes caused by:

- carrying net losses to the equity account;
- payment of stock or cash dividends (other than liquidating dividends);
- the distribution of earnings during the period;
- the effect of treasury stock transactions with entities other than the foreign parent;
- reorganizations in capital structure that do not affect total equity.

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
3066	\$		

FOR TRANSACTIONS BETWEEN FOREIGN PARENT AND AN ENTITY OTHER THAN U.S. AFFILIATE

**What is the transaction value of the ACQUISITION of an equity interest in the U.S. affiliate by the foreign parent:**

**231. From a U.S. entity other than the U.S. affiliate?**

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
3067	\$		

**232. From all foreign entities?**

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
3068	\$		

**What is the transaction value of the SALE of an equity interest in the U.S. affiliate by the foreign parent:**

**233. To U.S. entities other than the U.S. affiliate?**

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
3069	\$		

**234. To all foreign entities?**

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
3070	\$		

**What is the total transaction value of the change in the foreign parent's equity interest in the U.S. affiliate?**

**235.** This item should equal the sum of items 229, 231, and 232 MINUS the sum of items 230, 233, and 234.

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
3071	\$		

**For items 231 through 234 what are the amounts by which the transactions values reported in those items:**

**236. Exceed the value carried on the books of the U.S. affiliate?**

For acquisition (items 231 and 232) (1)				For sale or termination of operations (items 233 and 234) (2)			
Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1				2			
3090	\$				\$		

**237. Are less than the value carried on the books of the U.S. affiliate?**

1				2			
3091	\$				\$		

**Section D – FOREIGN PARENT'S EQUITY IN U.S. AFFILIATE'S NET INCOME (LOSS), CERTAIN REALIZED AND UNREALIZED GAINS (LOSSES), AND THE CHANGE IN ALL OTHER COMPONENTS OF ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)**

Based on the foreign parent's direct equity in the U.S. affiliate during FY 2007, enter —

**238. Foreign parent's direct equity in U.S. affiliate's net income (loss) after provision for U.S. Federal, State, and local income taxes — Enter the foreign parent's share of item 68.**

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
3085	\$		

**239. Foreign parent's share of certain realized and unrealized gains (losses) included in net income — Enter the foreign parent's share of item 61.**

1			
3086			

**240. Foreign parent's share of U.S. Federal, State, and local income taxes that are taxes on certain realized and unrealized gains (losses) included in net income — Enter the portion of item 65 that is the income tax effect on the amount reported in item 239.**

1			
3087			

**241. Foreign parent's share of the CHANGE during fiscal year 2007 in the accumulated other comprehensive income (loss) balance (excluding the translation adjustment component) reported on line 56b (all other components) of the balance sheet.**

1			
3088	\$		

**PLEASE CONTINUE ON PAGE 22**

**BEA USE ONLY**

1	2
3089	

**PART IV – BALANCES AND INTEREST BETWEEN U.S. AFFILIATE, AS CONSOLIDATED, AND FOREIGN AFFILIATES OF THE FOREIGN PARENT(S) (FAFPs)**

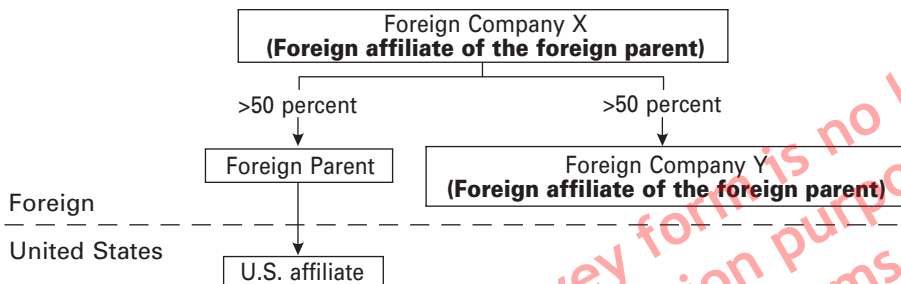
Report all amounts in thousands of U.S. dollars.

**242. Does this consolidated U.S. affiliate have accounts or direct transactions with foreign affiliates of the foreign parent (FAFPs)?** See definition of FAFP and example below.

<sup>4100</sup> <sup>1</sup>  **Yes** – Complete the rest of Part IV      <sup>1</sup> <sup>2</sup>  **No** – Do not complete Part IV

**Foreign affiliate of a foreign parent** means, with reference to a given U.S. affiliate, any member of the foreign parent group (see illustration at the bottom of page 9) owning the U.S. affiliate that is not a foreign parent of the U.S. affiliate.

**Example**



Foreign companies X and Y are "foreign affiliates of the foreign parent." Majority owners of the foreign parent are foreign affiliates of the foreign parent. Majority-owned subsidiaries of these majority owners also are foreign affiliates of the foreign parent.

**NOTE:** Arrows connecting boxes represent direction of ownership

**Complete Sections A and B below if item 242 above is answered "Yes."**  
**If more rows are needed to list all countries, use additional sheets as necessary.**  
**Photocopies of page 22 may be used for this purpose.**

**Report** all current and long-term intercompany payable and receivable accounts and interest transactions between the U.S. affiliate and the foreign affiliates of the foreign parent (FAFPs).

**Capital leases** – If leases between the U.S. affiliate and the FAFPs are capitalized, then the outstanding capitalized values should be reported as an intercompany liability or receivable balance. Lease payments should be disaggregated into the amounts that are (i) a reduction in an intercompany liability or receivable balance and (ii) interest.

**Derivatives Contracts** – Exclude the value of outstanding financial derivatives contracts and any payments or receipts resulting from the settlement of those contracts. For example, the settlements of interest rate derivatives should NOT be reported as interest or as another type of transaction on this form. Derivatives contracts are covered by the Treasury International Capital (TIC) Form D, Report of Holdings of, and Transactions in, Financial Derivatives Contracts with Foreign Residents.

**Columns (2) and (3) – Liabilities/Receivables balances by country** – What were the balances with the FAFPs at the end of the year? Do not net payables against receivables.

**Column (4) – Interest Paid/Received by country** – Include interest on capital leases.

Country of FAFP <i>Enter amounts for all individual countries where liabilities or receivables were \$2,000,000.00 or more.</i>	BEA USE ONLY (1)	Current and long-term liabilities or receivables				Interest, including interest on capital leases (before deduction of U.S. tax withheld) (4)			
		Close FY 2007 (2)		Close FY 2006 (3)					
<b>Section A – U.S. AFFILIATE'S LIABILITIES AND INTEREST PAYMENTS TO FAFP</b>		<b>Liabilities of U.S. affiliate TO FAFPs</b>				<b>Paid/Accrued</b>			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
<b>243.</b> Canada	4101	1	100			2			
<b>244.</b> United Kingdom	4102	1	327			3			
<b>245.</b> Netherlands	4103	1	319			4			
<b>246.</b> Japan	4104	1	614			4			
<b>247.</b> Other countries — <i>Specify</i>	4105	1				4			
<b>248.</b>	4106	1				4			
<b>249.</b>	4107	1				4			
<b>250.</b>	4108	1				4			
<b>251.</b>	4109	1				4			
<b>252.</b> Unallocated – values for countries that individually amount to less than \$2,000,000.00.	4110	1	709			4			
<b>253. TOTAL – Sum of items 243 through 252</b> →	4149	1				4			
		2				3			
		\$				\$			
<b>Section B – U.S. AFFILIATE'S RECEIVABLES AND INTEREST RECEIPTS FROM FAFP</b>		<b>Receivables of U.S. affiliate FROM FAFPs</b>				<b>Interest received/accrued</b>			
		<b>NOTE</b> — Include certificates of deposit and other deposits of the U.S. affiliate held by the FAFP.				(before deduction of foreign tax withheld)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
<b>254.</b> Canada	4150	1	100			2			
<b>255.</b> United Kingdom	4151	1	327			3			
<b>256.</b> Netherlands	4152	1	319			4			
<b>257.</b> Japan	4153	1	614			4			
Other countries — <i>Specify</i>	4154	1				4			
<b>258.</b>	4154	1				4			
<b>259.</b>	4155	1				4			
<b>260.</b>	4156	1				4			
<b>261.</b>	4157	1				4			
<b>262.</b>	4158	1				4			
<b>263.</b> Unallocated – values for countries that individually amount to less than \$2,000,000.00.	4159	1	709			4			
<b>264. TOTAL – Sum of items 254 through 263</b> →	4199	1				4			
		2				3			
		\$				\$			

Name of U.S. affiliate as shown in item A, page 1, of BE-12(LF)

**LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING U.S. AFFILIATE**  
NOTE – If you filed a Supplement A or a computer printout of Supplement A with your 2006 BE-15 report, in lieu of completing a new Supplement A, you may substitute a copy of that Supplement A or computer printout that has been updated to show any additions, deletions, or other changes.

Supplement A must be completed by a reporting affiliate that consolidates financial and operating data of any other U.S. affiliate(s). The number of U.S. affiliates listed below plus the reporting U.S. affiliate must agree with item 7, Part I of Form BE-12(LF). Continue listing onto as many additional copied pages as necessary.

(1)	(2)	(3)	(4)	5110	1	Percentage of direct voting ownership that the U.S. affiliate named in column (4) holds in the U.S. affiliate named in column (2). – Enter percentage to nearest tenth. (5)
<b>BEA USE ONLY</b>	Name of each U.S. affiliate consolidated (as represented in item 7, Part I)	Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes	Name of U.S. affiliate which holds the direct ownership interest in the U.S. affiliate listed in column (2)	Primary Employer Identification Number as shown in item 3, Part I of BE-12(LF)		
1	2	3	4			5
5111		–				. %
1	2	3	4			5
5112		–				. %
1	2	3	4			5
5113		–				. %
1	2	3	4			5
5114		–				. %
1	2	3	4			5
5115		–				. %
1	2	3	4			5
5116		–				. %
1	2	3	4			5
5117		–				. %
1	2	3	4			5
5118		–				. %
1	2	3	4			5
5119		–				. %
1	2	3	4			5
5120		–				. %
1	2	3	4			5
5121		–				. %
1	2	3	4			5
5122		–				. %
1	2	3	4			5
5123		–				. %
1	2	3	4			5
5124		–				. %
1	2	3	4			5
5125		–				. %
1	2	3	4			5
5126		–				. %
1	2	3	4			5
5127		–				. %
1	2	3	4			5
5128		–				. %
1	2	3	4			5
5129		–				. %
1	2	3	4			5
5130		–				. %
1	2	3	4			5
5131		–				. %
1	2	3	4			5
5132		–				. %
1	2	3	4			5
5133		–				. %

This historical survey form is no longer valid and is for information purposes only. Current survey forms are at www.bea.gov/help/information-for-survey-respondents.

BE-12(LF) Supplement A (2007) - LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING U.S. AFFILIATE - Continued		Page number		
BEA USE ONLY (1)	Name of each U.S. affiliate consolidated (as represented in item 7, Part I) (2)	Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes (3)	Name of U.S. affiliate that holds the direct ownership interest in the U.S. affiliate listed in column (2) (4)	Percentage of direct voting ownership that the U.S. affiliate named in column (4) holds in the U.S. affiliate named in column (2). - Enter percentage to nearest tenth. (5)
1	2	3	4	5
5134		-		. %
1	2	3	4	5
5135		-		. %
1	2	3	4	5
5136		-		. %
1	2	3	4	5
5137		-		. %
1	2	3	4	5
5138		-		. %
1	2	3	4	5
5139		-		. %
1	2	3	4	5
5140		-		. %
1	2	3	4	5
5141		-		. %
1	2	3	4	5
5142		-		. %
1	2	3	4	5
5143		-		. %
1	2	3	4	5
5144		-		. %
1	2	3	4	5
5145		-		. %
1	2	3	4	5
5146		-		. %
1	2	3	4	5
5147		-		. %
1	2	3	4	5
5148		-		. %
1	2	3	4	5
5149		-		. %
1	2	3	4	5
5150		-		. %
1	2	3	4	5
5151		-		. %
1	2	3	4	5
5152		-		. %
1	2	3	4	5
5153		-		. %
1	2	3	4	5
5154		-		. %
1	2	3	4	5
5155		-		. %
1	2	3	4	5
5156		-		. %
1	2	3	4	5
5157		-		. %
1	2	3	4	5
5158		-		. %
1	2	3	4	5
5159		-		. %

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U.S. DEPARTMENT OF COMMERCE  
BUREAU OF ECONOMIC ANALYSIS

**BEA USE ONLY**

Page number

Name of U.S. affiliate as shown in item A, page 1, of BE-12(LF)

**FORM BE-12(LF) Supplement B (2007)**  
**LIST OF ALL U.S. AFFILIATES IN WHICH THE REPORTING AFFILIATE (AS CONSOLIDATED) HAS A DIRECT OWNERSHIP INTEREST BUT WHICH ARE NOT FULLY CONSOLIDATED**

**NOTE** – If you filed a Supplement B or a computer printout of Supplement B with your 2006 BE-15 report, in lieu of completing a new Supplement B, you may substitute a copy of that Supplement B or computer printout that has been updated to show any additions, deletions, or other changes.

Supplement B must be completed by a reporting affiliate which files a BE-12(LF) and has a direct ownership interest in a U.S. affiliate(s) which is (are) not fully consolidated. The number of U.S. affiliates listed below must agree with item 8, Part 1, of BE-12(LF). Continue listing onto as many additional copied pages as necessary.

1	(1)	(2)	(3)	(4)	(5)	(6)
<b>BEA USE ONLY</b>	Name of each U.S. affiliate in which a direct interest is held but that is not listed in Supplement A	Address of each U.S. affiliate listed in column (2) Give number, street, city, State, and ZIP Code	Has each affiliate been notified of obligation to file? Mark (X) one	Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes	Percentage of direct voting ownership interest that the fully consolidated U.S. affiliate named in item A on page 1 of this Form BE-12(LF), holds in the U.S. affiliate named in column (2). Enter percentage to nearest tenth.	
6211	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6	
6212	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6	
6213	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6	
6214	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6	
6215	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6	
6216	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6	
6217	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6	
6218	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6	
6219	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6	
6220	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6	
6221	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6	

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**BE-12(LF) Supplement B (2007) – LIST OF U.S. AFFILIATES – Continued**

<p><b>BEA USE ONLY</b></p> <p>(1)</p>	<p>Name of each U.S. affiliate in which a direct interest is held but which is not listed in Supplement A</p> <p>(2)</p>	<p>Address of each U.S. affiliate listed in column (2) Give number, street, city, State, and ZIP Code</p> <p>(3)</p>	<p>Has each affiliate been notified of obligation to file? Mark (X) one</p> <p>(4)</p>	<p>Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes</p> <p>(5)</p>	<p>Percentage of direct voting ownership interest that the fully consolidated U.S. affiliate named in item A on page 1 of this Form BE-12(LF), holds in the U.S. affiliate named in column (2). – Enter percentage to nearest tenth.</p> <p>(6)</p>
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6222			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6223			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6224			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6225			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6226			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6227			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6228			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6229			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6230			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6231			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6232			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6233			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6234			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6

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## BENCHMARK SURVEY OF FOREIGN DIRECT INVESTMENT IN THE UNITED STATES — 2007 FORM BE-12(LF) INSTRUCTIONS

**NOTE:** Instructions in section IV. are cross referenced by number to the items located on pages 2 to 26 of this form.

**Authority** – This survey is being conducted pursuant to 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"), and the filing of reports is MANDATORY pursuant to Section 5(b)(2) of the Act (22 U.S.C. 3104).

A response is required from persons (in the broad sense, including companies) subject to the reporting requirements of the BE-12 survey, whether or not they are contacted by BEA. Also, persons contacted by BEA concerning their being subject to reporting, either by sending them a report form or by written inquiry, must respond in writing pursuant to section 806.4 of 15 CFR, Chapter VIII, or must respond electronically using BEA's E-file system. This may be accomplished by completing and submitting Form BE-12(LF), BE-12(SF), BE-12 Mini, BE-12 Bank, or BE-12 Claim For Not Filing, whichever is applicable, by **May 31, 2008**.

**PENALTIES** – Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. These civil penalties are subject to inflationary adjustments. Those adjustments are found in 15 CFR 6.4. 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 violations, upon conviction, may be punished by a like fine, imprisonment or both (22 U.S.C. 3105).

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number. The control number for this survey is at the top of page 1 of this form.

**Respondent Burden** – Public reporting burden for this long form is estimated to vary from 7 to 715 hours per response, with an average of 104 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to 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 0608-0042, Washington, DC 20503.

**CONFIDENTIALITY** – The Act provides that your report to this Bureau is CONFIDENTIAL and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report CANNOT be presented in a manner that allows it to be individually identified. Your report CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

### I. REPORTING REQUIREMENTS

To determine which BE-12 report to file, read the following sections on this page and review the flow chart and section A.2. on page 28.

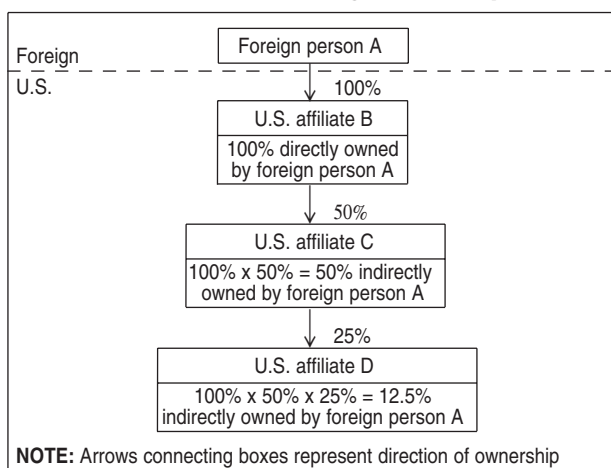
**A. Who must report** – A BE-12 report is required for each U.S. affiliate, i.e., for each U.S. business enterprise in which a foreign person or entity owned or controlled, directly or indirectly, 10 percent or more of the voting securities if an incorporated U.S. business enterprise, or an equivalent interest if an unincorporated U.S. business enterprise, at the end of the business enterprise's fiscal year that ended in calendar year 2007.

**Foreign ownership interest** – All direct and indirect lines of ownership held by a foreign person in a given U.S. business enterprise must be summed to determine if the enterprise is a U.S. affiliate of the foreign person for purposes of reporting.

**Indirect ownership interest in a U.S. business enterprise** is the product of the direct ownership percentage of the foreign parent in the first U.S. business enterprise in the ownership chain multiplied by that first enterprise's direct ownership percentage in the second U.S. business enterprise multiplied by each succeeding direct ownership percentage of each other intervening U.S. business enterprise in the ownership chain between the foreign parent and the given U.S. business enterprise.

**Example:** In the diagram below, foreign person A owns 100% of the voting stock of U.S. affiliate B; U.S. affiliate B owns 50% of the voting stock of U.S. affiliate C; and U.S. affiliate C owns 25% of the voting stock of U.S. affiliate D. Therefore, U.S. affiliate B is 100% directly owned by foreign person A; U.S. affiliate C is 50% indirectly owned by foreign person A; and U.S. affiliate D is 12.5% indirectly owned by foreign person A.

#### Calculation of Foreign Ownership



A report is required even though the foreign person's voting interest in the U.S. business enterprise may have been established or acquired during the reporting period.

Beneficial, not record, ownership is the basis of the reporting criteria. Voting securities, voting stock, and voting interest all have the same general meaning and are used interchangeably throughout these instructions and the report forms.

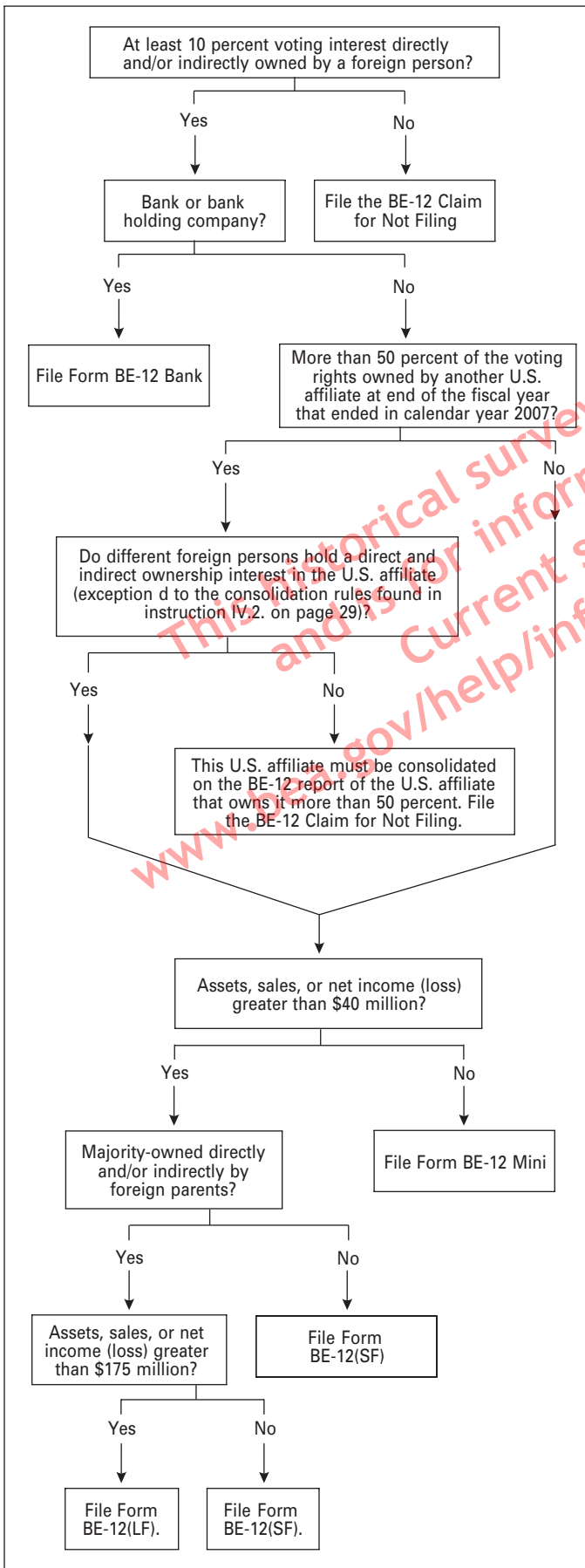
**Airlines and ship operators** – U.S. stations, ticket offices, and terminal and port facilities of foreign airlines and ship operators that provide services ONLY to the foreign airlines' and ship operators' own operation are not required to report. Reports are required when such enterprises produce significant revenues from services provided to unaffiliated persons.

**1. Which form to file** – Please review the questions below and the flow chart on page 28 to determine if your U.S. business is required to file Form BE-12(LF). Blank forms can be found at: [www.bea.gov/fdi](http://www.bea.gov/fdi)

- a.** Were at least 10 percent of the voting rights in your business directly or indirectly owned by a foreign person at the end of your fiscal year that ended in calendar year 2007?
- Yes – Continue with question b. **NOTE: Your business is hereinafter referred to as a "U.S. affiliate."**
- No – You are not required to file Form BE-12(LF). File Form BE-12 Claim For Not Filing by May 31, 2008.
- b.** Is this U.S. affiliate a bank or bank holding company?
- Yes – You are not required to file Form BE-12(LF). File Form BE-12 Bank by May 31, 2008.
- No – Continue with question c.
- c.** Were more than 50 percent of the voting rights in this U.S. affiliate owned by another U.S. affiliate at the end of this U.S. affiliate's fiscal year that ended in calendar year 2007?
- Yes – Continue with question d.
- No – Skip to question e.
- d.** Do different foreign persons hold a direct and an indirect ownership interest in this U.S. affiliate (exception d to the consolidation rules)? (The consolidation rules are found in instruction IV.2. starting on page 29.)
- Yes – Continue with question e.
- No – This U.S. affiliate must be consolidated on the BE-12 report of the U.S. affiliate that owns it more than 50 percent. File Form BE-12 Claim For Not Filing with page 1 and item (e) on page 2 completed by May 31, 2008, forward this survey packet to the U.S. affiliate that owns this affiliate more than 50 percent, and have them consolidate your data into their report.
- e.** Did **any one** of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed \$40 million at the end of, or for, its 2007 fiscal year?
- Yes – Continue with question f.
- No – You are not required to file a Form BE-12(LF). File Form BE-12 Mini by May 31, 2008.
- f.** Was the U.S. affiliate **majority-owned** by its foreign parents at the end of its 2007 fiscal year? (A U.S. affiliate is "majority owned" if the combined direct and indirect ownership interests of **all** foreign parents of the U.S. affiliate exceed 50 percent.)
- Yes – Continue with question g.
- No – File Form BE-12(SF) by May 31, 2008.
- g.** Did **any one** of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed \$175 million at the end of, or for, its 2007 fiscal year?
- Yes – File Form BE-12(LF) by May 31, 2008.
- No – File Form BE-12(SF) by May 31, 2008.

## I. REPORTING REQUIREMENTS – Continued

### Which Form to File?



## 2. Who must file Form BE-12(LF) – 2007 Benchmark Survey of Foreign Direct Investment in the United States – (Long Form)?

A Form BE-12(LF) must be completed and filed by May 31, 2008, by each U.S. business enterprise that was a U.S. affiliate of a foreign person at the end of its fiscal year that ended in calendar year 2007, if:

- a. It is not a bank, **and**
- b. The ownership or control (both direct and indirect) by **all** foreign parents in the **voting securities** of an incorporated U.S. business enterprise (or an equivalent interest of an unincorporated U.S. business enterprise) at the end of the fiscal year that ended in calendar year 2007, **exceeded 50 percent** (i.e., the voting securities, or equivalent interest were **majority owned** by foreign parents), **and**

- c. On a fully consolidated, or, in the case of real estate investments, an aggregated basis, **any one** of the following three items – **Total assets** (do not net out liabilities), **or Sales or gross operating revenues**, excluding sales taxes, **or Net income** after provision for U.S. income taxes – for the U.S. affiliate (not just the foreign parent's share) exceeded \$175 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2007.

- B. **Aggregation of real estate investments** – Aggregate all real estate investments of a foreign person for the purpose of applying the reporting criteria. Use a single report form to report the aggregate holdings, unless BEA has granted permission to do otherwise. Those holdings not aggregated must be reported separately. Real estate is discussed more fully in instruction V.C. starting on page 32.

## II. DEFINITIONS

- A. **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.
- B. **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.
- C. **Person**, means any individual, branch, partnership, association, associated group, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the U.S. Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government sponsored agency).
- D. **Associated group** means two or more persons who, by the appearance of their actions, by agreement, or by an understanding, exercise their voting privileges in a concerted manner to influence the management of a business enterprise. The following are deemed to be associated groups:
  1. Members of the same family.
  2. A business enterprise and one or more of its officers or directors.
  3. Members of a syndicate or joint venture.
  4. A corporation and its domestic subsidiaries.
- E. **Foreign person** means any person resident outside the United States or subject to the jurisdiction of a country other than the United States.
- F. **Direct investment** means the ownership or control, directly or indirectly, by one person of 10 percent or more of the voting securities of an incorporated business enterprise or an equivalent interest in an unincorporated business enterprise.
- G. **Foreign direct investment in the United States** means the ownership or control, directly or indirectly, by one foreign person of 10 percent 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.
- H. **Business enterprise** means any organization, association, branch, or venture which exists for profit making purposes or to otherwise secure economic advantage, and any ownership of any real estate.
- I. **Branch** means the operations or activities conducted by a person in a different location in its own name rather than through an incorporated entity.
- J. **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 percent or more of its voting securities for an incorporated business enterprise or an equivalent interest for an unincorporated business enterprise, including a branch.
- K. **U.S. affiliate** means an affiliate located in the United States in which a foreign person has a direct investment.
  1. **Majority-owned U.S. affiliate** means a U.S. affiliate in which the combined direct and indirect voting interest of all foreign parents of the U.S. affiliate exceeds 50 percent.
  2. **Minority-owned U.S. affiliate** means a U.S. affiliate in which the combined direct and indirect voting interest of all foreign parents of the U.S. affiliate is 50 percent or less.
- L. **Foreign parent** means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.
- M. **U.S. corporation** means a business enterprise incorporated in the United States.
- N. **Intermediary** means any agent, nominee, manager, custodian, trust, or any person acting in a similar capacity.
- O. **Ultimate beneficial owner (UBO)** is that person, proceeding up the ownership chain beginning with and including the foreign parent, that is not more than 50 percent owned or controlled by another person. Note: Stockholders of a closely or privately held corporation are normally considered to be an associated group and may be a UBO.

## II. DEFINITIONS – Continued

- P. 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, bank holding companies, and financial holding companies under the Gramm-Leach-Bliley Act.
- Q. Lease** is an arrangement conveying the right to use property, plant, or equipment (i.e., land and/or depreciable assets), usually for a stated period of time.
- 1. Capital lease** – A long-term lease under which a sale of the asset is recognized at the inception of the lease. These may be shown as lease contracts or accounts receivable on the lessor's books. The asset would not be considered as owned by the lessor.
  - 2. Operating lease** – Generally, a lease with a term which is less than the useful life of the asset and a transfer of ownership is not contemplated.

## III. GENERAL INSTRUCTIONS

- A. Changes in the reporting entity** – DO NOT restate close fiscal year 2006 balances for changes in the consolidated reporting entity that occurred during fiscal year 2007. The close fiscal year 2006 balances should represent the reporting entity as it existed at the close of fiscal year 2006.
- B. Required information not available** – Make all reasonable efforts to obtain the information required for reporting. Answer every question except where specifically exempt. Indicate when only partial information is available.
- C. Estimates** – If actual figures are not available, please provide estimates and label them as such. When items cannot be fully subdivided as required, provide totals and an estimated breakdown of the totals.
- Certain sections of the Form BE-12(LF) require data that may not normally be maintained in a company's customary accounting records. Precise answers for these items may present the respondent with a substantial burden beyond what is intended by BEA. This may be especially true for:
- **Part I, Items 24 thru 34** – Number of employees in each industry of sales;
  - **Part II, Section D** – Distribution of sales or gross operating revenues, by whether the sales were goods, investment income, or services, and the distribution of sales of services by transactor;
  - **Part II, Section K** – Exports and imports of goods by U.S. affiliate on a shipped basis, and
  - **Part II, Section L** – Data disaggregated by State.

Therefore, the answers in these sections may be reasonable estimates based upon the informed judgment of persons in the responding organization, sampling techniques, prorations based on related data, etc. However, the estimating procedures used should be consistently applied on all BEA surveys.

- D. Specify** – When "specify" is stated for certain items, provide the type and dollar amount of the major items included in the data provided.
- E. Space on form insufficient** – When space on a form is insufficient to permit a full answer to any item, provide the required information on supplementary sheets, appropriately labeled and referenced to the item number on the form.

## IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM

NOTE: Instructions in section IV. are cross referenced by number to the items located on pages 2 to 26 of this form.

### PART I - IDENTIFICATION OF U.S. AFFILIATE

#### 2. Consolidation Rules

**Consolidated reporting by the U.S. affiliate** – A U.S. affiliate must file on a fully consolidated domestic U.S. basis, including in the full consolidation all nonbank **U.S. business enterprises** in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The fully consolidated entity is considered one U.S. affiliate.

A foreign person holding real estate investments that are reportable on the BE-12 must aggregate all such holdings. See Instruction I.B. on page 28 and V.C. starting on page 32 for details.

Do not prepare your BE-12 report using the proportionate consolidation method. Except as noted in b. through d. below, consolidate all majority-owned U.S. affiliates into your BE-12 report.

**Unless the exceptions discussed below apply, any deviation from these consolidation rules must be approved in writing each year by BEA.** In accordance with FAS 94 (Consolidation of All Majority-Owned Subsidiaries), consolidation of majority-owned subsidiaries is required even if their operations are not homogeneous with those of the U.S. affiliate that owns them. If you file deconsolidated reports, you must file the same type of reports (i.e., BE-12(LF), BE-12(SF), or BE-12 Mini) that would have been required if a consolidated report was filed. Report majority-owned subsidiaries, if not consolidated, on Form BE-12(LF), using the equity method of accounting. DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for affiliates not consolidated.

**Exceptions to consolidated reporting** – Note: If a U.S. affiliate is not consolidated into its U.S. parent's BE-12 report, then it **must** be listed on the Supplement B of its parent's BE-12 report, unless the report is a BE-12 Mini which does not have a Supplement B, and each U.S. affiliate not consolidated **must** file its own Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank.

#### a. DO NOT CONSOLIDATE FOREIGN SUBSIDIARIES, BRANCHES, OPERATIONS, OR INVESTMENTS NO MATTER WHAT THE PERCENTAGE OWNERSHIP.

Include foreign holdings owned 20 percent or more (including those that are majority-owned) using the equity method of accounting. Do not report employment, land, and other property, plant and equipment and DO NOT eliminate intercompany accounts for holdings reported using the equity method.

DO NOT list any foreign holdings on the Supplement B.

Oil and gas sites owned by U.S. affiliates and located outside of U.S. claimed territorial waters are to be treated as foreign subsidiaries of the U.S. affiliates if they meet one of the following criteria: (1) they are incorporated in a foreign country; (2) they are set up as a branch; or (3) they have a physical presence in a foreign country as evidenced by property, plant and equipment or employees located in that country.

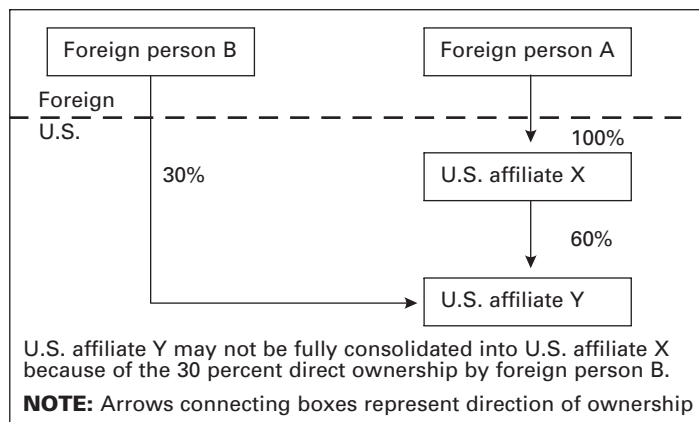
Real estate located outside the United States that is owned by the U.S. affiliate and generates revenues for, or reimbursements to, the U.S. affiliate, or that facilitates the foreign operations of the U.S. affiliate is a foreign subsidiary and should not be consolidated on this BE-12 report.

- b. Do not consolidate banking activities.** If the nonbank U.S. affiliate reporting on the Form BE-12(LF) has a direct or indirect ownership interest in a U.S. bank, bank holding company (BHC), or any other banking activity, such as a U.S. wholesale or limited purpose bank, DO NOT consolidate those banking activities into the Form BE-12(LF). Banks are required to file a separate BE-12 Bank report. List unconsolidated banking affiliates on the Supplement B of the BE-12(LF).

Include on Form BE-12(LF) any banking operations owned 20 percent or more (including those that are majority-owned) using the equity method of accounting. Do not report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts for banking operations reported using the equity method.

For BE-12 reporting purposes, treat Financial Holding Companies in the same manner as you would treat a BHC.

- c. Special consolidation rules apply to U.S. affiliates that are limited partnerships or that have an ownership interest in a U.S. limited partnership.** These rules can be found on our web site at [www.bea.gov/ltdpartner12](http://www.bea.gov/ltdpartner12). Also see instruction 6.b. on page 30 for additional information about partnerships.
- d.** A U.S. affiliate in which a direct ownership interest and an indirect ownership interest are held by **different** foreign persons should not be fully consolidated into another U.S. affiliate, but must complete and file its own BE-12 report. (See diagram below.)



If this exception applies, reflect the indirect ownership interest, even if more than 50 percent, on the balance sheet and income statement of the owning U.S. affiliate's BE-12 report on an equity basis. For example, using the situation shown in the diagram above, U.S. affiliate X must treat its 60 percent ownership interest in U.S. affiliate Y as an equity investment.

- 4. Reporting period** – The report covers the U.S. affiliate's 2007 fiscal year. The affiliate's 2007 fiscal year is defined as the affiliate's financial reporting year that had an ending date in calendar year 2007.

#### Special Circumstances:

- 52/53 week fiscal year** – Affiliates having a "52/53 week" fiscal year that ends within the first week of January 2008 are considered to have a 2007 fiscal year and should report December 31, 2007 as their 2007 fiscal year end.
- U.S. affiliates without a financial reporting year** – If a U.S. affiliate does not have a financial reporting year, its fiscal year is deemed to be the same as calendar year 2007.
- Change in fiscal year**

- (1) New fiscal year ends in calendar year 2007** – A U.S. affiliate that changed the ending date of its financial reporting year **should file a 2007 BE-12 report that covers the 12 month period prior to the new fiscal year end date.** The following example illustrates the reporting requirements.

**Example 1:** U.S. affiliate A had a June 30, 2006 fiscal year end date but changed its 2007 fiscal year end date to March 31. Affiliate A should file a 2007 BE-12 report covering the 12 month period from April 1, 2006 to March 31, 2007.

#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM — Continued

The ending balance sheet amounts reported in column (1) of items 42 through 58 must be the correct balances as of March 31, 2007. The beginning balance sheet amounts reported in column (2) must be the **unrestated ending balances as of June 30, 2006**. To reconcile the beginning and ending retained earnings balances (or, if retained earnings is not shown as a separate account, the beginning and ending owners' equity balances) affiliate A must include an adjusting entry in item 70. To reconcile the beginning and ending net property, plant and equipment balances, affiliate A must include an adjusting entry in item 95.

- (2) No fiscal year ending in calendar year 2007** – If a change in fiscal year results in a U.S. affiliate not having a fiscal year that ended in calendar year 2007, the affiliate **should file a 2007 BE-15 report that covers 12 months**. The following example illustrates the reporting requirements.

**Example 2:** U.S. affiliate B had a December 31, 2006 fiscal year end date but changed its next fiscal year end date to March 31. Instead of having a short fiscal year ending in 2007, affiliate B decides to have a 15 month fiscal year running from January 1, 2007 to March 31, 2008. Affiliate B should file a 2007 BE-12 report covering a 12 month period ending in calendar year 2007, such as the period from April 1, 2006 to March 31, 2007.

In this example, the ending balance sheet amounts reported in column (1) of items 42 through 58 must be the correct balances as of March 31, 2007. The beginning balance sheet amounts reported in column (2) must be the **unrestated ending balances as of December 31, 2006**. To reconcile the beginning and ending retained earnings balances (or, if retained earnings is not shown as a separate account, the beginning and ending owners' equity balances) affiliate B must include an adjusting entry in item 70. To reconcile the beginning and ending net property, plant and equipment balances, affiliate B must include an adjusting entry in item 95.

For 2008, assuming no further changes in the fiscal year end date occur, affiliate B should file a BE-12 report covering the 12 month period from April 1, 2007 to March 31, 2008.

#### 5. Reporting for a U.S. business that became a U.S. affiliate during fiscal year 2007 –

- a. A U.S. business enterprise that was newly established in fiscal year 2007** should file a report for the period starting with the establishment date up to and ending on the last day of its fiscal year that ended in calendar year 2007. DO NOT estimate amounts for a full year of operations if the first fiscal year is less than 12 months.
- b. A U.S. business enterprise existing before fiscal year 2007 that became a U.S. affiliate in fiscal year 2007** should file a report covering a full 12 months of operations.

#### 6. Form of organization of U.S. affiliate – Reporting by unincorporated U.S. affiliates

##### a. Directly owned vs. indirectly owned

- (1) DIRECTLY OWNED** – Each unincorporated U.S. affiliate, including a branch, that is directly owned 10 percent or more by a foreign person should file a separate BE-12 report. Do not combine two or more directly owned U.S. affiliates on a single BE-12 report. The only exception is for U.S. affiliates that are real estate investments. See instruction I.B. on page 28 and V.C. starting on page 32 for details on real estate.
- (2) INDIRECTLY OWNED** – Except as noted in the exceptions to the consolidation rules on page 29, an indirectly owned unincorporated U.S. affiliate that is owned more than 50 percent (voting interest) by another U.S. affiliate should be fully consolidated on the report with the U.S. affiliate that holds the voting interest greater than 50 percent. An indirectly owned unincorporated U.S. affiliate owned 50 percent (voting interest) or less by another U.S. affiliate should file a separate BE-12 report if no other U.S. affiliate owns a voting interest of more than 50 percent.

- b. Partnerships** – Most partnerships are either general or limited partnerships. A general partnership usually consists of at least two general partners who together control the partnership. A limited partnership usually consists of at least one general partner and one limited partner. The general partner usually controls a limited partnership. The limited partner has a financial interest but does not usually have any voting rights (control) in a limited partnership.

Partners without voting rights (control) cannot have direct investment in a partnership. Therefore, limited partners do not usually have direct investment. The existence of direct investment in a partnership is determined by the percentage of control exercised by the partner(s). The percentage of control exercised by a partner may differ from its financial interest in the partnership.

##### (1) General Partnerships

**Determination of voting interest** – "Voting interest" is defined in instructions 12-16 below. The determination of the percentage of voting interest of a general partner is based on who controls the partnership. The percentage of voting interest is not based on the percentage of ownership in the partnership's equity. The general partners are presumed to control a general partnership. Unless a clause to the contrary is contained in the partnership agreement, a general partnership is presumed to be controlled equally by each of the general partners. For example, if a partnership has two general partners, and nothing to the contrary is stated in the partnership agreement, each general partner is presumed to have a 50 percent voting interest. If there are three general partners, each general partner is presumed to have a one-third voting interest, etc.

**Managing partners** – If one general partner is designated as the managing partner, responsible for the day-to-day operations of the partnership, this does not necessarily transfer control of the partnership to the managing partner. If the managing partner must obtain approval for annual operating budgets and for decisions relating to significant management issues from the other general partners, then the managing partner does not have a 100 percent voting interest in the partnership.

##### (2) Limited Partnerships

- (a) Determination of voting interest** – "Voting interest" is defined in instructions 12-16 below. The determination of the percentage of voting interest in a limited partnership is based on who controls the partnership. The percentage of voting interest is NOT based on the percentage of ownership in the partnership's equity. In most cases, the general partner is presumed to control a limited partnership, and therefore, have a 100 percent voting interest in the limited partnership. If there is more than one general partner, the partnership is presumed to be controlled equally by each of the general partners, unless a clause to the contrary is contained in the partnership agreement. For example, if a limited partnership has two general partners, and nothing to the contrary is stated in the partnership agreement, then each general partner is presumed to have a 50 percent voting interest in the limited partnership.

Limited partners do not normally exercise any control over a limited partnership. Therefore, unless a clause to the contrary is contained in the partnership agreement, limited partners are presumed to have zero voting interest in a limited partnership. If a limited partnership has one or more limited partners who are foreign persons, the foreign limited partners are presumed to have no voting interest, and, therefore, no direct investment in the limited partnership.

**Managing partners** – See discussion under "General Partnerships" above.

##### (b) Consolidation Rules

**Special consolidation rules apply to U.S. affiliates that are limited partnerships or that have an ownership interest in a U.S. limited partnership.** These rules can be found on our web site at: [www.bea.gov/tdpartner12](http://www.bea.gov/tdpartner12)

##### c. Limited Liability Companies (LLCs)

**Determination of voting interest** – "Voting interest" is defined in instruction 12-16 below. The determination of the percentage of voting interest in an LLC is based on who controls the LLC. The percentage of voting interest is NOT based on the percentage of ownership in the LLC's equity. LLCs are presumed to be controlled equally by each of its members (owners), unless a clause to the contrary is contained in the articles of organization or in the operating agreement. For example, if an LLC has two members, and nothing to the contrary is contained in the articles of organization or in the operating agreement, then each member is presumed to have a 50 percent voting interest in the LLC; if there are three members, then each member is presumed to have a one-third voting interest in the LLC.

**Managing member** – If one member is designated as the managing member responsible for the day-to-day operations of the LLC, this does not necessarily transfer control of the LLC to the managing member. If the managing member must obtain approval for annual operating budgets and for decisions relating to other significant management issues from the other members, then the managing member does not have a 100 percent voting interest in the LLC.

- 8. U.S. affiliates NOT fully consolidated** – Report investments in U.S. business enterprises that are not fully consolidated and owned 20 percent or more (including those that are majority owned) using the equity method of accounting. Do not report employment, land, and other property, plant, and equipment and DO NOT eliminate inter-company accounts for holdings reported using the equity method.

You may report immaterial investments using the cost method of accounting if this treatment is consistent with your normal reporting practice. Report investments owned less than 20 percent in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost basis of accounting.

List all U.S. affiliates in which this U.S. affiliate has a voting interest of at least 10 percent and that are not consolidated in this Form BE-12(LF) on the Supplement B.

#### 12-16 – Ownership – Voting interest and Equity interest

- a. Voting interest** is the percent of ownership in the voting equity of the U.S. affiliate. Voting equity consists of ownership interests that have a say in the management of the company. Examples of voting equity include capital stock that has voting rights, and a general partner's interest in a partnership. See instructions 6.b.(1) and 6.b.(2)(a) above for information about determining the voting interest for partnerships. See instruction 6.c. above for information about determining the voting interest for Limited Liability Companies.
- b. Equity interest** is the percent of ownership in the total equity (voting and nonvoting) of the U.S. affiliate. Nonvoting equity consists of ownership interests that do not have a say in the management of the company. An example of nonvoting equity is preferred stock that has no voting rights.

#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM – Continued

**Voting interest and equity interest are not always equal.** For example, an owner can have a 100 percent voting interest in a U.S. affiliate but own less than 100 percent of the affiliate's total equity. This situation is illustrated in the following example.

**Example:** U.S. affiliate A has two classes of stock, common and preferred. There are 50 shares of common stock outstanding. Each common share is entitled to one vote and has an ownership interest in 1 percent of the total owners' equity amount. There are 50 shares of preferred stock outstanding. Each preferred share has an ownership interest in 1 percent of the total owners' equity amount but has no voting rights. Foreign parent B owns all 50 shares of the common stock. U.S. investors own all 50 shares of the preferred stock. Since foreign parent B owns all of the voting stock, foreign parent B has a 100 percent voting interest in U.S. affiliate A. However, since all 50 of the nonvoting preferred shares are owned by U.S. investors, foreign parent B has only a 50 percent equity interest in the owners' equity amount of U.S. affiliate A.

#### 24–37

##### Industry classification of fully consolidated U.S. affiliate

**Book Publishers and Printers** – Printing books without publishing is classified in International Surveys Industry (ISI) code 3231 (printing and related support activities) not ISI code 5111 (newspaper, periodical, book, and directory publishers).

**Real Estate Investment Trusts (REITS)** – Report hybrid or mortgage REITS in ISI code 5252 (funds, trusts, and other financial vehicles). Report all other REITS in ISI code 5310 (Real estate).

#### 38. Number of employees covered by collective bargaining agreements

— Employees are covered by collective bargaining agreements if:

- They are represented by a labor organization which is recognized as their bargaining agent,
- Their wages are determined by collective bargaining, and
- Settlements are embodied in signed, mutually binding collective bargaining agreements.

Thus, include employees covered by national unions, plant unions, or any other organization meeting these criteria.

A reasonable estimate is acceptable. If necessary, to facilitate estimation, you may consider all employees of a given establishment, plant, location, unit, etc., to be covered by collective bargaining agreements if a majority of those employees meet the three criteria above.

### PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE

#### Section B – INCOME STATEMENT

##### 61. Certain realized and unrealized gains (losses) –

**Special instructions for (1) dealers in financial instruments, finance and insurance companies, and (2) real estate companies.**

**(1) Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies** – Include in item 61:

- impairment losses as defined by FAS 115,
- realized gains and losses on trading or dealing,
- unrealized gains or losses, due to changes in the valuation of financial instruments, that flow through the income statement, and
- goodwill impairment as defined by FAS 142.

**EXCLUDE** unrealized gains or losses due to changes in the valuation of financial instruments that are taken to other comprehensive income. Reflect such changes in items 56b and 56c (total accumulated other comprehensive income (loss)).

**EXCLUDE** income from explicit fees and commissions from item 61. Include income from these fees and commissions as part of your income from operations reported on page 5.

**(2) Real estate companies** – Include in item 61:

- impairment losses, as defined by FAS 144, and
- goodwill impairment as defined by FAS 142.

**EXCLUDE** the revenues earned and expenses incurred from the sale of real estate you own. Such revenues should be reported as operating income in item 37 column 2, and items 59 and 76, and as sales of goods in item 77. Such expenses, including the net book value of the real estate sold, should be reported as costs of goods sold in item 64. Do not net the expenses against the revenues.

#### Section D – DISTRIBUTION OF SALES OR GROSS OPERATING REVENUES

##### 76–83

Disaggregate the total sales or gross operating revenues into sales of goods, investment income, and sales of services.

**77. Sales of goods** – Goods are normally outputs that are tangible. Report as sales of goods:

- Mass produced media, including exposed film, video tapes, DVD's, audio tapes, and CD's.

- Books. NOTE: Book publishers – To the extent feasible, report as sales of services all revenues associated with the design, editing, and marketing activities necessary for producing and distributing books that you both publish and sell. If you cannot unbundle (i.e., separate) these revenues from the value of the books you sell, then report your total sales as sales of goods or services based on the activity that accounts for a majority of the value.

- Energy trading activities where you take title to the goods. NOTE: If you act in the capacity of a broker or agent to facilitate the sale of goods and you do not take title to the goods, report your revenue (i.e., commissions) as sales of services in item 79.

- Magazines and periodicals sold in retail stores. NOTE: Report subscription sales as sales of services in item 79.

- Packaged general use computer software.

- Structures sold by businesses in real estate.

- Revenues earned from building structures by businesses in construction.

- Electricity, Natural gas, and Water. NOTE: Revenues derived from transmitting and/or distributing these goods, as opposed to revenues derived from the sale of the actual product, should, to the extent feasible, be reported as sales of services in item 79.

**78. Investment income** – Report dividends and interest generated by finance and insurance activities as investment income. NOTE: Report commissions and fees as sales of services in item 79.

**79. Sales of services** – Services are normally outputs that are intangible. Report as sales of services:

- Advertising revenue.
- Commissions and fees earned by companies engaged in finance and real estate activities.
- Premiums earned by companies engaged in insurance activities. NOTE: Calculate as direct premiums written (including renewals) net of cancellations, plus reinsurance premiums assumed, minus reinsurance premiums ceded, plus unearned premiums at the beginning of the year, minus unearned premiums at the end of the year.
- Commissions earned by agents or brokers (i.e., wholesalers) who act on behalf of buyers and sellers in the wholesale distribution of goods. NOTE: Agents or brokers do not take title to the goods being sold.
- Magazines and periodicals sold through subscriptions. NOTE: Report magazines and periodicals sold through retail stores, as sales of goods in item 77.
- Newspapers.
- Pipeline transportation.
- Software downloaded from the Internet, electronic mail, an Extranet, Electronic Data Interchange network, or some other online system.
- Computer systems design and related services.
- Negotiated licensing fees for software to be used on networks.
- Electricity transmission and distribution, Natural gas distribution, and Water distribution.

#### Section E – TOTAL EMPLOYEE COMPENSATION

##### 84–86

**84. Wages and salaries** are the gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to persons who are not employees.

Wages and salaries include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Include employer contributions to benefit funds. Exclude payments made by, or on behalf of, benefit funds rather than by the employer.

Wages and salaries include in-kind payments, valued at their cost, that are **clearly and primarily of benefit to the employees as consumers**. Exclude expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement for business expenses.

**85. Employee benefit plans** are employer expenditures for all employee benefit plans, including those required by government statute, those resulting from a collective-bargaining contract, or those that are voluntary. Employee benefit plans include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM – Continued

##### Section F – EMPLOYEES AND EMPLOYEE COMPENSATION BY STANDARD OCCUPATION CLASSIFICATION (SOC) GROUPS

87–89

**Standard Occupation Classification (SOC) Groups** – The major SOC groups are as follows:

**Managerial, professional, and technical employees** – Covers employees in Standard Occupation Classification System (SOC) groups 11–29 listed below:

- 11-Management Occupations
- 13-Business and Financial Operations Occupations
- 15-Computer and Mathematical Occupations
- 17-Architecture and Engineering Occupations
- 19-Life, Physical, and Social Science Occupations
- 21-Community and Social Services Occupations
- 23-Legal Occupations
- 25-Education, Training, and Library Occupations
- 27-Arts, Design, Entertainment, Sports, and Media Occupations
- 29-Healthcare Practitioners and Technical Occupations

**All other employees** – Covers employees in SOC groups 31–55 listed below:

- 31-Healthcare Support Occupations
- 33-Protective Service Occupations
- 35-Food Preparation and Serving Related Occupations
- 37-Building and Grounds Cleaning and Maintenance Occupations
- 39-Personal Care and Service Occupations
- 41-Sales and Related Occupations
- 43-Office and Administrative Support Occupations
- 45-Farming, Fishing, and Forestry Occupations
- 47-Construction and Extraction Occupations
- 49-Installation, Maintenance, and Repair Occupations
- 51-Production Occupations
- 53-Transportation and Material Moving Occupations
- 55-Military Specific Occupations

The **SOC** and related information can be found at the Bureau of Labor Statistics web site [www.bls.gov](http://www.bls.gov). Using the A–Z index, select Standard Occupational Classification.

##### Section J – TECHNOLOGY

109–116

**Research and development (R&D) definition** – R&D includes basic and applied research in the sciences and engineering. It also includes design and development of new products and processes, and enhancement of existing products and processes.

R&D includes activities carried on by persons trained, either formally or by experience, in engineering, the physical sciences such as chemistry and physics, the biological sciences such as medicine, the mathematical and statistical sciences, and computer science. R&D includes these activities if the purpose is to do one or more of the following:

- a. The planned systematic pursuit of new knowledge or understanding toward general application (**basic research**);
- b. The acquisition of knowledge or understanding to meet a specific, recognized need (**applied research**); and
- c. The application of knowledge or understanding toward the production or improvement of a product, service, process, or method (**development**).

**Basic research** is the pursuit of new scientific knowledge or understanding that does not have specific immediate commercial objectives, although it may be in fields of present or potential commercial interest.

**Applied research** applies the findings of basic research or other existing knowledge toward discovering new scientific knowledge that has specific commercial objectives with respect to new products, services, processes, or methods.

**Development** is the systematic use of the knowledge or understanding gained from research or practical experience directed toward the production or significant improvement of useful products, services, processes, or methods, including the design and development of prototypes, materials, devices, and systems.

R&D includes the activities described above whether assigned to separate R&D organizational units of the company or carried out by company laboratories and technical groups not a part of a separate R&D organization.

**Research and development expenditures** – INCLUDE all costs incurred to support R&D. INCLUDE wages, salaries, and related costs; materials and supplies consumed; depreciation on R&D property and equipment, cost of computer software used in R&D activities; utilities, such as telephone, telex, electricity, water, and gas; travel costs and professional dues; property taxes and other taxes (except income taxes) incurred on account of the R&D organization or the facilities they use; insurance expenses; maintenance and repair, including maintenance of buildings and grounds; company overhead including: personnel, accounting, procurement and inventory, and salaries of research executives not on the payroll of the R&D organization. EXCLUDE capital expenditures, expenditures for tests and evaluations once a prototype becomes a production model, patent expenses, and income taxes and interest.

EXCLUDE expenditures for quality control; routine product testing; market research; sales promotion, sales service, and other nontechnological activities; routine technical services; research in the social sciences or psychology; geological and geophysical exploration activities, and advertising programs to promote or demonstrate new products or processes.

#### V. SPECIAL INSTRUCTIONS

- A. Insurance companies** – Reporting should be in accordance with U.S. Generally Accepted Accounting Principles not Statutory Accounting Practices (SAP). For example, the BE-12 report should include the following assets even though they are not acceptable under SAP: **1.** nontrusteed or free account assets, and **2.** nonadmitted assets such as furniture and equipment, agents' debit balances, and all receivables deemed to be collectible.

Item on Form BE-12(LF):

- 37 SALES OR GROSS OPERATING REVENUES, EXCLUDING SALES TAXES** – Include items such as earned premiums, annuity considerations, gross interest and dividend income, and items of a similar nature. Exclude income from unconsolidated affiliates that is to be reported in item 60, and certain gains or losses that are to be reported in item 61.
- 43a. CURRENT RECEIVABLES** – Include current items such as agents' balances, uncollected premiums, amounts recoverable from reinsurers, and other current notes and accounts receivable (gross of allowances for doubtful items) arising from the ordinary course of business.
- 50 CURRENT LIABILITIES AND LONG-TERM DEBT** – Include current items such as loss liabilities, policy claims, commissions due, other current liabilities arising from the ordinary course of business, and long-term debt. Include policy reserves in "Other non-current liabilities," item 51, unless they are clearly current liabilities. Exclude mandatory securities valuation reserves that are appropriations of retained earnings. Include them in the owners' equity section of the balance sheet.
- 61 CERTAIN REALIZED AND UNREALIZED GAINS (LOSSES)** – See special instructions for item 61 on page 31 of this form.
- 64 COST OF GOODS SOLD OR SERVICES RENDERED, AND SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES** – Include costs relating to sales or gross operating revenues, item 59, such as policy losses incurred, death benefits, matured endowments, other policy benefits, increases in liabilities for future policy benefits, other underwriting expenses, and investment expenses.
- 78 INVESTMENT INCOME** – Report that portion of sales or gross operating revenues, items 37 column (2), 59 and 76, that is investment income (e.g., interest and dividends). However, report gains and (losses) on investments in accordance with the special instructions for item 61 on page 31 of this form.
- 79 SALES OF SERVICES** – Include premium income and income from actuarial, claims adjustment, and other services, if any.

- B. Railroad transportation companies** – Railroad transportation companies should include only the net annual balances for interline settlement items (car hire, car repair, freight revenues, switching revenues, and loss and damage settlements) in items 43a, 48, and 50.

- C. Real Estate** – The ownership of real estate is defined to be a business enterprise, and if the real estate is foreign owned, it is a U.S. affiliate of a foreign person. A BE-12 report is required unless the enterprise is otherwise exempt.

Residential real estate held exclusively for personal use and not for profit making purposes is not subject to the reporting requirements. A residence that is an owner's primary residence that is then leased by the owner while outside the United States, but which the owner intends to reoccupy, is considered real estate held for personal use and therefore not subject to the reporting requirements. Ownership of U.S. residential real estate by a corporation whose sole purpose is to hold the real estate for the personal use of the owner(s) of the corporation is considered to be real estate held for personal use and therefore not subject to the reporting requirements.

**Aggregation of real estate investments** – A foreign person holding real estate investments that are reportable on the BE-12 must aggregate all such holdings for the purpose of applying the reporting criteria (see instruction I.B. on page 28 of this form). File a single BE-12 report covering the aggregated holdings. If on an aggregated basis any one of the following three items – total assets (do not net out liabilities), or sales or gross operating revenues, excluding sales taxes, or net income after provision for U.S. income taxes – exceeds \$175 million (positive or negative), file Form BE-12(LF). If permission has been received in writing from BEA to file on a nonaggregated basis, you must report each real estate investment on a Form BE-12(LF) if a Form BE-12(LF) would have been required on an aggregated basis. Nonaggregated reports should be filed as a group and you should inform BEA that they are all for one owner.

On page 1, name and address of U.S. business enterprise, BEA is not seeking a legal description of the property, nor necessarily the address of the property itself. Because there may be no operating business enterprise for a real estate investment, what BEA seeks is a consistently identifiable name for the investment (i.e., the U.S. affiliate) together with an address to which report forms can be mailed so that the investment (affiliate) can be reported on a consistent basis for each reporting period and for the various BEA surveys.

Thus, on page 1 of the BE-12 survey forms the "name and address" of the U.S. affiliate might be:

XYZ Corp. N.V., Real Estate Investments  
c/o B&K Inc., Accountants  
120 Major Street  
Miami, FL XXXXX

If the investment property has a name, such as Sunrise Apartments, the name and address on page 1 of the BE-12 survey forms might be:

Sunrise Apartments  
c/o ABC Real Estate  
120 Major Street  
Miami, FL XXXXX



## V. SPECIAL INSTRUCTIONS – Continued

There are questions throughout the Form BE-15(LF) that may not apply to certain types of real estate investments, such as the employer identification number, the number of employees, and exports and imports. In such cases, mark the items "none."

**Joint ventures and partnerships** – If a foreign person has a direct or indirect voting ownership interest of 10 percent or more in a joint venture, partnership, etc., that is formed to own and hold, develop, or operate real estate, the joint venture, partnership, etc., in its entirety, not just the foreign person's share, is a U.S. affiliate and must be reported as follows:

1. If the foreign interest in the U.S. affiliate is directly held by the foreign person, then a BE-12 report must be filed by the U.S. affiliate (subject to the exemption criteria and aggregation rules discussed above).
  2. If a voting interest of more than 50 percent in the U.S. affiliate is owned by another U.S. affiliate, the owned affiliate must be fully consolidated in the BE-12 report of the owning affiliate.
  3. If a voting interest of 50 percent or less in the U.S. affiliate is owned by another U.S. affiliate, and no U.S. affiliate owns a voting interest of more than 50 percent, then a separate BE-12 report must be filed by the owned affiliate. The BE-12 report(s) of the owning affiliate(s) must show an equity investment in the owned affiliate.
- D. Farms** – For farms that are not operated by their foreign owners, the income statements and related items should be prepared based on the extent to which the income from the farm accrues to, and the expenses of the farm are borne by, the owner. Generally this means that income, expenses, and gain (loss) assignable to the owner should reflect the extent to which the risk of the operation falls on the owner. For example, even though the operator and other workers on the farm are hired by a management firm, if their wages and salaries are assigned to, and borne by, the farm operation being reported, then the operator and other workers should be reported as employees of that farm operation and the wages and salaries should be included as an expense in the income statement.

### EXAMPLES:

1. If the farm is leased to an operator for a fixed fee, the owner should report the fixed fee in "sales or gross operating revenue," and should report the nonoperating expenses that he or she may be responsible for, such as real estate taxes, interest on loans, etc., as expenses in the income statement.
2. If the farm is operated by a management firm that oversees the operation of the farm and hires an operator, but the operating income and expenses are assigned to the owner, the income and expenses so assigned should be shown in the requested detail in the income statement, and related items, as appropriate. (The report should not show just one item, i.e., the net of income less the management fee, where the management fee includes all expenses.)

## E. Estates, trusts, and intermediaries

**A FOREIGN ESTATE** is a person and therefore may have direct investment, and the estate, not the beneficiary, is considered to be the owner.

**A TRUST** is a person but it is not a business enterprise. The trust is considered to be the same as an intermediary, and should report as outlined in the instructions for intermediaries below. For reporting purposes, the beneficiary(ies) of the trust, is (are) considered to be the owner(s) for purposes of determining the existence of direct investment, except in two cases: (1) if there is, or may be, a reversionary interest, and (2) if a corporation or other organization creates a trust designating its shareholders or members as beneficiaries. In these two cases, the creator(s) of the trust is (are) deemed to be the owner(s) of the investments of the trust (or succeeding trusts where the presently existing trust had evolved out of a prior trust), for the purposes of determining the existence and reporting of direct investment.

This procedure is adopted in order to fulfill the statistical purposes of this survey and does not imply that control over an enterprise owned or controlled by a trust is, or can be, exercised by the beneficiary(ies) or creator(s).

### FOR AN INTERMEDIARY:

1. If a U.S. intermediary holds, exercises, administers, or manages a particular foreign direct investment in the United States for the beneficial owner, such intermediary is responsible for reporting the required information for, and in the name of, the U.S. affiliate. Alternatively, the U.S. intermediary can instruct the U.S. affiliate to submit the required information. Upon so doing, the intermediary is released from further liability to report, provided it has informed BEA of the date such instructions were given and provides BEA the name and address of the U.S. affiliate, and has supplied the U.S. affiliate with any information in the possession of, or which can be secured by, the intermediary that is necessary to permit the U.S. affiliate to complete the required reports. When acting in the capacity of an intermediary, the accounts or transactions of the U.S. intermediary with a foreign beneficial owner are considered as accounts or transactions of the U.S. affiliate with the foreign beneficial owner. To the extent such transactions or accounts are unavailable to the U.S. affiliate, BEA may require the intermediary to report them.

2. If a foreign beneficial owner holds a U.S. affiliate through a foreign intermediary, the U.S. affiliate may report the intermediary as its foreign parent but, when requested, must also identify and furnish information concerning the foreign beneficial owner. Accounts or transactions of the U.S. affiliate with the foreign intermediary are considered as accounts or transactions of the U.S. affiliate with the foreign beneficial owner.

## F. Determining place of residence and country of jurisdiction of individuals

– An individual is considered a resident of, and subject to the jurisdiction of, the country in which he or she is physically located. The following guidelines apply to individuals who do not reside in their country of citizenship:

1. Individuals who reside, or expect to reside, outside their country of citizenship for less than one year are considered to be residents of their country of citizenship.
2. Individuals who reside, or expect to reside, outside their country of citizenship for one year or more are considered to be residents of the country in which they are residing, except as provided in paragraphs 3 and 4 below.
3. If an owner or employee of a business enterprise resides outside the country of location of the enterprise for one year or more for the purpose of furthering the business of the enterprise, and the country of the business enterprise is the country of citizenship of the owner or employee, then the owner or employee is considered a resident of the country of citizenship, provided there is the intent to return to the country of citizenship within a reasonable period of time.
4. Individuals and members of their immediate family who are residing outside their country of citizenship as a result of employment by the government of that country – diplomats, consular officials, members of the armed forces, etc. – are considered to be residents of their country of citizenship.

## VI. FILING THE BE-12

- A. Due date** – File a fully completed and certified Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank no later than May 31, 2008. If the U.S. affiliate is exempt from filing Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank, complete and file the BE-12 Claim For Not Filing by May 31, 2008.
- B. Mailing report forms to a foreign address** – BEA will accommodate foreign owners that wish to have forms sent directly to them. However, the extra time consumed in mailing to and from a foreign place may make meeting filing deadlines difficult. In such cases, please consider using BEA's electronic filing option. Go to our web site at [www.bea.gov/efile](http://www.bea.gov/efile) for details about this option. To obtain forms go to: [www.bea.gov/fdi](http://www.bea.gov/fdi)
- C. Extensions** – For the efficient processing of the survey and timely dissemination of the results, it is important that your report be filed by the due date. Nevertheless, reasonable requests for extension of the filing deadline will be granted. Requests for extensions of more than 30 days **MUST be in writing** and should explain the basis for the request. You may request an extension via email at [be12/15@bea.gov](mailto:be12/15@bea.gov). For extension requests of 30 days or less, you may call BEA at (202) 606-5577. All requests for extensions must be received **NO LATER THAN** the due date of the report.
- D. Assistance** – For assistance, telephone (202) 606-5577, FAX (202) 606-5319, or send email to [be12/15@bea.gov](mailto:be12/15@bea.gov). Forms can be obtained from BEA's web site at: [www.bea.gov/fdi](http://www.bea.gov/fdi)
- E. Annual stockholders' report or other financial statements** – Please furnish a copy of your FY 2007 annual stockholders' report or Form 10K when filing the BE-12 report. If you do not publish an annual stockholders' report or file Form 10K, please provide any financial statements that may be prepared, including the accompanying notes. Information contained in these statements is useful in reviewing your report and may reduce the need for further contact. Section 5(c) of the International Investment and Trade in Services Survey Act, Public Law 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended, provides that this information can be used for analytical and statistical purposes only and that it must be held strictly confidential.
- F. Number of copies** – File a single original copy of the form and supplement(s). If you are not filing electronically, this should be the copy with the address label on page 1, if such a labeled copy has been provided by BEA. (Make corrections to the address on the label, if necessary.) You should also retain a file copy of each report for three years to facilitate resolution of any questions that BEA may have concerning your report. (Both copies are protected by law; see the statement on confidentiality on page 27.

OMB No. 0608-0042: Approval Expires 11/30/2010

BEA Identification Number →



**MANDATORY — CONFIDENTIAL**  
**2007 BENCHMARK SURVEY OF**  
**FOREIGN DIRECT INVESTMENT IN THE UNITED STATES**  
**(SHORT FORM)**

**DUE DATE: MAY 31, 2008**

**ELECTRONIC FILING:** Go to [www.bea.gov/efile](http://www.bea.gov/efile) for details

**OR**

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

**OR**

**DELIVER REPORTS TO:** U.S. Department of Commerce  
 Bureau of Economic Analysis, BE-49(A)  
 Shipping and Receiving Section, M100  
 1441 L Street, NW  
 Washington, DC 20005

**OR**

**FAX REPORTS TO:** (202) 606-1905\*

\*See the **NOTE** at the bottom of this page if you plan to fax your report to BEA.

**ASSISTANCE**

**Email:** [be12/15@bea.gov](mailto:be12/15@bea.gov)

**Telephone:** (202) 606-5577

**FAX:** (202) 606-5319

**Copies of blank forms:** [www.bea.gov/fdi](http://www.bea.gov/fdi)

**Definitions of key terms** – See page 18 and 19.

**A. Name and address of U.S. business enterprise** – If a label has been affixed, make any changes directly on the label. If a label has not been affixed, enter the BEA Identification Number of this U.S. affiliate, if available, in the box at the upper right hand corner of this page.

Name of U.S. affiliate  
 1002 0

c/o (care of)  
 1010 0

Street or P.O. Box  
 1003 0

City State  
 1004 0 0998 0

ZIP Code Foreign Postal Code  
 1005 0 OR 0

**B. Location of U.S. affiliate** – If the mailing address in item A is in care of someone other than the U.S. affiliate, give the name and location of the primary U.S. headquarters of the affiliate. If the U.S. affiliate is a real estate investment with no U.S. headquarters, give the name (if any) and location of the real estate. If the real estate is in more than one location, give the name and location of the real estate with the largest gross book value.

Name of U.S. affiliate  
 1300 0

Street or P.O. Box  
 1301 0

City State  
 1302 0 1304 0

ZIP Code  
 1303 0

**IMPORTANT**

Please review the **Instructions** starting on page 17 before completing this form. **Insurance and real estate companies** see Special Instructions on page 23.

- **Who must file BE-12(SF)** – Form BE-12(SF) must be filed for a (a) nonbank U.S. affiliate majority-owned by foreign parents with total assets, sales or gross operating revenues, or net income greater than \$40 million (positive or negative) but not greater than \$175 million (positive or negative), and (b) nonbank U.S. affiliate minority-owned by foreign parents with total assets, sales or gross operating revenues, or net income greater than \$40 million (positive or negative). The terms "majority-owned" and "minority-owned" are defined in instruction II.K on page 18. If you do not meet these filing criteria or for more information regarding who must file Form BE-12(SF), see instruction I.A. starting on page 17.
- **Accounting principles** – If feasible use U.S. Generally Accepted Accounting Principles to complete Form BE-12(SF) unless you are requested to do otherwise by a specific instruction. References in the instructions to Financial Accounting Standards Board statements are referred to as "FAS."
- **U.S. affiliate's 2007 fiscal year** – The affiliate's financial reporting year that had an ending date in calendar year 2007.
- **Consolidated reporting** – A U.S. affiliate must file on a fully consolidated **domestic U.S.** basis, including in the consolidation ALL non-bank **U.S. affiliates** in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The consolidation rules are found in instruction IV.2 starting on page 19.
- **Rounding** – Report currency amounts in U.S. dollars rounded to thousands (omitting 000).  
**Do not enter amounts in the shaded portions of each line.**  
**Example** – If amount is \$1,334,891.00 report as: 

Bil.	Mil.	Thous.	Dols.
	1	335	

**MANDATORY CONFIDENTIALITY PENALTIES**

➔ This survey is being conducted under the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended). The filing of reports is mandatory and the Act provides that your report to this Bureau is confidential. Whoever fails to report may be subject to penalties. See page 17 for more details.

**PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT** – Enter name and address

Name 1000 0

Address 1029 0

1030 0

1031 0

**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 estimates may 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 \_\_\_\_\_ Date \_\_\_\_\_

TELEPHONE NUMBER 1001 1 Area code Number 2 Extension

0990 0 Print or type name 0991 0 Print or type title

FAX NUMBER 0999 1 Area code Number

0992 1 Telephone number 2 Extension 3 FAX number

**May FAX and/or email be used in correspondence between your enterprise and BEA**, including FAX'ed reports, and/or to discuss questions relating to this survey that may contain information about your company that you may consider confidential? **NOTE:** The Internet and telephone systems are not secure means of transmitting confidential information unless it is encrypted. If you choose to communicate with BEA via FAX or electronic mail, BEA cannot guarantee the security of the information during transmission, but will treat information we receive as confidential in accordance with Section 5(c) of the International Investment and Trade in Services Survey Act.

1027 Email: 1  Yes (If yes, please print your email address.) → Email address (Please print)  
 2  No  
 1028

1032 FAX: 1  Yes  
 2  No

**PART I - IDENTIFICATION OF U.S. AFFILIATE**

**Additional Instructions** by line item are at the back of this form starting with Section IV of the instructions on page 19.

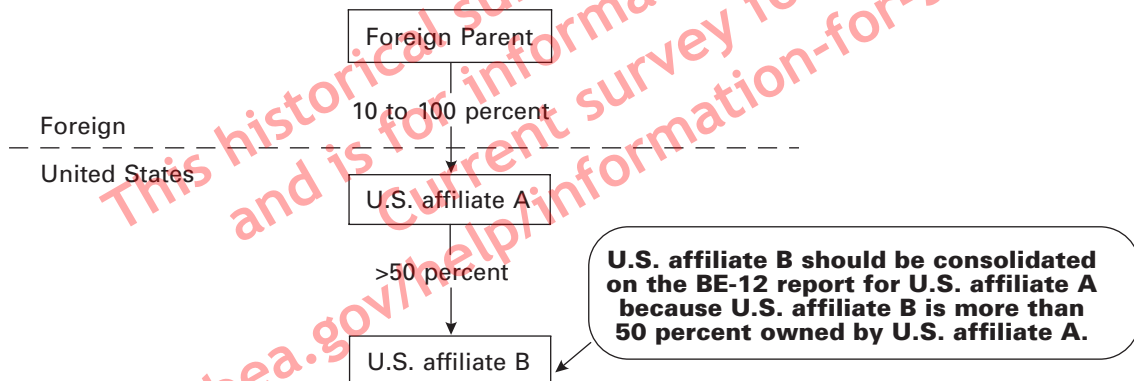
**1. What financial reporting standards will be used to complete this BE-12 report?** NOTE: Unless it is highly burdensome or not feasible, the BE-15 report should be completed using U.S. Generally Accepted Accounting Principles (U.S. GAAP).

<sup>1399</sup> <sup>1</sup>  U.S. Generally Accepted Accounting Principles

<sup>1</sup> <sup>2</sup>  International Financial Reporting Standards or other reporting standards, but with adjustments to correct for any material differences between U.S. GAAP and the reporting standards used. Specify the reporting standards used. ↘

<sup>1</sup> <sup>3</sup>  International Financial Reporting Standards or other reporting standards, but without adjustments to correct for any material differences between U.S. GAAP and the reporting standards used. Specify the reporting standards used. ↘

**2. Consolidated reporting by the U.S. affiliate - Is more than 50 percent of the voting interest in this U.S. affiliate owned by another U.S. affiliate of your foreign parent?**



**NOTE: Arrows connecting boxes represent direction of ownership.**

<sup>1400</sup> <sup>1</sup>  **Yes - If "Yes"** - Do not complete this report unless exception 2d described in the consolidation rules on page 19 applies. If this exception does not apply, please forward this BE-12 survey packet to the U.S. business enterprise owning your company more than 50 percent, and notify BEA of the action taken by filing a **BE-12 Claim For Not Filing** with item (e) completed on page 2. The Claim For Not Filing can be downloaded from our web site at: [www.bea.gov/fdi](http://www.bea.gov/fdi)

<sup>1</sup> <sup>2</sup>  **No - If "No"** - Complete this report in accordance with the consolidation rules on page 19.

**3. Enter Employer Identification Number(s) used by the U.S. affiliate to file income and payroll taxes.**

Primary	Other
<sup>1006</sup> <sup>1</sup> <input type="text" value="-"/>	<sup>2</sup> <input type="text" value="-"/>

**4. REPORTING PERIOD** - Reporting period instructions are found in instruction 4 starting on page 19. If there was a **change in fiscal year**, please review instruction 4.c. on page 20.

This U.S. affiliate's financial reporting year ended in **calendar year 2007** on 

Month	Day	Year
1		

**Example** - If the financial reporting year ended on March 31, report for the 12-month period ended March 31, **2007**.

**5. Did the U.S. business enterprise become a U.S. affiliate during its fiscal year that ended in calendar year 2007?**

<sup>1008</sup> <sup>1</sup>  **Yes - If "Yes"** - Enter date U.S. business enterprise became a U.S. affiliate and see instruction 5 on page 20. 

Month	Day	Year
1		

<sup>1</sup> <sup>2</sup>  **No**

**NOTE** - For a U.S. business enterprise that became a U.S. affiliate during its fiscal year that ended in calendar year 2007, leave the close FY 2006 data columns blank.

**6. Is the U.S. affiliate named on page 1 separately incorporated in the United States, including its territories and possessions?**

<sup>1011</sup> <sup>1</sup>  **Yes**

<sup>1</sup> <sup>2</sup>  **No** - Reporting rules for unincorporated affiliates are found in instruction 6 starting on page 20. Reporting rules for real estate are found in instruction V.C. on page 23.

**7. U.S. affiliates fully consolidated in this report** - The consolidation rules are found on page 19. Except as noted in the consolidation rules, more-than-50-percent-owned U.S. affiliates must be fully consolidated in this report.

If this report is for a single U.S. affiliate, enter "1" in the box below. If more than one U.S. affiliate is consolidated in this report, enter the number of U.S. affiliates consolidated. Hereinafter, they are considered to be one U.S. affiliate. **Exclude from the consolidation all foreign business enterprises owned by this U.S. affiliate.** Foreign operations in which you own a majority interest are to be deconsolidated. Include unconsolidated businesses on an equity basis or, if less than 20 percent owned, in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting.

<sup>1012</sup>

**Number** - If number is greater than one, complete the Supplement A on page 13.

**8. U.S. affiliates NOT consolidated** - See instruction 8 on page 20.

**Number of U.S. affiliates in which this U.S. affiliate has an ownership interest that ARE NOT fully consolidated in this report.**

<sup>1013</sup>  **Number** - If number is not zero, complete the Supplement B on page 15. The U.S. affiliate named on page 1 must include data for unconsolidated U.S. affiliates on an equity basis or, if less than 20 percent owned, in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting, and must notify the unconsolidated U.S. affiliates of their obligation to file a Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank in their own names.

**PART I – IDENTIFICATION OF U.S. AFFILIATE – Continued**

**Ownership** – Enter **percent of ownership**, in this U.S. affiliate, to a tenth of one percent, based on **voting interest** if an incorporated affiliate or an equivalent interest if an unincorporated affiliate. "Voting interest" is defined in instruction 9-13 starting on page 20.

**Foreign parent** – A foreign parent is the **FIRST** person or entity outside the U.S. in a chain of ownership that has a 10 percent or more **voting** interest (direct or indirect) in this U.S. affiliate. See example 1 below for an illustration of foreign parent.

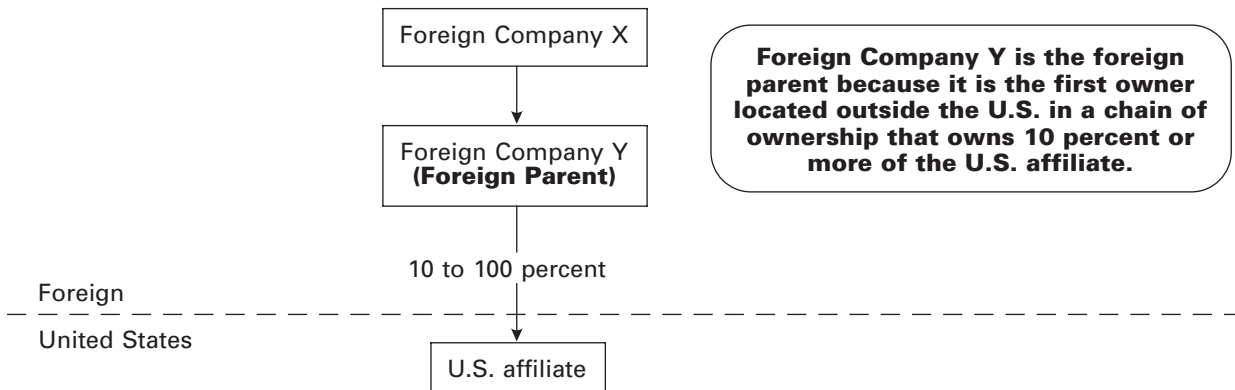
**Ownership held directly by foreign parent(s) of this U.S. affiliate** – Give name of each foreign parent with direct ownership. (If more than 2, continue on a separate sheet.) See example 1 below for an illustration of ownership held directly by a foreign parent.

	Country of incorporation or organization (if a business enterprise) or residence, if an individual. For individuals, see instruction V.F. on page 24.	REPORTING PERIOD		BEA USE ONLY. (3)
		Close FY 2007 (1)	Close FY 2006 (2)	
9.		1	2	3
	1017	. %	. %	
10.		1	2	3
	1018	. %	. %	
<b>Ownership held indirectly by foreign parent(s) of this U.S. affiliate through another U.S. affiliate</b> – Give name of each higher tier U.S. affiliate with direct ownership in this U.S. affiliate. (If more than 2, continue on a separate sheet.) See example 2 below for an illustration of ownership held indirectly by a foreign parent.				
	Country of foreign parent of U.S. affiliate			
11.		1	2	3
	1063	. %	. %	
12.		1	2	3
	1064	. %	. %	
13.	<b>Direct ownership held by all other persons (do not list names)</b>	1	2	
	1061	. %	. %	
<b>TOTAL of ownership interests – Sum of items 9 through 13</b>		<b>100.0%</b>	<b>100.0%</b>	

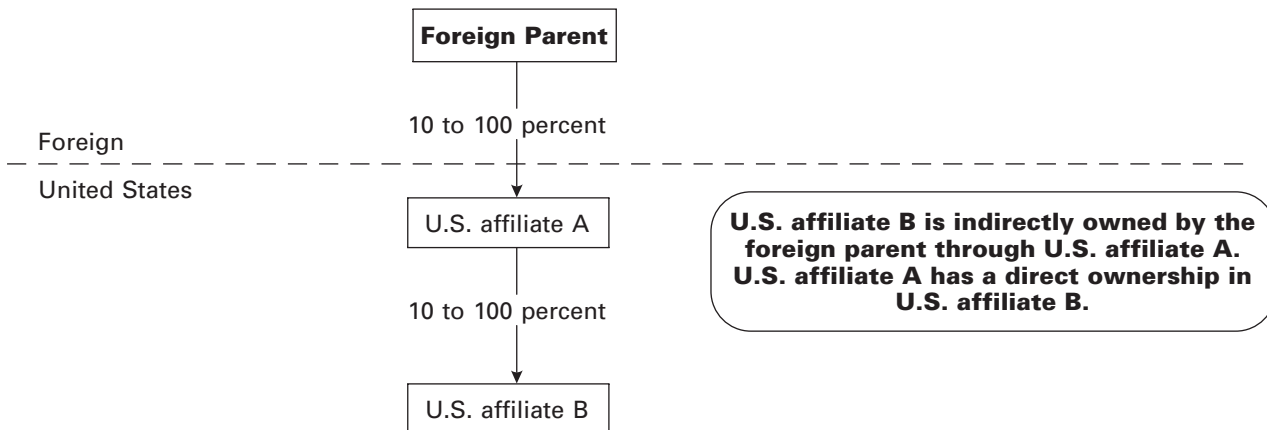
**PLEASE CONTINUE WITH QUESTION 14 ON PAGE 4**

**EXAMPLES OF DIRECT AND INDIRECT OWNERSHIP HELD BY FOREIGN PARENTS**

**Example 1 – Ownership held directly by a foreign parent**



**Example 2 – Ownership held indirectly by a foreign parent through another U.S. affiliate**



**NOTE: Arrows connecting boxes represent direction of ownership**

**PART I – IDENTIFICATION OF U.S. AFFILIATE – Continued**

*Report all amounts in thousands of U.S. dollars.*

**14. Major product(s) or service(s) of fully consolidated U.S. affiliate** – Briefly describe the major product(s) and/or service(s) of the U.S. affiliate. If a product, also state what is done to it, i.e., whether it is mined, manufactured, sold at wholesale, transported, packaged, etc. (For example, "manufacture widgets.")

1163 0

**INDUSTRY CLASSIFICATION AND TOTAL SALES OR GROSS OPERATING REVENUES OF FULLY CONSOLIDATED U.S. AFFILIATE**

Enter the 4-digit International Surveys Industry (ISI) code(s) and the sales associated with each code in items 15 through 18 below. If you use fewer than four codes, you must account for total sales in items 15 through 17.

**Column (1) – ISI Code** – For a full explanation of each code, see the *Guide to Industry Classifications for International Surveys, 2007*. A copy of this guide can be found on our web site at: [www.bea.gov/naics2007](http://www.bea.gov/naics2007). For an inactive affiliate, show the industry classification(s) based on its last active period; for "start-ups" with no sales, show the intended activity(ies).

**Book publishers, printers, and Real Estate Investment Trusts** – See instructions for items 15–20 on page 21.

**Column (2) – Sales – Total sales or gross operating revenues, excluding sales taxes** – Gross sales minus returns, allowances, and discounts; or gross operating revenues. INCLUDE revenues generated during the year from the operations of a discontinued business segment but EXCLUDE gains or losses from DISPOSALS of discontinued operations. EXCLUDE all investment gains and losses. Report such gains and losses on page 6, line 35. EXCLUDE sales or consumption taxes levied directly on the consumer and excise taxes levied directly on manufacturers, wholesalers, and retailers.

**Dividends, interest, and investment gains (losses)** – INCLUDE dividends and interest earned ONLY by finance and insurance companies and units. EXCLUDE dividends and interest earned by non-finance and non-insurance companies and units. EXCLUDE all derivative instrument and investment gains and losses. Report all derivative instrument and investment gains and losses on page 6, line 35.

**Holding companies** (ISI code 5512) should report total income including income (loss) from equity investments in unconsolidated U.S. affiliates and all foreign entities, certain realized and unrealized gains and losses, other income, plus sales and gross operating revenues, if any. Zero normally is NOT a correct entry. **Note** – a U.S. affiliate that is a conglomerate must determine its industry code based on the activities of the fully consolidated domestic U.S. business enterprise. The "holding company" classification, therefore, is often an invalid industry classification for a conglomerate.

	ISI code (1)	Sales (2)			
		Bil.	Mil.	Thous.	Dols.
<b>15.</b> Enter code with largest sales	1164	2			
<b>16.</b> Enter code with 2nd largest sales	1165	2			
<b>17.</b> Enter code with 3rd largest sales	1166	2			
<b>18.</b> Enter code with 4th largest sales	1167	2			
<b>19.</b> Sales not accounted for above — Item 18 must have an entry if amounts are entered on this line.	1173	2			
<b>20. Total sales or gross operating revenues, excluding sales taxes –</b> <i>Column (2) equals sum of items 15 through 19, column (2).</i> →	1174	2	\$		

**CROSS-BORDER SERVICES TRANSACTIONS**

**21. Did this U.S. affiliate receive payments or credits from, or make payments or issue credits to, persons or entities located outside of the United States for any of the items listed below?**

- Royalties, license fees, and other fees for the use or sale of intangible property
- Services, including, but not limited to: accounting, advertising, computer, construction and related services, consulting, data base, financial, insurance, legal, management, operational leasing, public relations, research and development.

1186 <sup>1</sup>  Yes    <sup>2</sup>  No

**BEA USE ONLY**

1200	1	2	3	4	5
1201	1	2	3	4	5
1202	1	2	3	4	5
1203	1	2	3	4	5

**PART II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE**

**Report all amounts in thousands of U.S. dollars.**

**BALANCE SHEET ITEMS**

**NOTE** – Include all unconsolidated businesses on an equity basis or, if less than 20 percent owned, in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting. **Foreign operations are to be unconsolidated and treated as equity investments.**

Balances Close FY 2007 (1)			
Bil.	Mil.	Thous.	Dols.
1			

**22. Total assets**

2109

\$

**23. Total liabilities**

2114

\$

**24. Total owners' equity – Item 22 minus item 23**

2120

\$

**Please check box if total liabilities are zero.**

**OTHER FINANCIAL AND OPERATING DATA**

Amount  
(1)

**25. Net income (loss)** – After provision for U.S. Federal, State, and local income taxes

2159

\$

**EMPLOYEES AND EMPLOYEE COMPENSATION BY STANDARD OCCUPATION CLASSIFICATION (SOC) GROUPS**

**Please report employees and employee compensation by SOC.** See instruction 26–28 on page 21 for a list of the major SOC groups.

**Column (1) – Number of employees at close of FY 2007** – INCLUDE all employees on the payroll at the end of the fiscal year that ended in calendar year 2007; INCLUDE part-time employees. EXCLUDE contract workers and other workers not carried on the payroll of this U.S. affiliate. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of the number on the payroll at the end of the fiscal year. Reporting employment (including how to report when employment is subject to unusual variations) is discussed in more detail in instruction 26–28 on page 21.

**Column (2) – Employee compensation for FY 2007** – Sum of **wages and salaries** and **employee benefit plans (before payroll deductions)**. Report expenditures made by an employer to employees, including cash payments, stock based compensation, payments-in-kind, and employer expenditures for employee benefit plans including those required by statute, those resulting from collective bargaining contracts, or those that are voluntary. Base compensation data on payroll records. Report compensation which relates to activities that occurred during the reporting period regardless of whether the activities were charged as an expense on the income statement, charged to inventories, or capitalized. EXCLUDE amounts related to activities of a prior period, such as those capitalized or charged to inventories in prior periods. See instruction 26–28 on page 21 for more details of what to include on this line.

**NOTE: A list of the major SOC groups can be found on page 21.**

Number of employees at close of FY 2007 (1)	Total employee compensation for FY 2007 (2)			
	Bil.	Mil.	Thous.	Dols.
Number				

**26. Managerial, professional and technical employees (SOC 11-29)**

2260

\$

**27. All other employees (SOC 31-55)**

2261

\$

**28. TOTAL NUMBER OF EMPLOYEES AND EMPLOYEE COMPENSATION – Sum of items 26 and 27. Total employees must equal item 64, column (3) on page 7.**

2262

\$

**• NUMBER OF EMPLOYEES OF ADMINISTRATIVE OFFICES AND OTHER AUXILIARY UNITS**

**29. Administrative office and other auxiliary employees** – Of the total number of employees reported in item 28 column (1) above, how many are administrative office and other auxiliary unit employees?

INCLUDE employees at corporate headquarters, central administrative, and regional offices located in the U.S. that provide administration and management or support services for the consolidated U.S. affiliate. Support services include accounting, data processing, legal, research and development and testing, and warehousing. Also INCLUDE employees located at a U.S. operating unit (e.g., a manufacturing plant or warehouse) that provide administration and management or support services to more than one U.S. operating unit. EXCLUDE employees located at a U.S. operating unit that provide administration and management or support services for only that one unit.

1178

Number of  
employees

**30. Expenditures for property, plant, and equipment for FY 2007** – INCLUDE all purchases by, or transfers (at net book value) to, the U.S. affiliate of land, mineral and timber rights, and other property, plant and equipment. Also INCLUDE capitalized and expensed exploration and development expenditures. EXCLUDE expenditures made in prior years that are reclassified in the current year. Also EXCLUDE land and other property, plant and equipment obtained through the acquisition of or merger with another company during the year. DO NOT net out sales and other dispositions of property, plant, and equipment from the expenditures reported on this line.

2390

\$

**31. Research and Development (R&D) expenditures for R&D performed BY the U.S. affiliate** – Report all R&D performed BY the U.S. affiliate for its own account or for others, including the foreign parent group. Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, taxes, materials and supplies, overhead – whether or not allocated to others – and all other indirect costs. EXCLUDE the cost of all R&D funded by the U.S. affiliate but performed by others, such as the U.S. affiliate's allocated share of R&D performed by the foreign parent group. See diagram on page 12 for an illustration of foreign parent group.

2403

\$

**EXPORTS AND IMPORTS OF GOODS BY U.S. AFFILIATE**

**Report the value of goods exported and imported by the U.S. affiliate during the fiscal year that ended in calendar year 2007. EXCLUDE services. Software publishers see the discussion under packaged general use computer software on page 22.**

**NOTE** – Report amounts on a "shipped basis." See instruction 32–33 starting on page 21 for details of what to include on these lines.

**32. TOTAL EXPORTS** – Shipped by U.S. affiliate to foreign persons (valued f.a.s. U.S. port) in the fiscal year that ended in calendar year 2007.

2502

\$

**33. TOTAL IMPORTS** – Shipped to U.S. affiliate by foreign persons (valued f.a.s. foreign port) and received in the fiscal year that ended in calendar year 2007.

2515

\$

**PLEASE CONTINUE ON PAGE 6**

**BEA USE ONLY**

2598

## PART II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued

Report all amounts in thousands of U.S. dollars.

**34. Did the ownership (both direct and indirect) by ALL foreign parents in the voting securities (or an equivalent interest) of this U.S. affiliate EXCEED 50 percent as of the end of the U.S. affiliate's fiscal year that ended in calendar year 2007?** "Voting interest" is defined in instructions 9–13 on page 20.

<sup>1101</sup> 1  Yes – Answer items 35 through 45.

2  No – Skip to item 46 on page 7.

**NOTE: Complete items 35 through 45 ONLY if item 34 is answered "Yes."  
Skip to item 46 on page 7 if item 34 is answered "No."**

	Amount (1)	Amount		
		Bil.	Mil.	Thous. Dols.
<b>35. Certain realized and unrealized gains (losses), included in item 25, net income (loss).</b> Report at gross amount before income tax effect. See instruction 35 on page 22 for details of what to include on this line.	1			
	2151	\$		
<b>36. Income taxes</b> – Provision for ALL U.S. Federal, State, and local income taxes. Include the income tax effect of the certain realized and unrealized gains (losses) reported on line 35. Exclude production royalty payments.	1			
	2156			
<b>37. Interest income from all sources (including from foreign parents and affiliates), after deduction of taxes withheld at the source.</b> Do not net against interest expense (item 38).	1			
	2400			
<b>38. Interest expense plus interest capitalized, paid or due to all payees (including foreign parents and affiliates), before deduction of U.S. tax withheld by the affiliate.</b> Do not net against interest income (item 37).	1			
	2401	\$		
<b>39. Acres of land owned</b> – Number of acres of all U.S. land owned at close of FY 2007 wherever carried on the balance sheet. Include acres of land on capital lease from others. Exclude acres of mineral rights if you do not own the land.	Number			
	1			
	2354			
	1			
	2599			

**DISTRIBUTION OF SALES OR GROSS OPERATING REVENUES**

Distribute sales or gross operating revenues among three categories — sales of goods, sales of services, and investment income. For the purpose of this distribution, "goods" are normally outputs that are tangible and "services" are normally outputs that are intangible. When a sale consists of both goods and services and cannot be unbundled (i.e., the goods and services are not separately billed), classify the sales as goods or services based on whichever accounts for a majority of the value. Give best estimates if actual figures are not available.

**NOTE – BEFORE COMPLETING THIS SECTION, PLEASE SEE THE INSTRUCTIONS FOR ITEMS 40 THROUGH 45 ON PAGE 22.** Insurance companies also see page 23, instruction V.A. for special instructions.

**Utilities and Oil & Gas Producers and Distributors** – To the extent feasible, revenues are to be allocated between sales of goods and sales of services. Revenues earned from the sale of a product (e.g., electricity, natural gas, oil, water, etc.) are to be reported as sales of goods. Revenues earned from the distribution or transmission of a product (e.g., fees received for the use of transmission lines, pipelines, etc.) are to be reported as sales of services.

	Amount (1)	Amount		
		Bil.	Mil.	Thous. Dols.
<b>40. TOTAL SALES OR GROSS OPERATING REVENUES, EXCLUDING SALES TAXES – Equals item 20, column (2) on page 4, and also sum of items 41 through 43</b> →	1			
	2243	\$		
<b>41. Sales of Goods</b>	1			
	2244	\$		
<b>42. Investment income included in gross operating revenues (e.g., dividends and interest generated by finance and insurance subsidiaries or units)</b>	1			
	2245	\$		
<b>43. Sales of Services, Total – Sum of items 44 through 45</b> →	1			
	2246	\$		
<b>44. To U.S. persons</b>	1			
	2247			
<b>45. To foreign persons</b>	1			
	2257			

PLEASE CONTINUE WITH ITEM 46 ON PAGE 7

Remarks

**PART II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE**

*Report all amounts in thousands of U.S. dollars.*

**SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION**

**46. Copy your answer from item 34 on page 6 to the appropriate box below and follow the applicable instructions.**

<sup>1</sup>  **Yes** – Complete all columns in the schedule below for up to **five** states in which this affiliate has reportable data. If the affiliate has operations in more than five states, sum the data for the remaining states on line 63. Skip item 47.

<sup>1</sup>  **No** – Answer item 47 below.

**47. If you answered "No" to item 46, did any one of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed \$175 million at the end of, or for, its fiscal year that ended in calendar year 2007?**

<sup>1102</sup> <sup>1</sup>  **Yes** – Complete columns 3 and 5 of the schedule below for up to **fifteen** states. If the affiliate has operations in more than fifteen states, sum the data for the remaining states on line 63.

<sup>1</sup>  **No** – Complete columns 3 and 5 of the schedule below for up to **five** states. If this affiliate has operations in more than five states, sum the data for the remaining states on line 63.

**Complete the schedule below for up to five or fifteen states, (whichever is applicable based on the instructions in items 46 and 47 above), in which the U.S. affiliate has reportable data.** If the U.S. affiliate has activities in more than five (or fifteen) states, report those states for which the number of employees (column (3)) is largest. If the number of employees is zero or insignificant, use the gross book value of all land and other property, plant, and equipment (column (5)), to determine the five (or fifteen) states.

**Column (3) – Number of employees at close of FY 2007** – The total number of employees reported on line 64 column (3) MUST equal the total number of employees reported on page 5 item 28 column (1).

**Column (4) –** Complete this column ONLY if the U.S. affiliate is majority-owned by foreign parent(s). **Include** all employees on the payrolls of operating manufacturing plants in the state. **Include** administrative office and other auxiliary employees located at an operating plant and who serve only that plant. **Exclude** all other employees on the payrolls of administrative offices or other auxiliary units. Administrative office and other auxiliary employees are defined on page 5 in item 29.

**Column (5) – Include** land and other property, plant, and equipment items, whether carried as investments, in fixed asset accounts, or in other balance sheet accounts. **Include** land held for resale, for investment purposes, and all other land owned. **Include** land and other property, plant, and equipment on capital lease from others, but **exclude** that on capital lease to others. **Include** property you own that you lease to others under operating leases. Value land and other property, plant, and equipment at historical cost before any allowances for depreciation or depletion.

**Column (6) –** Complete this column ONLY if the U.S. affiliate is majority owned. **Include** the gross book value of commercial property you own, and commercial property you use or operate that is leased from others under a capital lease. Commercial property **includes** ALL buildings and associated land leased or rented to others under operating leases. Commercial property **includes** apartment buildings; office buildings; hotels; motels; and buildings used for wholesale, retail, and services trades, such as shopping centers, recreational facilities, department stores, bank buildings, restaurants, public garages, and automobile service stations. **Include** the value of land associated with these buildings. **Include** office buildings and associated land owned by industrial companies NOT located at industrial sites. **Exclude** furniture and equipment located at commercial property. **Exclude** property you use for agricultural, mining, manufacturing, or other industrial purposes (such as water and sewage treatment, electric power generation, and other utility plants), property you use to support these activities, such as research labs and warehouses, and office buildings located at industrial sites. Also **exclude** educational buildings, hospitals, nursing homes, institutional buildings, and all undeveloped land.

	BEA USE ONLY (1)	STATE — Enter name  If applicable, enter name of U.S. territory or possession on the lines below. Additional instructions for items 48–64 are found on page 23.	BEA USE ONLY (2)	Number of employees at close of FY 2007 (3)	If U.S. affiliate is majority-owned by foreign parent(s), report the portion of employees in column (3) that are manufacturing employees (4)	Gross book value (historical cost) of all land and other property, plant, and equipment wherever carried on balance sheet, FY 2007 closing balance. (5)				If U.S. affiliate is majority-owned by foreign parent(s), report the portion of column (5) that is commercial property (6)			
				Number	Number	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
48.	1		2	3	4	5				6			
49.	1		2	3	4	5				6			
50.	1		2	3	4	5				6			
51.	1		2	3	4	5				6			
52.	1		2	3	4	5				6			
53.	1		2	3	4	5				6			
54.	1		2	3	4	5				6			
55.	1		2	3	4	5				6			
56.	1		2	3	4	5				6			
57.	1		2	3	4	5				6			
58.	1		2	3	4	5				6			
59.	1		2	3	4	5				6			
60.	1		2	3	4	5				6			
61.	1		2	3	4	5				6			
62.	1		2	3	4	5				6			
63.	1	Employment and property, plant, and equipment not accounted for above 2764	2	3	4	5				6			
64.	1	<b>TOTAL — Sum of items 48 through 63</b> 2700	2	3	4	5				6			

**TOTAL NUMBER OF EMPLOYEES** ————— Must equal item 28, column (1) on page 5.



**PART III – INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT GROUP**

Name of U.S. business enterprise shown in item A on page 1 of this BE-12(SF)

**Instructions for Part III** – Prepare a separate Part III to report each ownership interest held by a foreign parent, at **anytime** during the fiscal year that ended in calendar year 2007, in the U.S. affiliate named on page 1 of this BE-12. Such ownership interests are reported on page 3 (and, if applicable, continued on a separate sheet). If a foreign parent held **both direct and indirect** ownership interests in this U.S. affiliate, prepare one Part III to report the direct interest and a separate Part III to report the indirect interest. A Part III must also be prepared for foreign parent ownership interests disposed of in their entirety during the year.

Use this Part III to report the foreign parent with the largest direct voting interest **at year-end**. Use photocopies of this Part III to report all additional direct and indirect voting interests, if any, held by foreign parents in this U.S. affiliate.

**If more than one Part III is filed, do not duplicate positions in, or transactions with, the U.S. affiliate.**

**Section A – IDENTIFICATION OF FOREIGN PARENT AND ULTIMATE BENEFICIAL OWNER (UBO)**

**65. Number of Part IIIs filed by the U.S. affiliate** – If there is only one, enter "1."

3010

**BEA USE ONLY**  
Control number

	-
--	---

**66. What is the name of the foreign parent being reported on in this Part III?**

Name of foreign parent

3011

**67. For the foreign parent named above, this Part III is being used to report** – Mark (X) one

**a.**  a **direct** ownership interest in the U.S. affiliate (as reported in items 9 and 10 on page 3). See example 1 at the bottom of page 3 for an illustration of a direct interest.

**b.**  an **indirect** ownership interest in the U.S. affiliate (as reported in items 11 and 12 on page 3). See example 2 at the bottom of page 3 for an illustration of an indirect interest.

**68. If item 67a is marked** – Give percent of –

	Close FY 2007 (1)	Close FY 2006 (2)
<b>a. voting interest owned</b> . . . . . 3014	1 . %	2 . %
<b>b. equity interest owned</b> . . . . . 3015	1 . %	2 . %

"Voting interest" and "equity interest" are defined in instruction 9-13 on pages 20 and 21 at the back of this form. If the U.S. affiliate is a partnership, or Limited Liability Company, also see instructions 6b and 6c on page 20 at the back of this form.

**NOTE** – Sum of item 68a (voting interest owned) of all Part IIIs must equal the sum of items 9 and 10 on page 3.

**69. Country in which foreign parent named in item 66 –**

**a.** is incorporated or organized, if a business enterprise, or is a resident, if an individual . . . . .

**BEA USE ONLY**

3016

**b.** is located, if a business enterprise and the country is different from that in item 69a . . . . .

3017

**70. Enter the industry code of the foreign parent** named in item 66, from the list of codes at the bottom of this page that best describes the PRIMARY activity of the SINGLE entity named as the foreign parent. DO NOT base the code on the world-wide sales of all consolidated subsidiaries of the foreign parent.

3018

**FOREIGN PARENT AND UBO INDUSTRY CODES**

**Note:** "ISI codes" are International Surveys Industry codes, as given in the *Guide to Industry Classifications for International Surveys, 2007*.

- |  |  |
|--|--|
| <p><b>01</b> Government and government-owned or -sponsored enterprise, or quasi-government organization or agency</p> <p><b>02</b> Pension fund — Government run</p> <p><b>03</b> Pension fund — Privately run</p> <p><b>04</b> Estate, trust, or nonprofit organization (that part of ISI code 5252 that is estates and trusts)</p> <p><b>05</b> Individual</p> <p><b>Private business enterprise, investment organization, or group engaged in:</b></p> <p><b>06</b> Insurance (ISI codes 5242, 5243, 5249)</p> <p><b>07</b> Agriculture, forestry, fishing and hunting (ISI codes 1110–1140)</p> <p><b>08</b> Mining (ISI codes 2111–2127)</p> <p><b>09</b> Construction (ISI codes 2360–2380)</p> <p><b>10</b> Transportation and warehousing (ISI codes 4810–4939)</p> <p><b>11</b> Utilities (ISI codes 2211–2213)</p> <p><b>12</b> Wholesale and retail trade (ISI codes 4231–4251 and 4410–4540)</p> <p><b>13</b> Banking, including bank holding companies (ISI codes 5221 and 5229)</p> <p><b>14</b> Holding companies, excluding bank holding companies (ISI codes 5512 and 5513)</p> <p><b>15</b> Other finance (ISI codes 5223, 5224, 5231, 5238, that part of ISI code 5252 that is not estates and trusts, and ISI code 5331)</p> | <p><b>16</b> Real estate (ISI code 5310)</p> <p><b>17</b> Information (ISI codes 5111–5191)</p> <p><b>18</b> Professional, scientific, and technical services (ISI codes 5411–5419)</p> <p><b>19</b> Other services (ISI codes 1150, 2132, 2133, 5321, 5329, and 5611–8130)</p> <p><b>Manufacturing, including fabricating, assembling, and processing of goods:</b></p> <p><b>20</b> Food (ISI codes 3111–3119)</p> <p><b>21</b> Beverages and tobacco products (ISI codes 3121 and 3122)</p> <p><b>22</b> Pharmaceuticals and medicine (ISI code 3254)</p> <p><b>23</b> Other chemicals (ISI codes 3251–3259, except 3254)</p> <p><b>24</b> Nonmetallic mineral products (ISI codes 3271–3279)</p> <p><b>25</b> Primary and fabricated metal products (ISI codes 3311–3329)</p> <p><b>26</b> Computer and electronic products (ISI codes 3341–3346)</p> <p><b>27</b> Machinery manufacturing (ISI codes 3331–3339)</p> <p><b>28</b> Electrical equipment, appliances and components (ISI codes 3351–3359)</p> <p><b>29</b> Motor vehicles and parts (ISI codes 3361–3363)</p> <p><b>30</b> Other transportation equipment (ISI codes 3364–3369)</p> <p><b>31</b> Other manufacturing (ISI codes 3130–3231, 3261, 3262, 3370–3399)</p> <p><b>32</b> Petroleum manufacturing, including integrated petroleum and petroleum refining without extraction (ISI codes 3242–3244)</p> |
|--|--|

**PART III – INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT GROUP – Continued**

**Section A – IDENTIFICATION OF FOREIGN PARENT AND ULTIMATE BENEFICIAL OWNER – Continued**

**NAME, COUNTRY, AND INDUSTRY CODE OF ULTIMATE BENEFICIAL OWNER (UBO)**

**Furnish the name, country, and industry code of the UBO.** The UBO is that person or entity, proceeding up the ownership chain beginning with and including the foreign parent, that is not more than 50 percent owned or controlled by another person or entity. See instruction II.O. on page 19 for the complete definition of UBO.

**NOTE: See the diagrams at the bottom of this page for examples of the UBO.**

**71. Is the foreign parent named in item 66 also the UBO?** If the foreign parent is owned or controlled MORE THAN 50 percent by another person or entity, then the foreign parent is NOT the UBO.

- 3019 <sup>1</sup>  **1** Yes – (example 1 below) – *Skip to 74*  
<sup>1</sup>  **2** No – (examples 2A and 2B below) – *Continue with 72*

**72. Enter the name of the UBO of the foreign parent.** If the UBO is an individual, or an associated group of individuals, enter "individual." See instruction II.D. on page 18 for the definition of associated group. Identifying the UBO as "bearer shares" is not an acceptable response.

3021

**73. Enter country of UBO.** For individuals, see instruction V.F. on page 24.

**BEA USE ONLY**

3022

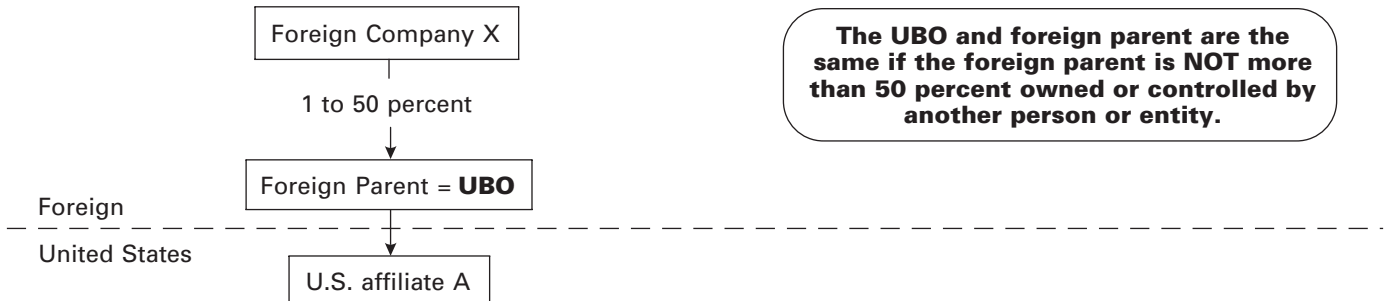
**74. Enter the industry code of the UBO** from the list of codes at the bottom of page 8. **NOTE –** The UBO industry code is based on the consolidated world-wide activities of all majority-owned subsidiaries of the UBO. Select the industry code that best reflects the consolidated world-wide sales of the UBO, including all of its majority-owned subsidiaries.

3023  DO NOT USE CODE 14 UNLESS YOU RECEIVE PERMISSION FROM BEA. Code "14" (holding company) is normally NOT a valid UBO industry code.

**PLEASE CONTINUE WITH QUESTION 75 ON PAGE 10**

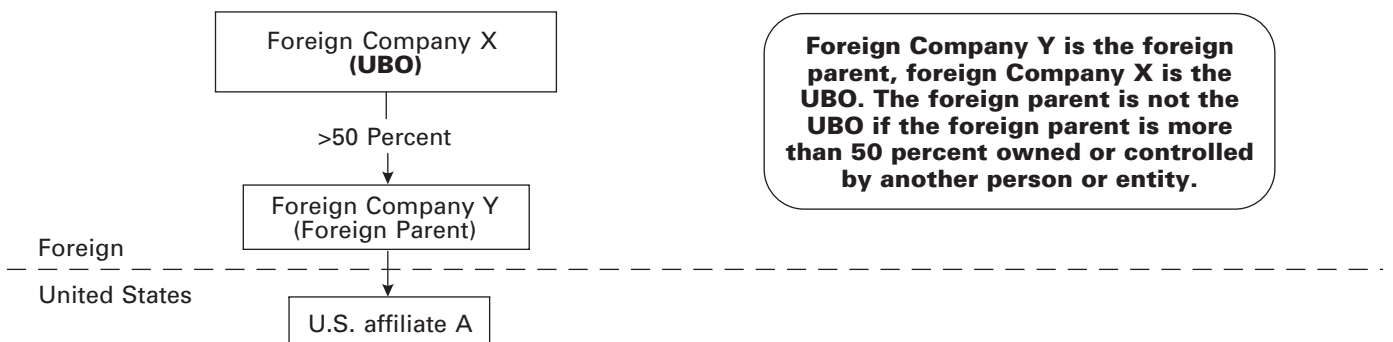
**EXAMPLES OF THE ULTIMATE BENEFICIAL OWNER (UBO)**

**Examples 1 – The UBO and Foreign Parent are the same**

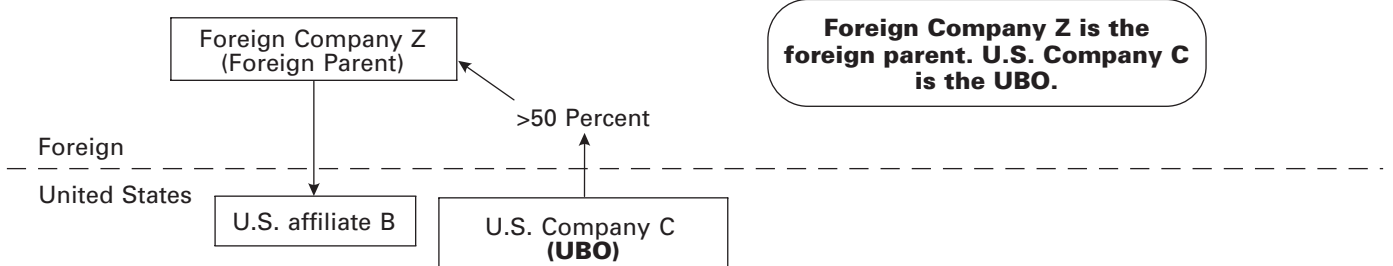


**Examples 2A and 2B – The Foreign Parent is NOT the UBO**

**A. The UBO is a foreign person or entity**



**B. The UBO is a U.S. person or entity**



**NOTE: Arrows connecting boxes represent direction of ownership**

**PART III – INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT GROUP – Continued**

**Report all amounts in thousands of U.S. dollars.**

**NOTE**

Data reported in Sections B, C, D, and E must be for the fully consolidated U.S. affiliate. The consolidation rules are found on page 19 at the back of this form.

**75. Copy your answer from item 67 on page 8 to the appropriate box below and follow the applicable instructions.**

- a. <sup>1</sup>  A **direct** interest – Complete all items 76 through 89 on pages 10 through 12. Do not duplicate data reported on other Part IIIs.
- b. <sup>1</sup>  An **indirect** interest – Complete ONLY items 87, 88, and 89 on page 12. Do not duplicate data reported on other Part IIIs.

**Section B – EQUITY HOLDINGS IN THE U.S. AFFILIATE BY THE FOREIGN PARENT NAMED IN ITEM 66**

Report amounts according to the books of the U.S. affiliate.

**OWNERS' EQUITY ITEMS – WHAT IS THE AMOUNT OF THE FOREIGN PARENT'S SHARE OF:**

**76. Capital stock and additional paid-in capital** – Common and preferred, voting and non-voting capital stock and additional paid-in capital.

**77. Retained earnings (deficit)**

**78. Other, including accumulated other comprehensive income and treasury stock** – Specify major items ↴

**FOREIGN PARENT'S SHARE OF TOTAL OWNERS' EQUITY OF INCORPORATED OR UNINCORPORATED U.S. AFFILIATE –**

**79.** Sum of items 76 through 78 for incorporated U.S. affiliates and those unincorporated U.S. affiliates for which this breakdown is available. For those unincorporated U.S. affiliates that cannot provide a breakdown for items 76 through 78, report the foreign parent's share of the total owners' equity reported in item 24 on page 5.

		CLOSING BALANCE							
		FY 2007 (1)				FY 2006 <b>(Unrestated)</b> (2)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1						2			
3058	\$					\$			
1						2			
3060									
1						2			
3062									
1						2			
3063	\$					\$			

**Section C – CHANGES IN EQUITY HOLDINGS IN THE U.S. AFFILIATE BY THE FOREIGN PARENT NAMED IN ITEM 66**

Entries in Section C are necessary to identify the amount and cause of any changes in equity holdings by the foreign parent in the U.S. affiliate during the fiscal year that ended in calendar year 2007.

**Report** the transaction (i.e., market) value of consideration given or received for increases or decreases in the foreign parent's equity holdings in the U.S. affiliate.

**80. Increase by foreign parent of equity interest in U.S. affiliate**

**Include:**

- purchases of capital stock by the foreign parent;
- contributions of equity by the foreign parent that did not result from the issuance of stock to the foreign parent;
- capitalization of intercompany debt (report the amount of debt converted to equity as the transaction value of the equity increase).

**Exclude changes caused by:**

- carrying net income to the equity account;
- the effect of treasury stock transactions with persons other than the foreign parent;
- reorganizations in capital structure that do not affect total equity.

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
3065	\$		

**81. Decrease by foreign parent of equity interest in U.S. affiliate**

**Include:**

- sales of capital stock by the foreign parent to the U.S. affiliate;
- returns of contributed equity capital to the foreign parent;
- liquidating dividends;
- distributions to the foreign parent following total liquidation of the U.S. affiliate.

**Exclude changes caused by:**

- carrying net losses to the equity account;
- payment of stock or cash dividends (other than liquidating dividends);
- the distribution of earnings during the period;
- the effect of treasury stock transactions with entities other than the foreign parent;
- reorganizations in capital structure that do not affect total equity.

1			
3066	\$		

**82. TOTAL – Equals item 80 minus item 81**

1			
3071	\$		

**Enter the amounts by which the transactions values reported in items 80 and 81 above –**

**83. exceed the value carried on the books of the U.S. affiliate**

**84. are less than the value carried on the books of the U.S. affiliate**

		For acquisition reported in item 80 (1)				For liquidation or sale reported in item 81 (2)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1						2			
3090	\$					\$			
1						2			
3091	\$					\$			

**PART III – INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT GROUP – Continued**

*Report all amounts in thousands of U.S. dollars.*

**Section D – DIRECT EQUITY SHARE IN SELECTED ITEMS OF THE U.S. AFFILIATE BY THE FOREIGN PARENT NAMED IN ITEM 66**

**WHAT IS THE FOREIGN PARENT’S SHARE OF THE U.S. AFFILIATE’S:**

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
3085	\$		
1			
3073	\$		

**85. Net income (loss)** reported in item 25 of page 5 of this BE-12(SF)?

**86. Dividends or distributed earnings (GROSS – before deduction of any U.S. tax withheld)** – INCLUDE dividends on common and preferred stock of an incorporated U.S. affiliate or the distributed earnings of an unincorporated U.S. affiliate. EXCLUDE stock and liquidating dividends.

Report dividends as of the date they were declared or paid. Any subsequent settlement of dividends declared but not paid SHOULD NOT be reported a second time.

**PLEASE CONTINUE WITH QUESTION 87 ON PAGE 12**

Remarks

*This historical survey form is no longer valid and is for informational purposes only. Current survey forms are at www.bea.gov/help/information-for-survey-respondents.*

**BEA  
USE  
ONLY**

3200	1	2	3	4
3201	1	2	3	4

**PART III – INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT GROUP – Continued**

*Report all amounts in thousands of U.S. dollars.*

**Section E – LIABILITIES AND RECEIVABLES AND INTEREST PAYMENTS AND RECEIPTS BETWEEN THE U.S. AFFILIATE AND THE FOREIGN PARENT GROUP**

**Report** all current and long-term intercompany accounts and interest between the U.S. affiliate and the foreign parent group.

**NOTE: "Foreign parent group" is illustrated and defined in the example at the bottom of this page.**

**Derivatives Contracts – Exclude** the value of outstanding financial derivatives contracts and any payments or receipts resulting from the settlement of those contracts. For example, the settlements of interest rate derivatives should NOT be reported as interest or as another type of transaction on this form. Derivatives contracts are covered by the Treasury International Capital (TIC) Form D, Report of Holdings of, and Transactions in, Financial Derivatives Contracts with Foreign Residents.

If leases between the U.S. affiliate and the foreign parent group are capitalized, then the outstanding capitalized value should be reported in items 87 and 88 as an intercompany balance. Lease payments should be disaggregated into the amounts that are (i) a reduction in an intercompany balance, to be reported in items 87 or 88, and (ii) interest, to be reported in item 89.

**LIABILITIES AND RECEIVABLES**

**What were the balances owed directly to, and due directly from, the foreign parent group?** See diagram below for an illustration of foreign parent group.

- Do NOT net payables against receivables.

**Report amounts according to the books of the U.S. affiliate.**

**87. Liabilities owed directly TO the foreign parent group by the U.S. affiliate** – Current and long-term

CLOSING BALANCE							
FY 2007 (1)				FY 2006 (2)			
Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1				2			
			\$				\$

**88. Receivables due to the U.S. affiliate directly FROM the foreign parent group** – Current and long-term. Include certificates of deposit and other deposits of the U.S. affiliate (that would be included in cash on your balance sheet) held by the foreign parent group.

1				2			
---	--	--	--	---	--	--	--

**INTEREST**

**What were the interest payments and receipts between the U.S. affiliate and the foreign parent group?**

- **Report** GROSS OF WITHHOLDING TAX
- Include interest on capital leases.
- Do NOT net payments against receipts.

**89. Interest**

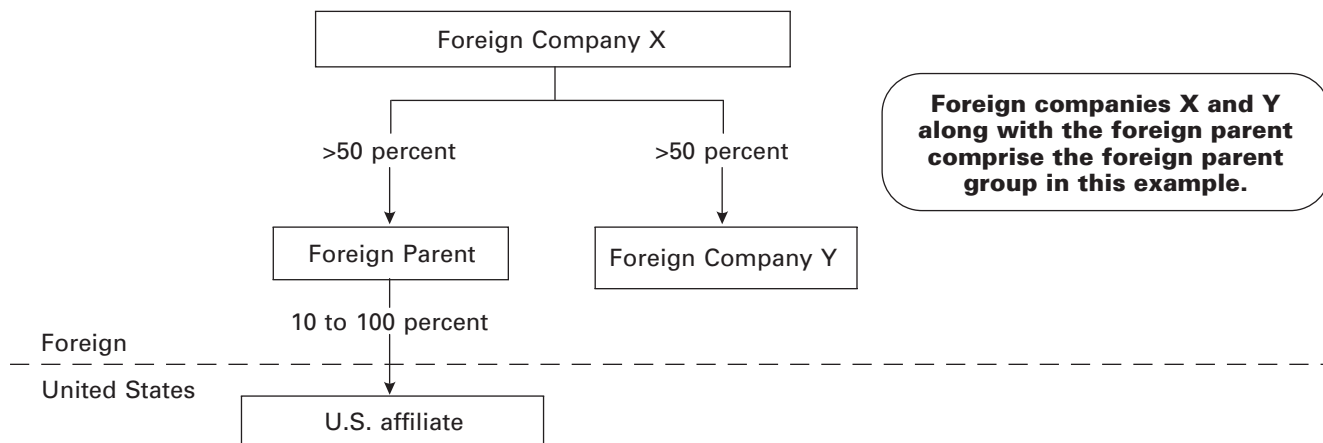
Payments or credits by U.S. affiliate TO the foreign parent group (before deduction of U.S. tax withheld) (1)				Receipts by or credits to the U.S. affiliate FROM the foreign parent group (before deduction of foreign tax withheld) (2)			
Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1				2			
			\$				\$

**BEA USE ONLY**

DI position

1				2			
			\$				\$

**EXAMPLE OF FOREIGN PARENT GROUP**



**NOTE: Arrows connecting boxes represent direction of ownership**

**DEFINITIONS OF KEY TERMS**

**Foreign parent group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 percent of the person below it up to and including that person which is not owned more than 50 percent 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 percent by the person above it.

The term "**person**" in the above paragraph is used in the broad sense and includes companies. See instruction II.C. on page 18 for the complete definition of person.

**BEA USE ONLY**

1	2
---	---

Name of U.S. affiliate as shown in item A, page 1, of BE-12(SF)

**LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING U.S. AFFILIATE**  
NOTE – If you filed a Supplement A or a computer printout of Supplement A with your 2006 BE-15 report, in lieu of completing a new Supplement A, you may substitute a copy of that Supplement A or computer printout that has been updated to show any additions, deletions, or other changes.

Supplement A must be completed by a reporting affiliate that consolidates financial and operating data of any other U.S. affiliate(s). The number of U.S. affiliates listed below plus the reporting U.S. affiliate must agree with item 7, Part I of Form BE-12(SF). Continue listing onto as many additional copied pages as necessary.

(1) <b>BEA USE ONLY</b>	(2) Name of each U.S. affiliate consolidated (as represented in item 7, Part I)	(3) Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes	(4) Name of U.S. affiliate which holds the direct ownership interest in the U.S. affiliate listed in column (2)	5110 1 Primary Employer Identification Number as shown in item 3, Part I of BE-12(SF)	– Percentage of direct voting ownership that the U.S. affiliate named in column (4) holds in the U.S. affiliate named in column (2). – Enter percentage to nearest tenth. (5)
1 5111	2	3 –			5 . %
1 5112	2	3 –			5 . %
1 5113	2	3 –			5 . %
1 5114	2	3 –			5 . %
1 5115	2	3 –			5 . %
1 5116	2	3 –			5 . %
1 5117	2	3 –			5 . %
1 5118	2	3 –			5 . %
1 5119	2	3 –			5 . %
1 5120	2	3 –			5 . %
1 5121	2	3 –			5 . %
1 5122	2	3 –			5 . %
1 5123	2	3 –			5 . %
1 5124	2	3 –			5 . %
1 5125	2	3 –			5 . %
1 5126	2	3 –			5 . %
1 5127	2	3 –			5 . %
1 5128	2	3 –			5 . %
1 5129	2	3 –			5 . %
1 5130	2	3 –			5 . %
1 5131	2	3 –			5 . %
1 5132	2	3 –			5 . %
1 5133	2	3 –			5 . %

This historical survey form is no longer valid and is for information purposes only. Current survey forms are at [www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).

**BE-12(SF) Supplement A (2007) - LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING U.S. AFFILIATE - Continued**

BEA USE ONLY (1)	Name of each U.S. affiliate consolidated (as represented in item 7, Part I) (2)	Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes (3)	Name of U.S. affiliate that holds the direct ownership interest in the U.S. affiliate listed in column (2) (4)	Page number Percentage of direct voting ownership that the U.S. affiliate named in column (4) holds in the U.S. affiliate named in column (2). - Enter percentage to nearest tenth. (5)
1	2	3	4	5
5134		-		%
1	2	3	4	5
5135		-		%
1	2	3	4	5
5136		-		%
1	2	3	4	5
5137		-		%
1	2	3	4	5
5138		-		%
1	2	3	4	5
5139		-		%
1	2	3	4	5
5140		-		%
1	2	3	4	5
5141		-		%
1	2	3	4	5
5142		-		%
1	2	3	4	5
5143		-		%
1	2	3	4	5
5144		-		%
1	2	3	4	5
5145		-		%
1	2	3	4	5
5146		-		%
1	2	3	4	5
5147		-		%
1	2	3	4	5
5148		-		%
1	2	3	4	5
5149		-		%
1	2	3	4	5
5150		-		%
1	2	3	4	5
5151		-		%
1	2	3	4	5
5152		-		%
1	2	3	4	5
5153		-		%
1	2	3	4	6
5154		-		%
1	2	3	4	5
5155		-		%
1	2	3	4	5
5156		-		%
1	2	3	4	5
5157		-		%
1	2	3	4	5
5158		-		%
1	2	3	4	5
5159		-		%

This historical survey form is no longer valid  
 and is for information purposes only.  
 Current survey forms are at  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).

Name of U.S. affiliate as shown in item A, page 1, of BE-12(SF)

**LIST OF ALL U.S. AFFILIATES IN WHICH THE REPORTING AFFILIATE (AS CONSOLIDATED) HAS A DIRECT OWNERSHIP INTEREST BUT WHICH ARE NOT FULLY CONSOLIDATED**

NOTE -- If you filed a Supplement B or a computer printout of Supplement B with your 2006 BE-15 report, in lieu of completing a new Supplement B, you may substitute a copy of that Supplement B or computer printout that has been updated to show any additions, deletions, or other changes.

Supplement B must be completed by a reporting affiliate which files a BE-12(SF) and has a direct ownership interest in a U.S. affiliate(s) which is (are) not fully consolidated. The number of U.S. affiliates listed below must agree with item 8, Part 1, of BE-12(SF). Continue listing onto as many additional copied pages as necessary.

1 (1)	2 (2)	3 (3)	4 (4)	5 (5)	6 (6)
<b>BEA USE ONLY</b>	Name of each U.S. affiliate in which a direct interest is held but that is not listed in Supplement A	Address of each U.S. affiliate listed in column (2) Give number, street, city, State, and ZIP Code	Has each affiliate been notified of obligation to file? Mark (X) one	Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes	Percentage of direct voting ownership interest that the fully consolidated U.S. affiliate named on page 1 of this Form BE-12(SF) holds in the U.S. affiliate named in column (2). -- Enter percentage to nearest tenth.
6211			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	-	.
6212			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	-	.
6213			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	-	.
6214			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	-	.
6215			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	-	.
6216			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	-	.
6217			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	-	.
6218			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	-	.
6219			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	-	.
6220			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	-	.
6221			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	-	.

This historical survey form is no longer valid and is for information purposes only. Current survey forms are at [www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).



**BE-12(SF) Supplement B (2007) – LIST OF U.S. AFFILIATES – Continued**

<p><b>BEA USE ONLY</b></p> <p>(1)</p>	<p>Name of each U.S. affiliate in which a direct interest is held but which is not listed in Supplement A</p> <p>(2)</p>	<p>Address of each U.S. affiliate listed in column (2) Give number, street, city, State, and ZIP Code</p> <p>(3)</p>	<p>Has each affiliate been notified of obligation to file? Mark (X) one</p> <p>(4)</p>	<p>Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes</p> <p>(5)</p>	<p>Percentage of direct voting ownership interest that the fully consolidated U.S. affiliate named on page 1 of this Form BE-12(SF) holds in the U.S. affiliate named in column (2). – Enter percentage to nearest tenth.</p> <p>(6)</p>
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6222					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6223					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6224					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6225					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6226					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6227					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6228					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6229					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6230					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6231					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6232					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6233					
1			4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6234					

This historical survey form is no longer valid  
 and is for information purposes only.  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents)

**2007 BENCHMARK SURVEY OF FOREIGN DIRECT INVESTMENT IN THE UNITED STATES  
BE-12(SF) INSTRUCTIONS**

**NOTE:** Instructions in section IV are cross referenced by number to the items located on pages 2 to 12 of this form.

**Authority** – This survey is being conducted pursuant to 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"), and the filing of reports is MANDATORY pursuant to Section 5(b)(2) of the Act (22 U.S.C. 3104).

A response is required from persons (in the broad sense, including companies) subject to the reporting requirements of the BE-12 survey, whether or not they are contacted by BEA. Also, persons contacted by BEA concerning their being subject to reporting, either by sending them a report form or by written inquiry, must respond pursuant to section 806.4 of 15 CFR, Chapter VIII. This may be accomplished by completing and submitting Form BE-12(LF), BE-12(SF), BE-12 Mini, BE-12 Bank, or the BE-12 Claim For Not Filing, whichever is applicable, by May 31, 2008.

**PENALTIES** – Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. These civil penalties are subject to inflationary adjustments. Those adjustments are found in 15 CFR 6.4. 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 violations, upon conviction, may be punished by a like fine, imprisonment or both (22 U.S.C. 3105).

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number. The control number for this survey is at the top of page 1 of this form.

**Respondent Burden** – Public reporting burden for this short form is estimated to vary from 2 to 11 hours per response, with an average of 7.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to 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 0608-0042, Washington, DC 20503.

**CONFIDENTIALITY** – The Act provides that your report to this Bureau is CONFIDENTIAL and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report CANNOT be presented in a manner that allows it to be individually identified. Your report CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

### I. REPORTING REQUIREMENTS

To determine which BE-12 report to file, read the following sections on this page and review the flow chart on page 18.

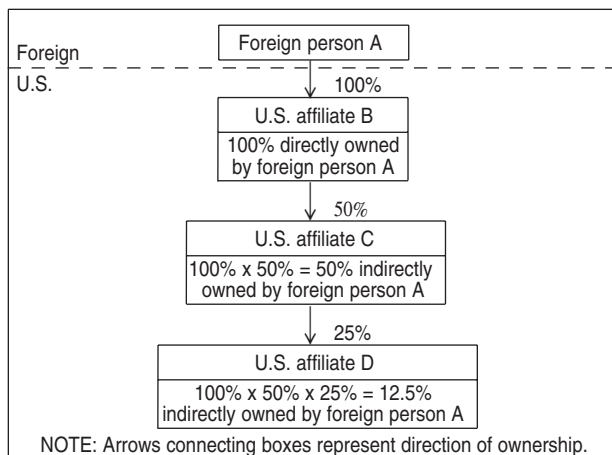
**A. Who must report** – A BE-12 report is required for each U.S. affiliate, i.e., for each U.S. business enterprise in which a foreign person or entity owned or controlled, directly or indirectly, 10 percent or more of the voting securities if an incorporated U.S. business enterprise, or an equivalent interest if an unincorporated U.S. business enterprise, at the end of the business enterprise's fiscal year that ended in calendar year 2007.

**Foreign ownership interest** – All direct and indirect lines of ownership held by a foreign person in a given U.S. business enterprise must be summed to determine if the enterprise is a U.S. affiliate of the foreign person for purposes of reporting.

**Indirect ownership interest in a U.S. business enterprise** is the product of the direct ownership percentage of the foreign parent in the first U.S. business enterprise in the ownership chain multiplied by that first enterprise's direct ownership percentage in the second U.S. business enterprise, multiplied by each succeeding direct ownership percentage of each other intervening U.S. business enterprise in the ownership chain between the foreign parent and the given U.S. business enterprise.

**Example:** In the diagram below, foreign person A owns 100% of the voting stock of U.S. affiliate B; U.S. affiliate B owns 50% of the voting stock of U.S. affiliate C; and U.S. affiliate C owns 25% of the voting stock of U.S. affiliate D. Therefore, U.S. affiliate B is 100% directly owned by foreign person A; U.S. affiliate C is 50% indirectly owned by foreign person A; and U.S. affiliate D is 12.5% indirectly owned by foreign person A.

#### Calculation of Foreign Ownership



A report is required even though the foreign person's voting interest in the U.S. business enterprise may have been established or acquired during the reporting period.

Beneficial, not record, ownership is the basis of the reporting criteria. Voting securities, voting stock, and voting interest all have the same general meaning and are used interchangeably throughout these instructions and the report forms.

**Airline and ship operators** – U.S. stations, ticket offices, and terminal and port facilities of foreign airlines and ship operators that provide services ONLY to the foreign airlines and ship operators' own operation are not required to report. Reports are required when such enterprises produce significant revenues from services provided to unaffiliated persons.

**1. Which form to file** – Please review the questions below and the flow chart on page 18 to determine if your U.S. business is required to file Form BE-12(SF). Blank forms can be found at: [www.bea.gov/fdi](http://www.bea.gov/fdi)

a. Were at least 10 percent of the voting rights in your business directly or indirectly owned by a foreign person or entity at the end of your fiscal year that ended in calendar year 2007?

- Yes – Continue with question b. **NOTE: Your business is hereinafter referred to as a "U.S. affiliate."**  
 No – You are not required to file Form BE-12(SF). File the BE-12 Claim for Not Filing by May 31, 2008.

b. Is this U.S. affiliate a bank or bank holding company?

- Yes – You are not required to file Form BE-12(SF). File Form BE-12 Bank by May 31, 2008.  
 No – Continue with question c.

c. Were more than 50 percent of the voting rights in this U.S. affiliate owned by another U.S. affiliate at the end of this U.S. affiliate's fiscal year that ended in calendar year 2007?

- Yes – Continue with question d.  
 No – Skip to question e.

d. Do different foreign persons hold a direct and an indirect ownership interest in this U.S. affiliate (exception d to the consolidation rules)? (The consolidation rules are found in instruction IV.2. on page 19.)

- Yes – Continue with question e.  
 No – This U.S. affiliate must be consolidated on the BE-12 report of the U.S. affiliate that owns it more than 50 percent. File the BE-12 Claim for Not Filing with page 1 and item (e) on page 2 completed by May 31, 2008, forward this survey packet to the U.S. affiliate that owns this affiliate more than 50 percent, and have them consolidate your data into their report.

e. Did any one of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed \$40 million at the end of, or for, its 2007 fiscal year?

- Yes – Continue with question f.  
 No – You are not required to file a Form BE-12(SF). File Form BE-12 Mini by May 31, 2008.

f. Was the U.S. affiliate majority-owned by its foreign parent(s) at the end of its fiscal year that ended in calendar year 2007? (A U.S. affiliate is "majority-owned" if the combined direct and indirect ownership interests of all foreign parents of the U.S. affiliate exceed 50 percent.)

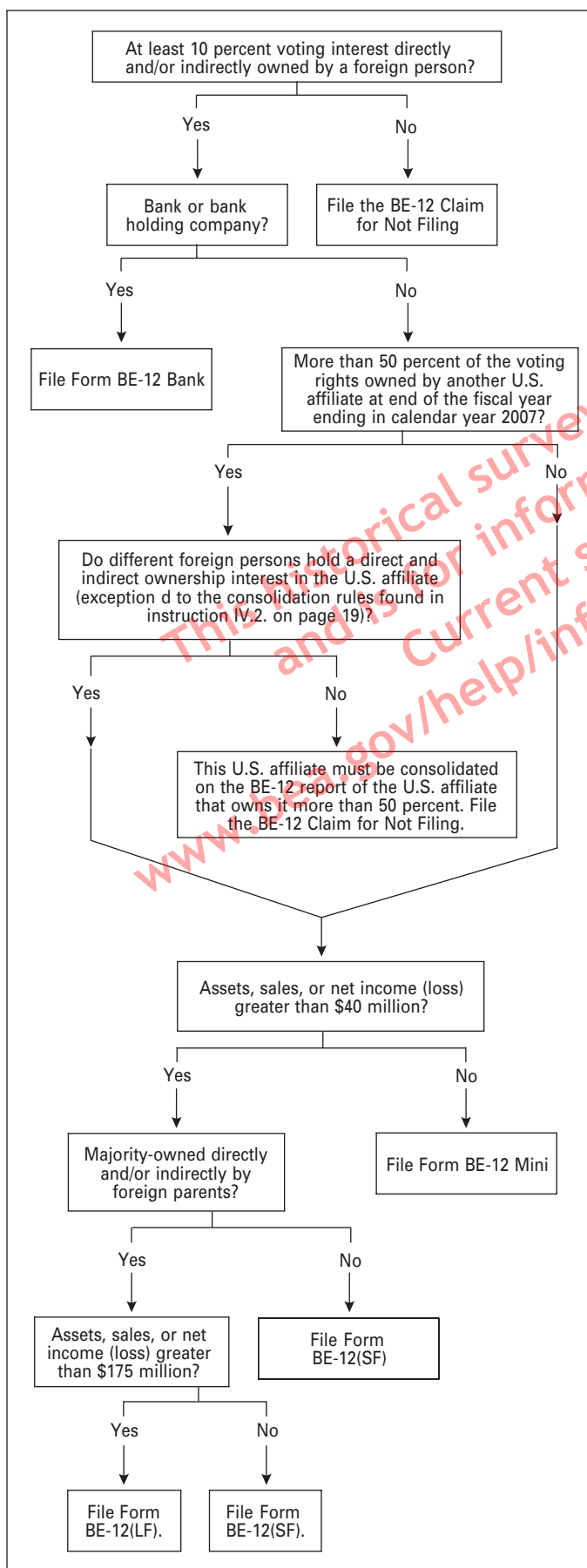
- Yes – Continue with question g.  
 No – File Form BE-12(SF) by May 31, 2008.

g. Did any one of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed \$175 million at the end of, or for, its fiscal year that ended in calendar year 2007?

- Yes – File Form BE-12(LF) by May 31, 2008.  
 No – File Form BE-12(SF) by May 31, 2008.

## I. REPORTING REQUIREMENTS – Continued

## Which Form to File?



## 2. Who must file Form BE-12(SF) – 2007 Benchmark Survey of Foreign Direct Investment in the United States – (Short Form)?

A Form BE-12(SF) must be completed and filed by May 31, 2008, by each U.S. business enterprise that was a U.S. affiliate of a foreign person at the end of its fiscal year that ended in calendar year 2007, if:

- It is not a bank, **and**
- On a fully consolidated, or, in the case of real estate investments, an aggregated basis, **any one** of the following three items – **Total assets** (do not net out liabilities), **or Sales or gross operating revenues**, excluding sales taxes, **or Net income after provision for U.S. income taxes** – for the U.S. affiliate (not just the foreign parent's share) exceeded \$40 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2007, **and EITHER c. OR d.** below is applicable.

- The ownership or control (both direct and indirect) by **all** foreign parents in the **voting securities** of an incorporated U.S. business enterprise (or an equivalent interest of an unincorporated U.S. business enterprise) at the end of the fiscal year that ended in calendar year 2007, was **50 percent or less** (i.e., the voting securities, or equivalent interest were **not majority owned** by foreign parents), **or**
- The ownership or control (both direct and indirect) by **all** foreign parents in the **voting securities** of an incorporated U.S. business enterprise (or an equivalent interest of an unincorporated U.S. business enterprise) at the end of the fiscal year that ended in calendar year 2007, **exceeded 50 percent** (i.e., the voting securities or equivalent interest were **majority owned** by foreign parents), and on a fully consolidated, or, in the case of real estate investments, on an aggregated basis, **no one** of the following three items – **Total assets** (do not net out liabilities), **or Sales or gross operating revenues**, excluding sales taxes, **or Net income after provision for U.S. income taxes** – for the U.S. affiliate (not just the foreign parent's share) exceeded \$175 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2007.

- Aggregation of real estate investments** – Aggregate all real estate investments of a foreign person for the purpose of applying the reporting criteria. Use a single report form to report the aggregate holdings, unless BEA has granted permission to do otherwise. Those holdings not aggregated must be reported separately. Real estate is discussed more fully in instruction V.C. on page 23.

## II. 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, association, associated group, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the U.S. Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government sponsored agency).
- Associated group** means two or more persons who, by the appearance of their actions, by agreement, or by an understanding, exercise their voting privileges in a concerted manner to influence the management of a business enterprise. The following are deemed to be associated groups:
  - Members of the same family.
  - A business enterprise and one or more of its officers or directors.
  - Members of a syndicate or joint venture.
  - A corporation and its domestic subsidiaries.
- 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 percent 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 percent 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.
- Business enterprise** means any organization, association, branch, or venture which exists for profit making purposes or to otherwise secure economic advantage, and any ownership of any real estate.
- 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 percent or more of its voting securities for an incorporated business enterprise or an equivalent interest for an unincorporated business enterprise, including a branch.
- U.S. affiliate** means an affiliate located in the United States in which a foreign person has a direct investment.
  - Majority-owned U.S. affiliate** means a U.S. affiliate in which the combined direct and indirect voting interest of all foreign parents of the U.S. affiliate exceeds 50 percent.
  - Minority-owned U.S. affiliate** means a U.S. affiliate in which the combined direct and indirect voting interest of all foreign parents of the U.S. affiliate is 50 percent or less.

## II. DEFINITIONS – Continued

- L. Foreign parent** means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.
- M. U.S. corporation** means a business enterprise incorporated in the United States.
- N. Intermediary** means any agent, nominee, manager, custodian, trust, or any person acting in a similar capacity.
- O. Ultimate beneficial owner (UBO)** is that person, proceeding up the ownership chain beginning with and including the foreign parent, that is not more than 50 percent owned or controlled by another person. Note: Stockholders of a closely or privately held corporation are normally considered to be an associated group and may be a UBO.
- P. 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, bank holding companies, and financial holding companies under the Gramm-Leach-Bliley Act.
- Q. Lease** is an arrangement conveying the right to use property, plant, or equipment (i.e., land and/or depreciable assets), usually for a stated period of time.
- Capital lease** – A long-term lease under which a sale of the asset is recognized at the inception of the lease. These may be shown as lease contracts or accounts receivable on the lessor's books. The asset would not be considered as owned by the lessor.
  - Operating lease** – Generally, a lease with a term which is less than the useful life of the asset and a transfer of ownership is not contemplated.

## III. GENERAL INSTRUCTIONS

- A. Accounting methods and records** – Follow U.S. Generally Accepted Accounting Principles (U.S. GAAP) when preparing the BE-12 report unless requested to do otherwise by a specific instruction. Prepare reports for unincorporated U.S. business enterprises on an equivalent basis.
- B. Changes in the reporting entity** – DO NOT restate close fiscal year 2006 balances for changes in the consolidated reporting entity that occurred during fiscal year 2007. The close fiscal year 2006 balances should represent the reporting entity as it existed at the close of fiscal year 2006.
- C. Required information not available** – Make all reasonable efforts to obtain the information required for reporting. Answer every question except where specifically exempt. Indicate when only partial information is available.
- D. Estimates** – If actual figures are not available, please provide estimates and label them as such. When items cannot be fully subdivided as required, provide totals and an estimated breakdown of the totals.

Certain sections of the Form BE-12(SF) require data that may not normally be maintained in a company's customary accounting records. Precise answers for these items may present the respondent with a substantial burden beyond what is intended by BEA. This may be especially true for items 32 and 33, exports and imports of U.S. affiliate on a shipped basis; items 40 through 45, distribution of sales or gross operating revenues by whether the sales were goods, investment income, or services, and the distribution of services by transactor; and items 48 through 64, data disaggregated by State. Therefore, the answers in these sections may be reasonable estimates based upon the informed judgment of persons in the responding organization, sampling techniques, prorations based on related data, etc. However, the estimating procedures used should be consistently applied on all BEA surveys.

- E. Space on form insufficient** – When space on a form is insufficient to permit a full answer to any item, provide the required information on supplementary sheets, appropriately labeled and referenced to the item number on the form.

## IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM

**NOTE:** Instructions in section IV. are cross referenced by number to the items located on pages 2 to 12 of this form.

### PART I – IDENTIFICATION OF U.S. AFFILIATE

#### 2. Consolidation Rules

**Consolidated reporting by the U.S. affiliate** – A U.S. affiliate must file on a fully consolidated **domestic U.S. basis**, including in the full consolidation all nonbank **U.S. business enterprises** in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The fully consolidated entity is considered one U.S. affiliate.

A foreign person holding real estate investments that are reportable on the BE-12 must aggregate all such holdings. See Instruction I.B. on page 18 for details.

Do not prepare your BE-12 report using the proportionate consolidation method. Except as noted in 2b. through d., consolidate all majority-owned U.S. affiliates into your BE-12 report.

**Unless the exceptions discussed below apply, any deviation from these consolidation rules must be approved in writing each year by BEA.** In accordance with FAS 94 (Consolidation of all Majority-Owned Subsidiaries), consolidation of majority-owned subsidiaries is required even if their operations are not homogeneous with those of the U.S. affiliate that owns them. If you file deconsolidated reports, you must file the same type of reports (i.e., BE-12(LF), BE-12(SF), or BE-12 Mini) that would have been required if a consolidated report was filed. Report majority-owned subsidiaries, if not consolidated, on the BE-12(SF) using the equity method of accounting. DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for affiliates not consolidated.

**Exceptions to consolidated reporting** – Note: If a U.S. affiliate is not consolidated into its U.S. parent's BE-12 report, then it **must** be listed on the Supplement B of its parent's BE-12 report, unless the report is a BE-12 Mini which does not have a Supplement B, and each U.S. affiliate not consolidated **must** file its own Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank.

#### a. DO NOT CONSOLIDATE FOREIGN SUBSIDIARIES, BRANCHES, OPERATIONS, OR INVESTMENTS NO MATTER WHAT THE PERCENTAGE OWNERSHIP.

Include foreign holdings owned 20 percent or more (including those that are majority owned) using the equity method of accounting. DO NOT report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for holdings reported using the equity method.

DO NOT list any foreign holdings of the U.S. affiliate on the Supplement B.

Oil and gas sites owned by U.S. affiliates and located outside of U.S. claimed territorial waters are to be treated as foreign subsidiaries of the U.S. affiliates if they meet one of the following criteria: (1) they are incorporated in a foreign country; (2) they are set up as a branch; or (3) they have a physical presence in a foreign country as evidenced by property, plant and equipment or employees located in that country.

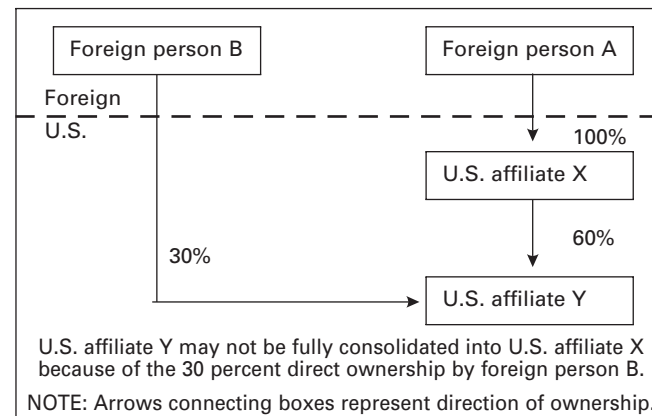
Real estate located outside the United States that is owned by the U.S. affiliate and generates revenues for, or reimbursements to, the U.S. affiliate, or that facilitates the foreign operations of the U.S. affiliate is a foreign subsidiary and should not be consolidated on this BE-12 report.

- b. Do not consolidate banking activities.** If the nonbank U.S. affiliate reporting on the Form BE-12(SF) has a direct or indirect ownership interest in a U.S. bank, bank holding company (BHC), or any other banking activity, such as a U.S. wholesale or limited purpose bank, DO NOT consolidate those banking activities into the Form BE-12(SF). Banks are required to file a separate BE-12 Bank report. List any such banking activities on the Supplement B of the BE-12(SF).

Include on Form BE-12(SF) any banking operations owned 20 percent or more (including those that are majority-owned) using the equity method of accounting. DO NOT report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for banking operations reported using the equity method.

For BE-12 reporting purposes, treat Financial Holding Companies in the same manner as you would treat a BHC.

- c. Special consolidation rules apply to U.S. affiliates that are limited partnerships or that have an ownership interest in a U.S. limited partnership.** These rules can be found on our web site at: [www.bea.gov/ltspartner12](http://www.bea.gov/ltspartner12). Also see instruction 6.b. on page 20 for additional information about partnerships.
- d.** A U.S. affiliate in which a direct ownership interest and an indirect ownership interest are held by **different** foreign persons should not be fully consolidated into another U.S. affiliate, but must complete and file its own Form BE-12 report. (See diagram below.)



If this exception applies, reflect the indirect ownership interest, even if more than 50 percent, on the balance sheet and income statement of the owning U.S. affiliate's BE-12 report on an equity basis. For example, using the situation shown in the diagram above, U.S. affiliate X must treat its 60 percent ownership interest in U.S. affiliate Y as an equity investment. DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for affiliates not consolidated.

- 4. Reporting period** – The report covers the U.S. affiliate's 2007 fiscal year. The affiliate's 2007 fiscal year is defined as the affiliate's financial reporting year that had an ending date in calendar year 2007.

#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM – Continued

##### Special Circumstances:

- a. 52/53 week fiscal year** – Affiliates having a "52/53 week" fiscal year that ends within the first week of January 2008 are considered to have a 2007 fiscal year and should report December 31, 2007 as their 2007 fiscal year end.
- b. U.S. affiliates without a financial reporting year** – If a U.S. affiliate does not have a financial reporting year, its fiscal year is deemed to be the same as calendar year 2007.
- c. Change in fiscal year**

**(1) New fiscal year ends in calendar year 2007** – A U.S. affiliate that changed the ending date of its financial reporting year should file a 2007 BE-12 report that covers the 12 month period prior to the new fiscal year end date. The following example illustrates the reporting requirements.

**Example 1:** U.S. affiliate A had a June 30, 2006 fiscal year end date but changed its 2007 fiscal year end date to March 31. Affiliate A should file a 2007 BE-12 report covering the 12 month period from April 1, 2006 to March 31, 2007.

**(2) No fiscal year ending in calendar year 2007** – If a change in fiscal year results in a U.S. affiliate not having a fiscal year that ended in calendar year 2007, the affiliate should file a 2007 BE-12 report that covers 12 months. The following example illustrates the reporting requirements.

**Example 2:** U.S. affiliate B had a December 31, 2006 fiscal year end date but changed its next fiscal year end date to March 31. Instead of having a short fiscal year ending in 2007, affiliate B decides to have a 15 month fiscal year running from January 1, 2007 to March 31, 2008. Affiliate B should file a 2007 BE-12 report covering a 12 month period ending in calendar year 2007, such as the period from April 1, 2006 to March 31, 2007.

For 2008, assuming no further changes in the fiscal year end date occur, affiliate B should file a BE-12 report covering the 12 month period from April 1, 2007 to March 31, 2008.

##### 5. Reporting for a U.S. business that became a U.S. affiliate during fiscal year 2007

- a. A U.S. business enterprise that was newly established in fiscal year 2007** should file a report for the period starting with the establishment date up to and ending on the last day of its fiscal year that ended in calendar year 2007. DO NOT estimate amounts for a full year of operations if the first fiscal year is less than 12 months.
- b. A U.S. business enterprise existing before fiscal year 2007 that became a U.S. affiliate in fiscal year 2007** should file a report covering a full 12 months of operations.

##### 6. Reporting by unincorporated U.S. affiliates

###### a. Directly owned vs. Indirectly owned

- (1) Directly owned** – Each unincorporated U.S. affiliate, including a branch, that is directly owned 10 percent or more by a foreign person should file a separate BE-12 report. Do not combine two or more directly owned U.S. affiliates on a single BE-12 report. The only exception is for U.S. affiliates that are real estate investments. See Instruction I.B. on page 18 and Instruction V.C. on page 23 for details on real estate.
- (2) Indirectly owned** – Except as noted in the exceptions to the consolidation rules on page 19, an indirectly owned unincorporated U.S. affiliate that is owned more than 50 percent (voting interest) by another U.S. affiliate should be fully consolidated on the report with the U.S. affiliate that holds the voting interest greater than 50 percent. An indirectly owned unincorporated U.S. affiliate owned 50 percent (voting interest) or less by another U.S. affiliate should file a separate BE-12 report if no other U.S. affiliate owns a voting interest of more than 50 percent.

**b. Partnerships** – Most partnerships are either general partnerships or limited partnerships. A general partnership usually consists of at least two general partners who together control the partnership. A limited partnership usually consists of at least one general partner and one limited partner. The general partner usually controls a limited partnership. The limited partner has a financial interest but does not usually have any voting rights (control) in a limited partnership.

Partners without voting rights (control) cannot have direct investment in a partnership. Therefore, limited partners do not usually have direct investment. The existence of direct investment in a partnership is determined by the percentage of control exercised by the partner(s). The percentage of control exercised by a partner may differ from its financial interest in the partnership.

###### (1) General Partnerships

**Determination of voting interest** – "Voting interest" is defined in instructions 9-13 on this page. The determination of the percentage of voting interest of a general partner is based on who controls the partnership. The percentage of voting interest is not based on the percentage of ownership in the partnership's equity. The general partners are presumed to control a general partnership. Unless a clause to the contrary is contained in the partnership agreement, a general partnership is presumed to be controlled equally by each of the general partners. For example, if a partnership has two general partners, and nothing to the contrary is stated in the partnership agreement, each general partner is presumed to have a 50 percent voting interest. If there are three general partners, each general partner is presumed to have a one-third voting interest, etc.

**Managing partners** – If one general partner is designated as the managing partner, responsible for the day-to-day operations of the partnership, this does not necessarily transfer control of the partnership to the managing partner. If the managing partner must obtain approval for annual operating budgets and for decisions relating to significant management issues from the other general partners, then the managing partner does not have a 100 percent voting interest in the partnership.

###### (2) Limited Partnerships

**(a) Determination of voting interest** – "Voting interest" is defined in instructions 9-13 below. The determination of the percentage of voting interest in a limited partnership is based on who controls the partnership. The percentage of voting interest is not based on the percentage of ownership in the partnership's equity. In most cases, the general partner is presumed to control a limited partnership, and therefore, have a 100 percent voting interest in the limited partnership. If there is more than one general partner, the partnership is presumed to be controlled equally by each of the general partners, unless a clause to the contrary is contained in the partnership agreement. For example, if a limited partnership has two general partners, and nothing to the contrary is stated in the partnership agreement, then each general partner is presumed to have a 50 percent voting interest in the limited partnership.

Limited partners do not normally exercise any control over a limited partnership. Therefore unless a clause to the contrary is contained in the partnership agreement, limited partners are presumed to have zero voting interest in a limited partnership. If a limited partnership has one or more limited partners who are foreign persons, the foreign limited partners are presumed to have no voting interest, and, therefore, no direct investment in the limited partnership.

**Managing partners** – See discussion under "General Partnerships" above.

###### (b) Consolidation Rules

**Special consolidation rules apply to U.S. affiliates that are limited partnerships or that have an ownership interest in a U.S. limited partnership.**

These rules can be found on our web site at: [www.bea.gov/bea/ltddpartners12](http://www.bea.gov/bea/ltddpartners12)

###### c. Limited Liability Companies (LLCs)

**Determination of voting interest** – "Voting interest" is defined in instruction 9-13 below. The determination of the percentage of voting interest in an LLC is based on who controls the LLC. The percentage of voting interest is not based on the percentage of ownership in the LLC's equity. LLCs are presumed to be controlled equally by each of its members (owners), unless a clause to the contrary is contained in the articles of organization or in the operating agreement. For example, if an LLC has two members, and nothing to the contrary is contained in the articles of organization or in the operating agreement, then each member is presumed to have a 50 percent voting interest in the LLC; if there are three members, then each member is presumed to have a one-third voting interest in the LLC.

**Managing member** – If one member is designated as the managing member responsible for the day-to-day operations of the LLC, this does not necessarily transfer control of the LLC to the managing member. If the managing member must obtain approval for annual operating budgets and for decisions relating to other significant management issues from the other members, then the managing member does not have a 100 percent voting interest in the LLC.

- 8. U.S. affiliates NOT consolidated** – Report investments in U.S. business enterprises that are not consolidated and that are owned 20 percent or more (including those that are majority owned) using the equity method of accounting. DO NOT report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for holdings reported using the equity method.

You may report immaterial investments using the cost method of accounting if this treatment is consistent with your normal reporting practice. Report investments owned less than 20 percent in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost basis of accounting.

List all U.S. affiliates in which this U.S. affiliate has a voting interest of at least 10 percent and that are not consolidated in this Form BE-12(SF) on the Supplement B.

#### 9-13

##### Ownership

##### Voting interest and Equity interest

- a. Voting interest** is the percent of ownership in the voting equity of the U.S. affiliate. Voting equity consists of ownership interests that have a say in the management of the company. Examples of voting equity include capital stock that has voting rights, and a general partner's interest in a partnership. See instruction 6b(1) and 6b(2)(a) above for information about determining the voting interest for partnerships. See instruction 6c above for information about determining the voting interest for Limited Liability Companies.
- b. Equity interest** is the percent of ownership in the total equity (voting and nonvoting) of the U.S. affiliate. Nonvoting equity consists of ownership interests that do not have a say in the management of the company. An example of nonvoting equity is preferred stock that has no voting rights.

#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM – Continued

##### Voting interest and equity interest are not always equal.

For example, an owner can have a 100 percent voting interest in a U.S. affiliate but own less than 100 percent of the affiliate's total equity. This situation is illustrated in the following example.

**Example:** U.S. affiliate A has two classes of stock, common and preferred. There are 50 shares of common stock outstanding. Each common share is entitled to one vote and has an ownership interest in 1 percent of the total owners' equity amount. There are 50 shares of preferred stock outstanding. Each preferred share has an ownership interest in 1 percent of the total owners' equity amount but has no voting rights. Foreign parent B owns all 50 shares of the common stock. U.S. investors own all 50 shares of the preferred stock. Since foreign parent B owns all of the voting stock, foreign parent B has a 100 percent voting interest in U.S. affiliate A. However, since all 50 shares of the nonvoting preferred shares are owned by U.S. investors, foreign parent B has only a 50 percent equity interest in the owners' equity amount of U.S. affiliate A.

#### 15-20

##### Industry classification of fully consolidated U.S. affiliate

**Book Publishers and Printers** – Printing books without publishing is classified in international surveys industry (ISI) code 3231 (printing and related support activities) not ISI code 5111 (newspaper, periodical, book, and directory publishers).

**Real Estate Investment Trusts (REITS)** – Report hybrid or mortgage REITS in ISI code 5252 (Funds, trusts, and other financial vehicles). Report all other REITS in ISI code 5310 (Real estate).

#### Part II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE

##### 26-28 EMPLOYEES AND EMPLOYEE COMPENSATION

###### Column (1) – Number of employees at close of FY 2007 –

Employment is the number of full-time and part-time employees on the payroll at the end of FY 2007. If employment at the end of FY 2007, or the count taken at some other time during FY 2007, was unusually high or low because of temporary factors (e.g., a strike), give the number of employees that reflects normal operations. If the business enterprise's activity involves large seasonal variations, give the average number of employees for FY 2007. If given, the average should be the average for FY 2007 of the number of persons on the payroll at the end of each payroll period, month, or quarter. If precise figures are not available, give your best estimate.

**Column (2) – Total employee compensation for FY 2007** – Base employee compensation on payroll records related to activities during the reporting period. Employee compensation consists of:

**a. Wages and salaries** are the gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to persons who are not employees.

Wages and salaries include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Include employer contributions to benefit funds. Exclude payments made by, or on behalf of, benefit funds rather than by the employer.

Wages and salaries include in-kind payments, valued at their cost, that are **clearly and primarily of benefit to the employees as consumers**. Exclude expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement for business expenses.

**b. Employee benefit plans** are employer expenditures for all employee benefit plans, including those required by government statute, those resulting from a collective-bargaining contract, or those that are voluntary. Employee benefit plans include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

**Standard Occupation Classification System (SOC) Groups** – The major SOC groups are as follows:

**Managerial, professional and technical employees** – Covers employees in Standard Occupation Classification System (SOC) groups 11–29 listed below:

- 11-Management Occupations
- 13-Business and Financial Operations Occupations
- 15-Computer and Mathematical Occupations
- 17-Architecture and Engineering Occupations
- 19-Life, Physical, and Social Science Occupations
- 21-Community and Social Services Occupations
- 23-Legal Occupations
- 25-Education, Training, and Library Occupations
- 27-Arts, Design, Entertainment, Sports, and Media Occupations
- 29-Healthcare Practitioners and Technical Occupations

**All other employees** – Covers employees in SOC groups 31–55 listed below:

- 31-Healthcare Support Occupations
- 33-Protective Service Occupations
- 35-Food Preparation and Serving Related Occupations
- 37-Building and Grounds Cleaning and Maintenance Occupations
- 39-Personal Care and Service Occupations
- 41-Sales and Related Occupations
- 43-Office and Administrative Support Occupations
- 45-Farming, Fishing, and Forestry Occupations
- 47-Construction and Extraction Occupations
- 49-Installation, Maintenance, and Repair Occupations
- 51-Production Occupations
- 53-Transportation and Material Moving Occupations
- 55-Military Specific Occupations

The **SOC** and related information can be found at the Bureau of Labor Statistics web site [www.bls.gov](http://www.bls.gov). Using the A–Z index, select Standard Occupational Classification System.

**31. Research and Development (R&D) expenditures** – R&D includes basic and applied research in the sciences and engineering. It also includes design and development of new products and processes, and enhancement of existing products and processes.

R&D includes activities carried on by persons trained, either formally or by experience, in engineering, the physical sciences such as chemistry and physics, the biological sciences such as medicine, the mathematical and statistical sciences, and computer science. R&D includes these activities if the purpose is to do one or more of the following:

- a. The planned, systematic pursuit of new knowledge or understanding toward general application (**basic research**);
- b. The acquisition of knowledge or understanding to meet a specific, recognized need (**applied research**); and
- c. The application of knowledge or understanding toward the production or improvement of a product, service, process, or method (**development**).

**Basic research** is the pursuit of new scientific knowledge or understanding that does not have specific immediate commercial objectives, although it may be in fields of present or potential commercial interest.

**Applied research** applies the findings of basic research or other existing knowledge toward discovering new scientific knowledge that has specific commercial objectives with respect to new products, services, processes, or methods.

**Development** is the systematic use of the knowledge or understanding gained from research or practical experience directed toward the production or significant improvement of useful products, services, processes, or methods, including the design and development of prototypes, materials, devices, and systems.

R&D includes the activities described above whether assigned to separate R&D organizational units of the company or carried out by company laboratories and technical groups not a part of an R&D organization.

INCLUDE all costs incurred to support R&D. INCLUDE wages, salaries, and related costs; materials and supplies consumed; depreciation on R&D property and equipment, cost of computer software used in R&D activities; utilities, such as telephone, telex, electricity, water, and gas; travel costs and professional dues; property taxes and other taxes (except income taxes incurred on account of the R&D organization or the facilities they use; insurance expenses; maintenance and repair, including maintenance of buildings and grounds; company overhead including: personnel, accounting, procurement and inventory, and salaries of research executives not on the payroll of the R&D organization. EXCLUDE capital expenditures, expenditures for tests and evaluations once a prototype becomes a production model, patent expenses, and income taxes and interest.

EXCLUDE expenditures for quality control; routine product testing; market research; sales promotion, sales service, and other nontechnological activities; routine technical services; research in the social sciences or psychology; geological and geophysical exploration activities, and advertising programs to promote or demonstrate new products or processes.

##### 32-33 EXPORTS AND IMPORTS OF GOODS BY U.S. AFFILIATE

U.S. trade in goods is the physical movements of goods between the customs area of the United States and the customs area of a foreign country. Goods shipped by, or to, the U.S. affiliate whether or not they were actually charged or consigned by, or to, the U.S. affiliate, are considered to be trade of the U.S. affiliate.

NOTE: Goods shipped by an independent carrier or a freight forwarder to or from the United States on behalf of and at the expense of a U.S. affiliate are imports or exports of the U.S. affiliate.

##### BASIS FOR REPORTING U.S. TRADE IN GOODS DATA:

###### "Shipped" versus "Charged"

###### Report U.S. trade in goods on this BE-12 report using the

**"shipped" basis.** The shipped basis looks at the physical movement of goods. Data reported on the "shipped" basis for exports are based on (i) when, (ii) to whom, and (iii) to where the goods were shipped. Data reported on the "shipped" basis for imports are based on (i) when, (ii) from whom, and (iii) from where the goods were shipped. The "shipped" basis is the same basis on which official U.S. trade statistics are kept and to which the trade data reported on the BE-12 will be compared.

###### DO NOT REPORT the U.S. trade in goods data using the

**"charged" basis.** U.S. affiliates normally keep their accounting records on a "charged basis." Data reported on the "charged" basis are based on (i) when, (ii) to or from whom, and (iii) to or from where goods are charged for accounting and bookkeeping purposes. The "charged" basis may be used if there is no material difference between it and the "shipped" basis. However, if there is a material difference, the "shipped" basis must be used or adjustments must be made to the "charged" basis data to approximate a "shipped" basis. To adjust "charged" basis data to a "shipped" basis it may be necessary to look at export and import declarations filed with U.S. customs or shipping and receiving documents to determine the physical movement of goods.

Differences between the "charged" and "shipped" basis may be substantial. A major difference arises when a U.S. affiliate buys goods in foreign country A and sells them in foreign country B. Because the goods did not physically enter or leave the United States, they are not U.S. trade. However, when the U.S. affiliate records the transactions on its books, it would show a purchase charged to it from country A and a sale charged by it to country B. If the U.S. affiliate's trade data in this survey were prepared on the "charged" basis, the purchase and sale would appear incorrectly as a U.S. import and U.S. export, respectively.

#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM – Continued

**Timing** – Only include goods actually shipped between the United States and a foreign country during FY 2007 regardless of when the goods were charged or consigned. For example, include goods shipped by the U.S. affiliate in FY 2007 that were charged or consigned in FY 2008, but exclude goods shipped in FY 2006 that were charged or consigned in FY 2007.

**Valuation of exports and imports** – Value U.S. goods exports and imports f.a.s. (free alongside ship) at the port-of-exportation. INCLUDE all costs incurred up to the point of loading the goods aboard the export carrier at the U.S. or foreign port of exportation, including the selling price at the interior point of shipment (or cost if not sold), packaging costs, and inland freight and insurance. EXCLUDE all subsequent costs such as loading costs, U.S. and foreign import duties, and freight and insurance from the port of exportation to the port of entry.

**In-transit goods** – Exclude the value of any goods that are in-transit. In-transit goods are goods that are not processed or consumed by residents in the intermediate country(ies) through which they transit; the in-transit goods enter those countries only because those countries are along the shipping lines between the exporting and importing countries.

In-transit goods are goods that are en route from one foreign country to another via the United States (such as from Canada to Mexico via the United States), and goods en route from one part of the United States to another part via a foreign country (such as from Alaska to Washington State via Canada).

**Capital goods** – Include capital goods (e.g., manufacturing equipment used to produce goods for sale) but exclude the value of ships, planes, railroad rolling stock, and trucks that were temporarily outside the United States transporting people or merchandise.

**Consigned goods** – Include consigned goods in the trade figures when shipped or received, even though they are not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned.

**Electricity and water** – Report the value of electricity and water exports and imports if the product value can be separated out from the service value. Report ONLY the product value (electricity and water). DO NOT report the service value (transmission and distribution).

**Natural gas distribution** – INCLUDE the value of natural gas that is exported or imported as trade in goods. However, EXCLUDE natural gas that you do not produce or sell, but simply transmit for others via a pipeline.

**Packaged general use computer software** – INCLUDE exports and imports of packaged general use computer software. Value such exports and imports at the full transactions value, i.e., including both the value of the media on which the software is recorded and the value of the information contained on the media. EXCLUDE receipts or payments for customized software designed to meet the needs of a specific user. This type of software is considered a service and should not be reported as trade in goods. EXCLUDE receipts and payments for software that is transmitted electronically rather than physically shipped. Also, EXCLUDE negotiated licensing fees for software to use on networks.

**35. Certain realized and unrealized gains (losses) – Note:** Please read the following instructions carefully as they are keyed to economic accounting concepts and in some cases may deviate from what is normally required by U.S. Generally Accepted Accounting Principles.

Report at **gross** amount **before** income tax effect. Report gains (losses) resulting from:

- Extraordinary, unusual, or infrequently occurring items that are material. Include losses from accidental damage or disasters, after estimated insurance reimbursement. Include other material items, including writeups, writedowns, writeoffs of tangible and intangible assets; gains (losses) from the sale or other disposition of capital assets; and gains (losses) from the sale or other disposition of financial assets, including securities, to the extent not included above. Exclude legal judgments;
- Restructuring. Include restructuring costs that reflect write downs or writeoffs of assets or liabilities. EXCLUDE actual payments, or charges to establish reserves for future actual payments, such as for severance pay, and fees to accountants, lawyers, consultants, or other contractors;
- Sale or disposition of land, other property, plant and equipment, or other assets, and FAS 144 (Accounting for the Impairment or Disposal of Long-Lived Assets) impairment losses. DO NOT include gains or losses from the sale of inventory assets in the ordinary course of trade or business. **Real estate companies, see special instructions below;**
- Sales or other dispositions of financial assets, including investment securities; FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) holding gains (losses) on securities classified as trading securities; FAS 115 impairment losses; and gains and losses derived from derivative instruments. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies, see **special instructions** below;
- Goodwill impairment as defined by FAS 142 (Goodwill and Other Intangible Assets);
- DISPOSALS of discontinued operations. EXCLUDE income from the operations of a discontinued segment. Report such income as part of your income from operations in items 15 through 20 on page 4;
- Remeasurement of the U.S. affiliate's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the reporting period;
- The cumulative effect of a change in accounting principle; and

- Change in accounting estimate of provision for expected stock option forfeitures under the inception method as defined by FAS 123 (Share-Based Payment).

**Special instructions for (1) dealers in financial instruments, finance and insurance companies, and (2) real estate companies.**

**(1) Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies** – Include in item 35:

- Impairment losses as defined by FAS 115,
- Realized gains and losses on trading or dealing,
- Unrealized gains or losses, due to changes in the valuation of financial instruments, that flow through the income statement, and
- Goodwill impairment as defined by FAS 142.

EXCLUDE unrealized gains or losses, due to changes in the valuation of financial instruments, that are taken to other comprehensive income. Reflect such gains only in the ending owners' equity balance (line 24).

EXCLUDE income from explicit fees and commissions from item 35. Include income from these fees and commissions as part of your income from operations on lines 15 through 20 on page 4.

**(2) Real estate companies** – Include in item 35:

- Impairment losses as defined by FAS 144, and
- Goodwill impairment as defined by FAS 142.

EXCLUDE the revenues earned and expenses incurred from the sale of real estate you own. Such revenues should be reported as operating income in items 20 (column 2) and 40, and as sales of goods in item 41.

#### 40-45 DISTRIBUTION OF SALES OR GROSS OPERATING REVENUES

Disaggregate the total sales or gross operating revenues into sales of goods, investment income, and sales of services.

**41. Sales of goods** – Goods are normally outputs that are tangible. Report as sales of goods:

- Mass produced media, including exposed film, video tapes, DVD's, audio tapes, and CD's.
- Books. NOTE: Book publishers – To the extent feasible, report as sales of services all revenues associated with the design, editing, and marketing activities necessary for producing and distributing books that you both publish and sell. If you cannot unbundle (i.e., separate) these revenues from the value of the books you sell, then report your total sales as sales of goods or services based on the activity that accounts for a majority of the value.
- Energy trading activities where you take title to the goods. NOTE: If you act in the capacity of a broker or agent to facilitate the sale of goods and you do not take title to the goods, report your revenue (i.e., commissions) as sales of services in item 43.
- Magazines and periodicals sold in retail stores. NOTE: Report subscription sales as sales of services in item 43.
- Packaged general use computer software.
- Structures sold by businesses in real estate.
- Revenues earned from building structures by businesses in construction.
- Electricity, Natural gas, and Water. NOTE: Revenues derived from transmitting and/or distributing these goods, as opposed to revenues derived from the sale of the actual product, should, to the extent feasible, be reported as sales of services in item 43.

**42. Investment income** – Report dividends and interest generated by finance and insurance activities as investment income. NOTE: Report commissions and fees as sales of services in item 43.

**43. Sales of services** – Services are normally outputs that are intangible. Report as sales of services:

- Advertising revenue.
- Commissions and fees earned by companies engaged in finance and real estate activities.
- Premiums earned by companies engaged in insurance activities. NOTE: Calculate as direct premiums written (including renewals) net of cancellations, plus reinsurance premiums assumed, minus reinsurance premiums ceded, plus unearned premiums at the beginning of the year, minus unearned premiums at the end of the year.
- Commissions earned by agents or brokers (i.e., wholesalers) who act on behalf of buyers and sellers in the wholesale distribution of goods. NOTE: Agents or brokers do not take title to the goods being sold.
- Magazines and periodicals sold through subscriptions. NOTE: Report magazines and periodicals sold through retail stores, as sales of goods in item 41.
- Newspapers.
- Pipeline transportation.
- Software downloaded from the Internet, electronic mail, an Extranet, Electronic Data Interchange network, or some other online system.
- Computer systems design and related services.
- Negotiated licensing fees for software to be used on networks.
- Electricity transmission and distribution, Natural gas distribution, and Water distribution.

#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM – Continued

46-64

##### SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION

The Schedule of Employment and Property, Plant, and Equipment, by Location covers the 50 States, the District of Columbia, and all territories and possessions of the United States. Include in this schedule only amounts pertaining to those U.S. business enterprises that are fully consolidated into the reporting U.S. affiliate. DO NOT consolidate or include amounts for foreign business enterprises or operations, whether incorporated or unincorporated.

**Location** of employees or of an asset is the U.S. State, territory, or possession in which the person is permanently employed, or in which the land or other property, plant, and equipment is physically located and to which property taxes, if any, on such assets are paid. For example, an employee carried on the payroll of a company located in California who is on a duty assignment for one year or less in Texas should be shown as being located in California, not Texas. (If the duty assignment is for more than one year, show the employee as being located in Texas, not California.)

**Foreign** – Except as noted below, exclude employees, land, and other property, plant, and equipment, located outside of the United States from the Schedule of Employment and Property, Plant, and Equipment, By Location.

- a. Employees normally located in the United States who are on a temporary duty assignment outside of the country for one year or less should be reported in the U.S. state, territory, or possession where they are normally located.
- b. Employees normally located in the United States who are on a duty assignment outside of the country for more than one year and carried on the payroll of the domestic U.S. affiliate should be reported under the category "foreign." Exclude these employees from the BE-12 report if they are carried on a foreign payroll.
- c. Real estate located outside the United States that is owned by the U.S. affiliate and carried on its books but which generates no revenues for, or reimbursements to, the U.S. affiliate should be reported under the category "foreign." Real estate located outside the United States that generates revenues for, or reimbursements to, the U.S. affiliate, or that facilitates the foreign operations of the U.S. affiliate is a foreign subsidiary and should not be consolidated on this BE-12 report.
- d. Machinery and similar equipment located outside the United States at a foreign operating location or subsidiary that are owned by the foreign operating location or subsidiary should not be consolidated on this BE-12 report. However, if such machinery or similar equipment are owned by the U.S. affiliate and loaned or leased to the foreign operating location or subsidiary then it should be reported on the state schedule as "foreign."
- e. Use the category "foreign" to report oil and gas sites that (1) are owned by the U.S. affiliate; (2) are located outside of U.S. claimed territorial waters; (3) are **not** incorporated in a foreign country; (4) are **not** organized as a branch; and (5) do **not** otherwise have a physical presence in a foreign country as evidenced by plant and equipment or employees located in a foreign country.
- f. Use the category "foreign" to report communication channels that physically exist (i.e., are tangible) that are (1) located outside of the United States, (2) owned by the U.S. affiliate, and (3) carried directly on the U.S. affiliate's books (i.e., not carried on the books of a foreign affiliate owned by the U.S. affiliate). Report satellites as other property, plant, and equipment.

**Other property, plant, and equipment** – Use the category "other property, plant, and equipment" to report (1) items that frequently switch locations such as aircraft, railroad rolling stock, ships of U.S. registry, and vehicles engaged in interstate transportation, (2) items such as pipelines, fiber optic cable, power lines, etc., located in more than one state that cannot be allocated among specific states, (3) satellites, underwater cable, and other communication channels that are not located in a specific state, (4) property leased to others, except land or buildings, under operating leases, and (5) property owned by a foreign parent but which is in the possession of an unincorporated U.S. affiliate in the United States.

#### V. SPECIAL INSTRUCTIONS

**A. Insurance companies** – Reporting should be in accordance with U.S. Generally Accepted Accounting Principles not Statutory Accounting Practices (SAP). For example, the BE-12 report should include the following assets even though they are not acceptable under SAP: **1.** non-trusted or free account assets, and **2.** nonadmitted assets such as furniture and equipment, agents' debit balances, and all receivables deemed to be collectible.

Item on Form:

- 20 TOTAL SALES** – Include items such as earned premiums, annuity considerations, dividends, interest, and items of a similar nature. Exclude income from unconsolidated affiliates. Also exclude income that is to be reported in item 35, certain realized and unrealized gains (losses).
- 22 TOTAL ASSETS** – Include current items such as agents' balances, uncollected premiums, amounts recoverable from reinsurers, and other current notes and accounts receivable (net of allowances for doubtful items) arising from the ordinary course of business.
- 23 TOTAL LIABILITIES** – Include current items such as loss liabilities, policy claims, commissions due, other current liabilities arising from the ordinary course of business, and long-term debt.
- 24 TOTAL OWNERS' EQUITY** – Include mandatory securities valuation reserves that are appropriations of retained earnings.
- 35 CERTAIN REALIZED AND UNREALIZED GAINS (LOSSES)** – See special instructions for item 35. on page 22 of this form.

**B. Railroad transportation companies** – Railroad transportation companies should include only the net annual balances for interline settlement items (car hire, car repair, freight revenues, switching revenues, and loss and damage settlements) in items 22 and 23.

**C. Real Estate** – The ownership of real estate is defined to be a business enterprise, and if the real estate is foreign owned, it is a U.S. affiliate of a foreign person.

Residential real estate held exclusively for personal use and not for profit making purposes is not subject to the reporting requirements. A residence that is an owner's primary residence that is then leased by the owner while outside the United States, but which the owner intends to reoccupy, is considered real estate held for personal use and therefore not subject to the reporting requirements. Ownership of U.S. residential real estate by a corporation whose sole purpose is to hold the real estate for the personal use of the owner(s) of the corporation is considered to be real estate held for personal use and therefore not subject to the reporting requirements.

**Aggregation of real estate investments** – A foreign person holding real estate investments that are reportable on the BE-12 must aggregate all such holdings for the purpose of applying the reporting criteria (see instruction I.B. on page 18 of this form). File a single BE-12 report covering the aggregated holdings. If on an aggregated basis **any one** of the following three items – **total assets** (do not net out liabilities), **or sales or gross operating revenues**, excluding sales taxes, **or net income after provision for U.S. income taxes** – exceeds \$175 million (positive or negative), file Form BE-12(LF). If permission has been received in writing from BEA to file on a non-aggregated basis, you must report each real estate investment on a Form BE-12(LF) if a Form BE-12(LF) would have been required on an aggregated basis. Non-aggregated reports should be filed as a group and you should inform BEA that they are all for one owner.

On page 1, for the name and address of the U.S. business enterprise, BEA is not seeking a legal description of the property, nor necessarily the address of the property itself. Because there may be no operating business enterprise for a real estate investment, what BEA seeks is a consistently identifiable name for the investment (i.e., the U.S. affiliate) together with an address to which report forms can be mailed so that the investment (affiliate) can be reported on a consistent basis for each reporting period and for the various BEA surveys.

Thus, on page 1 of the BE-12 survey forms the "name and address" of the U.S. affiliate might be:

XYZ Corp. N.V., Real Estate Investments  
c/o B&K Inc., Accountants  
120 Major Street  
Miami, FL XXXXX

If the investment property has a name, such as Sunrise Apartments, the name and address on page 1 of the BE-12 survey forms might be:

Sunrise Apartments  
c/o ABC Real Estate  
120 Major Street  
Miami, FL XXXXX

There are questions throughout the Form BE-12(SF) that may not apply to certain types of real estate investments, such as the employer identification number, the number of employees, and exports and imports. In such cases, mark the items "none."

**Joint ventures and partnerships** – If a foreign person has a direct or indirect voting ownership interest of 10 percent or more in a joint venture, partnership, etc., that is formed to own and hold, develop, or operate real estate, the joint venture, partnership, etc., in its entirety, not just the foreign person's share, is a U.S. affiliate and must be reported as follows:

1. If the foreign interest in the U.S. affiliate is directly held by the foreign person then a BE-12 report must be filed by the affiliate (subject to the aggregation rules discussed above).
2. If a voting interest of more than 50 percent in the U.S. affiliate is owned by another U.S. affiliate, the owned affiliate must be fully consolidated in the BE-12 report of the owning affiliate.
3. If a voting interest of 50 percent or less in the U.S. affiliate is owned by another U.S. affiliate, and no U.S. affiliate owns a voting interest of more than 50 percent, then a separate BE-12 report must be filed by the owned affiliate. The BE-12 report(s) of the owning affiliate(s) must show an equity investment in the owned affiliate.

**D. Farms** – For farms that are not operated by their foreign owners, the income statements and related items should be prepared based on the extent to which the income from the farm accrues to, and the expenses of the farm are borne by, the owner. Generally this means that income, expenses, and gain (loss) assignable to the owner should reflect the extent to which the risk of the operation falls on the owner. For example, even though the operator and other workers on the farm are hired by a management firm, if their wages and salaries are assigned to, and borne by, the farm operation being reported, then the operator and other workers should be reported as employees of that farm operation and the wages and salaries should be included as an expense in the income statement.

##### EXAMPLES:

1. If the farm is leased to an operator for a fixed fee, the owner should report the fixed fee in "total sales" and should report the non-operating expenses that he or she may be responsible for, such as real estate taxes, interest on loans, etc., as expenses in the income statement.
2. If the farm is operated by a management firm that oversees the operation of the farm and hires an operator, but the operating income and expenses are assigned to the owner, the income and expenses so assigned should be shown in the requested detail in the income statement, and related items, as appropriate. (The report should not show just one item, i.e., the net of income less the management fee, where the management fee includes all expenses.)



## V. SPECIAL INSTRUCTIONS – Continued

### E. Estates, trusts, and intermediaries

**A FOREIGN ESTATE** is a person and therefore may have direct investment, and the estate, not the beneficiary, is considered to be the owner.

**A TRUST** is a person but it is not a business enterprise. The trust is considered to be the same as an intermediary, and should report as outlined in the instructions for intermediaries below.

For reporting purposes, the beneficiary(ies) of the trust, is (are) considered to be the owner(s) for purposes of determining the existence of direct investment, except in two cases: **(1)** if there is, or may be, a reversionary interest, and **(2)** if a corporation or other organization creates a trust designating its shareholders or members as beneficiaries. In these two cases, the creator(s) of the trust is (are) deemed to be the owner(s) of the investments of the trust (or succeeding trusts where the presently existing trust had evolved out of a prior trust), for the purposes of determining the existence and reporting of direct investment.

This procedure is adopted in order to fulfill the statistical purposes of this survey and does not imply that control over an enterprise owned or controlled by a trust is, or can be, exercised by the beneficiary(ies) or creator(s).

#### FOR AN INTERMEDIARY:

1. If a U.S. intermediary holds, exercises, administers, or manages a particular foreign direct investment in the United States for the beneficial owner, such intermediary is responsible for reporting the required information for, and in the name of, the U.S. affiliate. Alternatively, the U.S. intermediary can instruct the U.S. affiliate to submit the required information. Upon so doing, the intermediary is released from further liability to report, provided it has informed BEA of the date such instructions were given and provides BEA the name and address of the U.S. affiliate, and has supplied the U.S. affiliate with any information in the possession of, or which can be secured by, the intermediary that is necessary to permit the U.S. affiliate to complete the required reports. When acting in the capacity of an intermediary, the accounts or transactions of the U.S. intermediary with a foreign beneficial owner are considered as accounts or transactions of the U.S. affiliate with the foreign beneficial owner. To the extent such transactions or accounts are unavailable to the U.S. affiliate, BEA may require the intermediary to report them.
  2. If a foreign beneficial owner holds a U.S. affiliate through a foreign intermediary, the U.S. affiliate may report the intermediary as its foreign parent but, when requested, must also identify and furnish information concerning the foreign beneficial owner. Accounts or transactions of the U.S. affiliate with the foreign intermediary are considered as accounts or transactions of the U.S. affiliate with the foreign beneficial owner.
- F. Determining place of residence and country of jurisdiction of individuals** – An individual is considered a resident of, and subject to the jurisdiction of, the country in which he or she is physically located. The following guidelines apply to individuals who do not reside in their country of citizenship:
1. Individuals who reside, or expect to reside, outside their country of citizenship for less than one year are considered to be residents of their country of citizenship.
  2. Individuals who reside, or expect to reside, outside their country of citizenship for one year or more are considered to be residents of the country in which they are residing, except as provided in paragraphs 3 and 4 below.

3. If an owner or employee of a business enterprise resides outside the country of location of the enterprise for one year or more for the purpose of furthering the business of the enterprise, and the country of the business enterprise is the country of citizenship of the owner or employee, then such owner or employee is considered a resident of the country of citizenship, provided there is the intent to return to the country of citizenship within a reasonable period of time.
4. Individuals and members of their immediate family who are residing outside their country of citizenship as a result of employment by the government of that country – diplomats, consular officials, members of the armed forces, etc. – are considered to be residents of their country of citizenship.

## VI. FILING THE BE-12

- A. Due date** – File a fully completed and certified Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank no later than May 31, 2008. If the U.S. affiliate is exempt from filing Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank, complete and file the BE-12 Claim For Not Filing by May 31, 2008.
- B. Mailing report forms to a foreign address** – BEA will accommodate foreign owners that wish to have forms sent directly to them. However, the extra time consumed in mailing to and from a foreign place may make meeting filing deadlines difficult. In such cases, please consider using BEA's electronic filing option. Go to our web site at [www.bea.gov/efile](http://www.bea.gov/efile) for details about this option. To obtain forms online go to: [www.bea.gov/fdi](http://www.bea.gov/fdi)
- C. Extensions** – For the efficient processing of the survey and timely dissemination of the results, it is important that your report be filed by the due date. Nevertheless, reasonable requests for extension of the filing deadline will be granted. Requests for extensions of more than 30 days **MUST be in writing** and should explain the basis for the request. You may request an extension via email at [be12/15@bea.gov](mailto:be12/15@bea.gov). For extension requests of 30 days or less, you may call BEA at (202) 606-5577. All requests for extensions must be received **NO LATER THAN** the original due date of the report.
- D. Assistance** – For assistance, telephone (202) 606-5577, FAX (202) 606-5319, or send email to [be12/15@bea.gov](mailto:be12/15@bea.gov). Forms can be obtained from BEA's web site at: [www.bea.gov/fdi](http://www.bea.gov/fdi)
- E. Annual stockholders' report or other financial statements** – Please furnish a copy of your FY 2007 annual stockholders' report or Form 10K when filing the BE-12 report. If you do not publish an annual stockholders' report or file Form 10K, please provide any financial statements that may be prepared, including the accompanying notes. Information contained in these statements is useful in reviewing your report and may reduce the need for further contact. Section 5(c) of the International Investment and Trade in Services Survey Act, Public Law 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended, provides that this information can be used for analytical and statistical purposes only and that it must be held strictly confidential.
- F. Number of copies** – File a single original copy of the form and supplement(s). If you are not filing electronically, this should be the copy with the address label on page 1, if such a labeled copy has been provided by BEA. (Make corrections to the address on the label, if necessary.) You should also retain a file copy of each report for three years to facilitate resolution of any questions that BEA may have concerning your report. (Both copies are protected by law; see the statement on confidentiality on page 17.)

OMB No. 0608-0042: Approval Expires 11/30/2010

BEA Identification Number →



**MANDATORY — CONFIDENTIAL**  
**2007 BENCHMARK SURVEY OF**  
**FOREIGN DIRECT INVESTMENT IN THE UNITED STATES**  
**(MINI FORM)**

**DUE DATE: MAY 31, 2008**

**ELECTRONIC FILING:** Go to [www.bea.gov/efile](http://www.bea.gov/efile) for details

**OR**

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

**OR**

**DELIVER REPORTS TO:** U.S. Department of Commerce  
 Bureau of Economic Analysis, BE-49(A)  
 Shipping and Receiving Section, M100  
 1441 L Street, NW  
 Washington, DC 20005

**OR**

**FAX REPORTS TO:** (202) 606-1905\*

\*See the **NOTE** at the bottom of this page if you plan to fax your report to BEA.

**ASSISTANCE**

**Email:** [be12/15@bea.gov](mailto:be12/15@bea.gov)

**Telephone:** (202) 606-5577

**FAX:** (202) 606-5319

**Copies of blank forms:** [www.bea.gov/fdi](http://www.bea.gov/fdi)

**Definitions of key terms** – See pages 6 and 7.

**A. Name and address of U.S. business enterprise** – If a label has been affixed, make any changes directly on the label. If a label has not been affixed, enter the BEA Identification Number of this U.S. affiliate, if available, in the box at the upper right hand corner of this page.

Name of U.S. affiliate  
 1002 0 \_\_\_\_\_

c/o (care of)  
 1010 0 \_\_\_\_\_

Street or P.O. Box  
 1003 0 \_\_\_\_\_

City State  
 1004 0 \_\_\_\_\_ 0998 0 \_\_\_\_\_

ZIP Code Foreign Postal Code  
 1005 0 \_\_\_\_\_ OR 0 \_\_\_\_\_

**B. Location of U.S. affiliate** – If the mailing address in item A is in care of someone other than the U.S. affiliate, give the name and location of the primary U.S. headquarters of the affiliate. If the U.S. affiliate is a real estate investment with no U.S. headquarters, give the name (if any) and location of the real estate. If the real estate is in more than one location, give the name and location of the real estate with the largest gross book value.

Name of U.S. affiliate  
 1300 0 \_\_\_\_\_

Street or P.O. Box  
 1301 0 \_\_\_\_\_

City State  
 1302 0 \_\_\_\_\_ 1304 0 \_\_\_\_\_

ZIP Code  
 1303 0 \_\_\_\_\_

**IMPORTANT**

Please review the **Instructions** starting on page 6 before completing this form. **Insurance and real estate companies** see instructions I.C. and D. on page 6.

- **Who must file Form BE-12 Mini** – Complete Form BE-12 Mini if (1) you are NOT a bank, bank holding company, or financial holding company and (2) **none** of the following three items – total assets (do not net out liabilities), sales or gross operating revenues (excluding sales taxes), **and** net income (after provision for U.S. income taxes) – for the U.S. affiliate (not just the foreign parent's share) exceeded \$40 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2007. If you do not meet these filing criteria see instruction I.A. starting on page 6 to determine which form to file.
- **Accounting principles** – If feasible use U.S. Generally Accepted Accounting Principles to complete Form BE-12 Mini unless you are requested to do otherwise by a specific instruction. References in the instructions to Financial Accounting Standards Board statements are referred to as "FAS."
- **U.S. affiliate's 2007 fiscal year** – The affiliate's financial reporting year that had an ending date in calendar year 2007.
- **Consolidated reporting** – A U.S. affiliate must file on a fully consolidated **domestic U.S.** basis, including in the consolidation ALL non-bank **U.S. affiliates** in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The consolidation rules are found in instruction III.13 starting on page 7.
- **Rounding** – Report currency amounts in U.S. dollars rounded to thousands (omitting 000). **Do not enter amounts in the shaded portions of each line.**  
**Example** – If amount is \$1,334,891.00 report as: \_\_\_\_\_

Bil.	Mil.	Thous.	Dols.
	1	335	

**MANDATORY CONFIDENTIALITY PENALTIES**

This survey is being conducted under the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended). The filing of reports is mandatory and the Act provides that your report to this Bureau is confidential. Whoever fails to report may be subject to penalties. See page 6 for more details.

**PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT** – Enter name and address

Name 1000 0 \_\_\_\_\_

Address 1029 0 \_\_\_\_\_

1030 0 \_\_\_\_\_

1031 0 \_\_\_\_\_

**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 estimates may 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 \_\_\_\_\_ Date \_\_\_\_\_

TELEPHONE NUMBER 1001 1 Area code Number 2 Extension 0990 0 Print or type name

0991 0 Print or type title

FAX NUMBER 0999 1 Area code Number

0992 1 Telephone number 2 Extension 3 FAX number

**May FAX and/or email be used in correspondence between your enterprise and BEA**, including FAX'ed reports, and/or to discuss questions relating to this survey that may contain information about your company that you may consider confidential? **NOTE:** The Internet and telephone systems are not secure means of transmitting confidential information unless it is encrypted. If you choose to communicate with BEA via FAX or electronic mail, BEA cannot guarantee the security of the information during transmission, but will treat information we receive as confidential in accordance with Section 5(c) of the International Investment and Trade in Services Survey Act.

1027 Email: 1  Yes (If yes, please print your email address.) → Email address (Please print)  
 2  No  
 1028

1032 FAX: 1  Yes  
 2  No

**PART I**

**Report all amounts in thousands of U.S. dollars.**

**Additional Instructions** by line item are at the back of this form starting with Section III of the instructions on page 7.

**1. Enter Employer Identification Number(s) used by the U.S. affiliate to file income and payroll taxes.**

Primary 1006 <sup>1</sup> <input type="text" value="-"/>	Other <sup>2</sup> <input type="text" value="-"/>
---	--

**2. Did the ownership (both direct and indirect) by ALL foreign parents in the voting securities (or an equivalent interest) of this U.S. affiliate EXCEED 50 percent as of the end of the U.S. affiliate's fiscal year that ended in calendar year 2007?** "Voting interest" is defined in instruction 16a.(1) on page 8.

1101 <sup>1</sup>  Yes  
<sup>2</sup>  No

	Amount				
		Bil.	Mil.	Thous.	Dols.
<b>3. Total assets at the close of the fiscal year that ended in calendar year 2007 – Do not net out liabilities.</b>	2109	\$			
<b>4. Sales or gross operating revenues for the fiscal year that ended in calendar year 2007, excluding sales taxes – Do not give gross margin.</b>	2149				
<b>5. Net income (loss) for the fiscal year that ended in calendar year 2007, after provision for U.S. Federal, State, and local income taxes.</b>	2159				
<b>6. Total liabilities at the close of the fiscal year that ended in calendar year 2007.</b>	2114	\$			

<sup>1</sup>  <sup>3</sup> **Please check box if total liabilities are zero.**

**7. Number of employees at close of fiscal year that ended in calendar year 2007 –** See instruction 7 on page 7 on how to report employment (including how to report when employment is subject to unusual variations).

Number
3

**8. Major product(s) or service(s) of the fully consolidated U.S. affiliate –** Briefly describe the major product(s) and/or service(s) of the U.S. affiliate. If a product, also state what is done to it, i.e., whether it is mined, manufactured, sold at wholesale, transported, packaged, etc. (For example, "manufacture widgets.")

1163

**9. Industry code of the fully consolidated U.S. affiliate –** Enter the 4-digit International Surveys Industry (ISI) code of the industry with the largest sales or gross operating revenues. For a full explanation of each code, see the *Guide to Industry Classifications for International Surveys, 2007*. A copy of this guide can be found on our web site at: [www.bea.gov/naics2007](http://www.bea.gov/naics2007).

ISI Code
1

**10. Did any ONE of the following three items – total assets, sales or gross operating revenues (excluding sales taxes), or net income (loss) – exceed \$15 million at the end of, or for, the U.S. affiliate's fiscal year that ended in calendar year 2007?**

1100 <sup>1</sup>  Yes – Skip to item 13 on page 4 but review the diagram on page 3 to assist you in answering items 16 through 26.  
<sup>2</sup>  No – On the remainder of this form, complete ONLY items 11 and 12. DO NOT complete items 13 through 33.

**11. Please enter the country of the foreign parent in the box below.** The foreign parent is the FIRST person or entity outside the U.S. in a chain of ownership that has a 10 percent or more **voting** interest in this U.S. affiliate. See diagram on page 3 for an illustration of foreign parent.

<b>Country of foreign parent</b>	<b>BEA USE ONLY</b>
<input type="text"/>	1

**12. Please enter the country of the ultimate beneficial owner (UBO) in the box below.** The UBO is that person or entity, proceeding up the ownership chain beginning with and including the foreign parent, that is not more than 50 percent owned or controlled by another person or entity. See diagram on page 3 for an illustration of UBO.

<b>Country of UBO</b>	<b>BEA USE ONLY</b>
<input type="text"/>	1

**BEA USE ONLY**

1
---

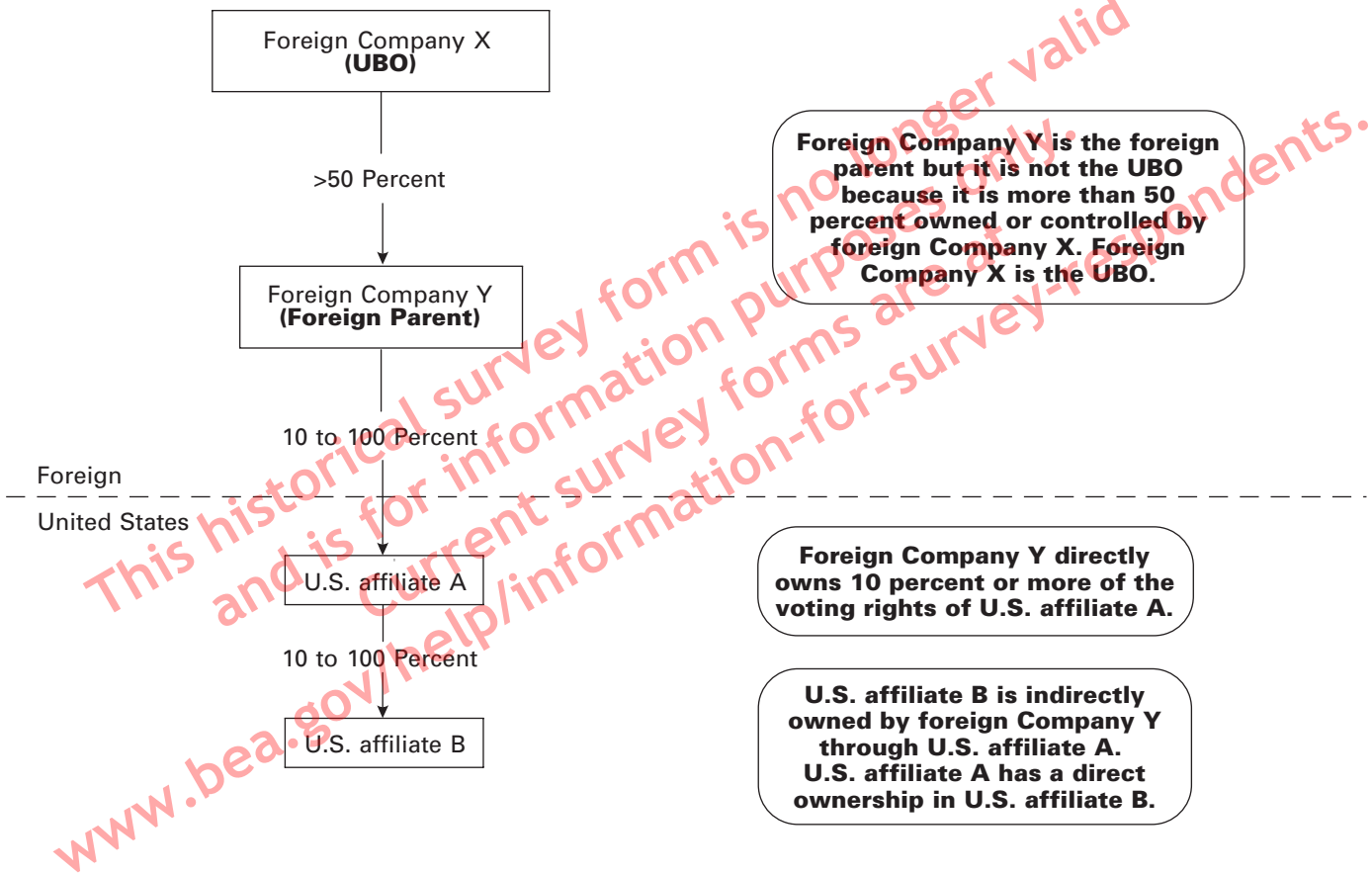
Remarks

**BEA USE ONLY**

1200	<sup>1</sup>	<sup>2</sup>	<sup>3</sup>	<sup>4</sup>	<sup>5</sup>
1201	<sup>1</sup>	<sup>2</sup>	<sup>3</sup>	<sup>4</sup>	<sup>5</sup>
1202	<sup>1</sup>	<sup>2</sup>	<sup>3</sup>	<sup>4</sup>	<sup>5</sup>
1203	<sup>1</sup>	<sup>2</sup>	<sup>3</sup>	<sup>4</sup>	<sup>5</sup>

**PART I – Continued**

**ILLUSTRATION OF ULTIMATE BENEFICIAL OWNER (UBO), FOREIGN PARENT, DIRECT FOREIGN OWNERSHIP, AND INDIRECT FOREIGN OWNERSHIP**

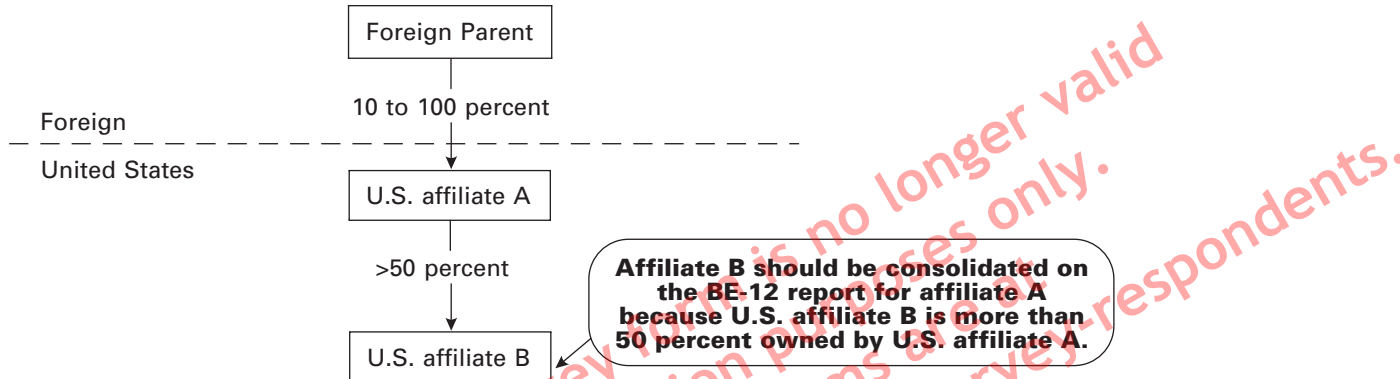


**NOTE:** Arrows connecting boxes represent direction of ownership. In the illustration above, if foreign company Y does not have at least a 10 percent indirect voting interest in U.S. affiliate B, then U.S. affiliate B is exempt from filing Form BE-12. In addition, if U.S. affiliate A owns more than 50 percent of U.S. affiliate B, then the data for U.S. affiliate B should be consolidated on the BE-12 report filed for U.S. affiliate A.

**PART II**

**NOTE: Complete items 13 through 33 ONLY if the answer to item 10 on page 2 is "Yes."**

**13. Consolidated reporting by the U.S. affiliate – Is more than 50 percent of the voting interest in this U.S. affiliate owned by another U.S. affiliate of your foreign parent?**



**NOTE: Arrows connecting boxes represent direction of ownership**

- 1400 <sup>1</sup>  Yes **If "Yes"** – Do not complete this report unless exception 13d described in the consolidation rules on page 7 applies. If this exception does not apply, please forward this BE-12 survey packet to the U.S. business enterprise owning your company more than 50 percent, and notify BEA of the action taken by filing **BE-12 Claim For Not Filing** with item (e) completed on page 2. The BE-12 Claim For Not Filing can be downloaded from our web site at: [www.bea.gov/fdi](http://www.bea.gov/fdi)
- <sup>1</sup>  No **If "No"** – Complete this report in accordance with the consolidation rules in instruction 13 on page 7.

**14. REPORTING PERIOD** – Reporting period instructions are found in instruction 14 on page 7. If there was a **change in fiscal year**, please review instruction 14.c. on page 7.

Month	Day	Year
1		

This U.S. affiliate's financial reporting year ended in **calendar year 2007** on \_\_\_\_\_

**Example** – If the financial reporting year ended on March 31, report for the 12-month period ended March 31, **2007**.

**15. Did the U.S. business enterprise become a U.S. affiliate during its fiscal year that ended in calendar year 2007?**

Month	Day	Year
1		

<sup>1008</sup> <sup>1</sup>  Yes – **If "Yes"** – Enter date U.S. business enterprise became a U.S. affiliate and see instruction 15 on page 7.

<sup>1</sup>  No

**Ownership** – Enter **percent of ownership in this U.S. affiliate**, to a tenth of one percent, based on **voting interest** if an incorporated affiliate or an equivalent interest if an unincorporated affiliate. "Voting interest" is defined in instruction 16a.(1) on page 8.

**Foreign parent** – A foreign parent is the **FIRST** person or entity outside the U.S. in a chain of ownership that has a 10 percent or more voting interest (direct or indirect) in this U.S. affiliate. See diagram on page 3 for an illustration of foreign parent.

**Ownership held directly by foreign parent(s) of this U.S. affiliate** – Give name of each foreign parent with direct ownership. (If more than 2, continue on a separate sheet.) See diagram on page 3 for an illustration of ownership held directly by a foreign parent.

	Country of incorporation or organization (if a business enterprise) or residence (if an individual). For individuals, see instruction 16b. on page 8.	REPORTING PERIOD		BEA USE ONLY (3)
		Close FY 2007 (1)	Close FY 2006 (2)	
<b>16.</b>		1	2	3
	1017	. %	. %	
<b>17.</b>		1	2	3
	1018	. %	. %	
<b>18.</b>	Country of foreign parent of U.S. affiliate	1	2	3
	1063	. %	. %	
<b>19.</b>		1	2	3
	1064	. %	. %	
<b>20. Ownership held directly by all other persons (do not list names)</b>		1	2	
	1061	. %	. %	
<b>TOTAL of ownership interests – Sum of items 16 through 20</b>		<b>100.0%</b>	<b>100.0%</b>	

**Enter the name and industry code of the foreign parent.** If there is more than one foreign parent, list each and its industry code on a separate sheet.

**21. Enter name of foreign parent.** If the foreign parent is an individual enter "individual."

3011

**22. Enter the foreign parent industry code**, from the list of codes at the bottom of page 5, which best describes the PRIMARY activity of the SINGLE entity named as the foreign parent. DO NOT base the code on the world-wide sales of all consolidated subsidiaries of the foreign parent.

3018

**PLEASE CONTINUE WITH QUESTION 23 ON PAGE 5**

**PART II – Continued**

**NAME, COUNTRY, AND INDUSTRY CODE OF ULTIMATE BENEFICIAL OWNER (UBO)**

**Furnish the name, country, and industry code of the UBO for each foreign parent.** If there is more than one foreign parent, list each on a separate sheet and give the name of its UBO and the UBO's country of location and industry code.

The UBO is that person or entity, proceeding up the ownership chain beginning with and including the foreign parent, that is not more than 50 percent owned or controlled by another person or entity. See instruction II.M. on page 7 for the complete definition of UBO. Also see the diagram on page 3.

**23. Is the foreign parent also the UBO?** If the foreign parent is owned or controlled more than 50 percent by another person or entity, then the foreign parent is NOT the UBO. See diagram on page 3.

3019 <sup>1</sup>  Yes – Skip to 26                      <sup>1</sup>  No – Continue with 24

**24. Enter the name of the UBO of the foreign parent.** If the UBO is an individual, enter "individual." Identifying the UBO as "bearer shares" is not an acceptable response.

3021

**25. Enter country of UBO.** For individuals, see instruction 16b on page 8.

**BEA USE ONLY**

3022

**26. Enter the industry code of the UBO** from the list of codes at the bottom of this page. **NOTE** – The UBO industry code is based on the consolidated world-wide activities of all majority-owned subsidiaries of the UBO. Select the industry code that best reflects the consolidated world-wide sales of the UBO, including all of its majority-owned subsidiaries.

3023  DO NOT USE CODE 14 UNLESS YOU RECEIVE PERMISSION FROM BEA.  
Code "14" (holding company) is normally NOT a valid UBO industry code.

**Report all amounts in thousands of U.S. dollars.**

**27. Dividends or earnings distributed** – Enter amount of (a) dividends declared, **excluding** stock and liquidating dividends, on common and preferred stock (if incorporated) or (b) earnings distributed (if unincorporated). Report amounts **before** deduction of withholding taxes.

Amount (1)				
	Bil.	Mil.	Thous.	Dols.
1				
2215	\$			

**28. Total employee compensation for FY 2007** – Employee compensation is defined in instruction 28 on page 8.

1				
2253	\$			

**29. Expenditures for property, plant, and equipment for fiscal year that ended in calendar year 2007** – INCLUDE all purchases by, or transfers (at net book value) to, the U.S. affiliate of land, mineral and timber rights, and other property, plant and equipment. Also INCLUDE capitalized and expensed exploration and development expenditures. EXCLUDE expenditures made in prior years that are reclassified in the current year. Also EXCLUDE land and other property, plant, and equipment obtained through the acquisition of or merger with another company during the year. DO NOT net out sales and other dispositions of property, plant, and equipment from the expenditures reported on this line.

1				
2390	\$			

**30. Gross book value (at historical cost) of all land and other property, plant, and equipment, at the close of the fiscal year that ended in calendar year 2007.**

5				
2799	\$			

**31. Copy your answer from item 2 on page 2 of this report to the appropriate box below and follow the applicable instructions.**

<sup>1</sup>  Yes – Continue with item 32.                      <sup>1</sup>  No – Skip to item 33.

**32. Number of acres of U.S. land owned. Exclude acres of mineral rights if you do not own the land.**

Number
1
2354

**33. Research and development (R&D) expenditures for R&D performed BY the U.S. affiliate** – R&D is defined in instruction 33 on page 8.

Amount (1)				
	Bil.	Mil.	Thous.	Dols.
1				
2403	\$			

**BEA USE ONLY**

1
2599

**FOREIGN PARENT AND UBO INDUSTRY CODES**

**Note:** "ISI codes" are International Surveys Industry codes, as given in the *Guide to Industry Classifications for International Surveys, 2007*.

- |  |  |
|--|--|
| <p><b>01</b> Government and government-owned or -sponsored enterprise, or quasi-government organization or agency</p> <p><b>02</b> Pension fund — Government run</p> <p><b>03</b> Pension fund — Privately run</p> <p><b>04</b> Estate, trust, or nonprofit organization (that part of ISI code 5252 that is estates and trusts)</p> <p><b>05</b> Individual</p> <p><b>Private business enterprise, investment organization, or group engaged in:</b></p> <p><b>06</b> Insurance (ISI codes 5242, 5243, 5249)</p> <p><b>07</b> Agriculture, forestry, fishing and hunting (ISI codes 1110–1140)</p> <p><b>08</b> Mining (ISI codes 2111–2127)</p> <p><b>09</b> Construction (ISI codes 2360–2380)</p> <p><b>10</b> Transportation and warehousing (ISI codes 4810–4939)</p> <p><b>11</b> Utilities (ISI codes 2211–2213)</p> <p><b>12</b> Wholesale and retail trade (ISI codes 4231–4251 and 4410–4540)</p> <p><b>13</b> Banking, including bank holding companies (ISI codes 5221 and 5229)</p> <p><b>14</b> Holding companies, excluding bank holding companies (ISI codes 5512 and 5513)</p> <p><b>15</b> Other finance (ISI codes 5223, 5224, 5231, 5238, that part of ISI code 5252 that is not estates and trusts, and ISI code 5331)</p> | <p><b>16</b> Real estate (ISI code 5310)</p> <p><b>17</b> Information (ISI codes 5111–5191)</p> <p><b>18</b> Professional, scientific, and technical services (ISI codes 5411–5419)</p> <p><b>19</b> Other services (ISI codes 1150, 2132, 2133, 5321, 5329, and 5611–8130)</p> <p><b>Manufacturing, including fabricating, assembling, and processing of goods:</b></p> <p><b>20</b> Food (ISI codes 3111–3119)</p> <p><b>21</b> Beverages and tobacco products (ISI codes 3121 and 3122)</p> <p><b>22</b> Pharmaceuticals and medicine (ISI code 3254)</p> <p><b>23</b> Other chemicals (ISI codes 3251–3259, except 3254)</p> <p><b>24</b> Nonmetallic mineral products (ISI codes 3271–3279)</p> <p><b>25</b> Primary and fabricated metal products (ISI codes 3311–3329)</p> <p><b>26</b> Computer and electronic products (ISI codes 3341–3346)</p> <p><b>27</b> Machinery manufacturing (ISI codes 3331–3339)</p> <p><b>28</b> Electrical equipment, appliances and components (ISI codes 3351–3359)</p> <p><b>29</b> Motor vehicles and parts (ISI codes 3361–3363)</p> <p><b>30</b> Other transportation equipment (ISI codes 3364–3369)</p> <p><b>31</b> Other manufacturing (ISI codes 3130–3231, 3261, 3262, 3370–3399)</p> <p><b>32</b> Petroleum manufacturing, including integrated petroleum and petroleum refining without extraction (ISI codes 3242–3244)</p> |
|--|--|

**2007 BENCHMARK SURVEY OF  
FOREIGN DIRECT INVESTMENT IN THE UNITED STATES  
BE-12 MINI INSTRUCTIONS**

**NOTE:** Instructions in section III are cross referenced by number to the items located on pages 2 to 5 of this form.

**Authority** – This survey is being conducted pursuant to 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"), and the filing of reports is MANDATORY pursuant to Section 5(b)(2) of the Act (22 U.S.C. 3104).

A response is required from persons subject to the reporting requirements of the BE-12 survey, whether or not they are contacted by BEA. Also, persons contacted by BEA concerning their being subject to reporting, either by sending them a report form or by written inquiry, must respond pursuant to section 806.4 of 15 CFR, Chapter VIII. This may be accomplished by completing and submitting Form BE-12(LF), BE-12(SF), BE-12 Mini, BE-12 Bank, or the BE-12 Claim For Not Filing, whichever is applicable, by May 31, 2008.

**PENALTIES** – Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. These civil penalties are subject to inflationary adjustments. Those adjustments are found in 15 CFR 6.4. 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 violations, upon conviction, may be punished by a fine, imprisonment or both (22 U.S.C. 3105).

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number. The control number for this survey is at the top of page 1 of this form.

**Respondent Burden** – Public reporting burden for this Mini form is estimated to vary from 25 minutes to 3 hours per response, with an average of 50 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to 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 0608-0042, Washington, DC 20503.

**CONFIDENTIALITY** – The Act provides that your report to this Bureau is CONFIDENTIAL and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report CANNOT be presented in a manner that allows it to be individually identified. Your report CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

## I. REPORTING REQUIREMENTS

**A. Which form to file** – Please review the questions below to determine which form to file. Blank forms can be found at: [www.bea.gov/fdi](http://www.bea.gov/fdi)

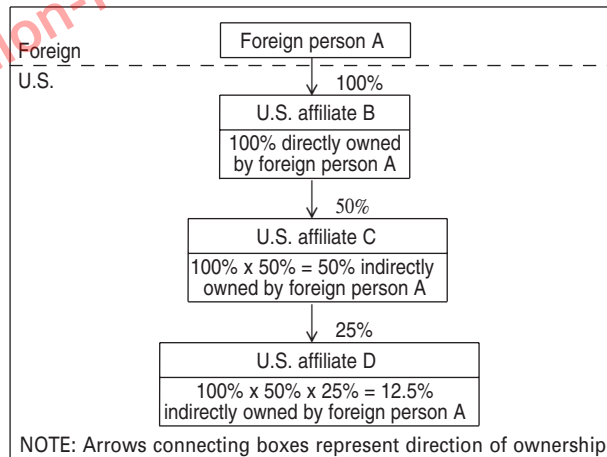
- Were at least 10 percent of the voting rights in your business directly or indirectly owned by a foreign person or entity at the end of your fiscal year that ended in calendar year 2007?
  - Yes – Continue with question 2. **NOTE: Your business is hereinafter referred to as a "U.S. affiliate."**
  - No – File the BE-12 Claim For Not Filing by May 31, 2008.
- Is this U.S. affiliate a bank, bank holding company, or financial holding company?
  - Yes – File Form BE-12 Bank by May 31, 2008.
  - No – Continue with question 3.
- Were more than 50 percent of the voting rights in this U.S. affiliate owned by another U.S. affiliate before the end of this U.S. affiliate's fiscal year that ended in calendar year 2007?
  - Yes – Continue with question 4.
  - No – Skip to question 5.
- Do different foreign persons hold a direct and an indirect ownership interest in this U.S. affiliate (exception d to the consolidation rules)? (The consolidation rules are found in instruction III.13 on page 7.)
  - Yes – Continue with question 5.
  - No – This U.S. affiliate must be consolidated on the BE-12 report of the U.S. affiliate that owns it more than 50 percent. File the BE-12 Claim For Not Filing with page 1 and item (e) on page 2 completed by May 31, 2008, forward this survey packet to the U.S. affiliate that owns this affiliate more than 50 percent, and have them consolidate your data into their report.
- Did **any one** of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed \$40 million at the end of, or for, its fiscal year that ended in calendar year 2007?
  - Yes – Continue with question 6.
  - No – File Form BE-12 Mini by May 31, 2008.
- Was the U.S. affiliate majority-owned by its foreign parent(s) at the end of its fiscal year that ended in calendar year 2007? (A U.S. affiliate is "majority-owned" if the combined direct and indirect ownership interests of all foreign parents of the U.S. affiliate exceed 50 percent.)
  - Yes – Continue with question 7.
  - No – File Form BE-12(SF) by May 31, 2008.

- Did **any one** of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed \$175 million at the end of, or for, its fiscal year that ended in calendar year 2007?
  - Yes – File Form BE-12(LF) by May 31, 2008.
  - No – File Form BE-12(SF) by May 31, 2008.

**B. Indirect ownership interest in a U.S. business enterprise** is the product of the direct ownership percentage of the foreign parent in the first U.S. business enterprise in the ownership chain multiplied by that first enterprise's direct ownership percentage in the second U.S. business enterprise, multiplied by each succeeding direct ownership percentage of each other intervening U.S. business enterprise in the ownership chain between the foreign parent and the given U.S. business enterprise.

**Example:** In the diagram below, foreign person A owns 100% of the voting stock of U.S. affiliate B; U.S. affiliate B owns 50% of the voting stock of U.S. affiliate C; and U.S. affiliate C owns 25% of the voting stock of U.S. affiliate D. Therefore, U.S. affiliate B is 100% directly owned by foreign person A; U.S. affiliate C is 50% indirectly owned by foreign person A; and U.S. affiliate D is 12.5% indirectly owned by foreign person A.

### Calculation of Foreign Ownership



**C. Insurance companies** – Reporting should be in accordance with U.S. Generally Accepted Accounting Principles not Statutory Accounting Practices (SAP). For example, the BE-12 report should include the following assets even though they are not acceptable under SAP: **1.** nontrusted or free account assets, and **2.** nonadmitted assets such as furniture and equipment, agents' debit balances, and all receivables deemed to be collectible.

**D. Real estate** – The ownership of real estate is defined to be a business enterprise, and if the real estate is foreign owned, it is a U.S. affiliate of a foreign person.

Residential real estate held exclusively for personal use and not for profit making purposes is not subject to the reporting requirements.

**Aggregation of real estate investments** – A foreign person holding real estate investments that are reportable on the BE-12 must aggregate all such holdings for the purpose of applying the reporting criteria. File a single Form BE-12 to report the aggregated holdings. If permission has been received in writing from BEA to file on a non-aggregated basis, the reports should be filed as a group and you should inform BEA that they are all for one owner. Each non-aggregated report must be filed on the same type of report (i.e., BE-12 Mini, BE-12(SF), or BE-12(LF)) that would have been required if an aggregated report was filed.

## II. DEFINITIONS OF KEY TERMS

- 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, association, associated group, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the U.S. 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 percent 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 percent 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.
- Business enterprise** means any organization, association, branch, or venture which exists for profit making purposes or to otherwise secure economic advantage, and any ownership of any real estate.

## II. DEFINITIONS OF KEY TERMS – Continued

- H. Branch** means the operations or activities conducted by a person in a different location in its own name rather than through an incorporated entity.
- I. 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 percent or more of its voting securities for an incorporated business enterprise or an equivalent interest for an unincorporated business enterprise, including a branch.
- J. U.S. affiliate** means an affiliate located in the United States in which a foreign person has a direct investment.
- 1. Majority-owned U.S. affiliate** means a U.S. affiliate in which the combined direct and indirect voting interest of all foreign parents of the U.S. affiliate exceeds 50 percent.
  - 2. Minority-owned U.S. affiliate** means a U.S. affiliate in which the combined direct and indirect voting interest of all foreign parents of the U.S. affiliate is 50 percent or less.
- K. Foreign parent** means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.
- L. Foreign parent group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 percent of the person below it up to and including that person which is not owned more than 50 percent 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 percent by the person above it.
- M. Ultimate beneficial owner (UBO)** is that person, proceeding up the ownership chain beginning with and including the foreign parent, that is not more than 50 percent owned or controlled by another person. Note: Stockholders of a closely or privately held corporation are normally considered to be an associated group and may be a UBO.

## III. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM

**NOTE:** Instructions in section III are cross referenced by number to the items located on pages 2 to 5 of this form.

- 7. Number of employees at close of fiscal year that ended in calendar year 2007** – Employment is the number of full-time and part-time employees on the payroll at the end of FY 2007. EXCLUDE contract workers and other workers not carried on the payroll of the U.S. affiliate. A count taken during, rather than at the end of, FY 2007 may be used provided it is a reasonable estimate for the end of FY 2007 number. If employment at the end of FY 2007, or the count taken at some other time during FY 2007, was unusually high or low because of temporary factors (e.g., a strike), give the number of employees that reflects normal operations. If the business enterprise's activity involves large seasonal variations, give the average number of employees for FY 2007. If given, the average should be the average for FY 2007 of the number of persons on the payroll at the end of each payroll period, month, or quarter. If precise figures are not available, give your best estimate.

### 13. Consolidation Rules

**Consolidated reporting by the U.S. affiliate** – A U.S. affiliate must file on a fully consolidated domestic U.S. basis, including in the full consolidation all nonbank **U.S. business enterprises** in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The fully consolidated entity is considered one U.S. affiliate.

A foreign person holding real estate investments that are reportable on the BE-12 must aggregate all such holdings. See Instruction 1.D. on page 6 for details.

Do not prepare your BE-12 report using the proportionate consolidation method. Except as noted in b. through d. below, consolidate all majority-owned U.S. affiliates into your BE-12 report.

**Unless the exceptions discussed below apply, any deviation from these consolidation rules must be approved in writing each year by BEA.** In accordance with FAS 94 (Consolidation of all Majority-Owned Subsidiaries), consolidation of majority-owned subsidiaries is required even if their operations are not homogeneous with those of the U.S. affiliate that owns them. If you file deconsolidated reports, you must file the same type of reports (i.e., BE-12(LF), BE-12(SF), or BE-12 Mini) that would have been required if a consolidated report was filed. Report majority-owned subsidiaries, if not consolidated, on the BE-12 Mini using the equity method of accounting. DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for affiliates not consolidated.

**Exceptions to consolidated reporting** – Note: If a U.S. affiliate is not consolidated into its U.S. parent's BE-12 report, then it **must** be listed on the Supplement B of its parent's BE-12 report (unless the report is a BE-12 Mini which does not have a Supplement B) and each unconsolidated U.S. affiliate **must** file its own Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank.

- a. DO NOT CONSOLIDATE FOREIGN SUBSIDIARIES, BRANCHES, OPERATIONS, OR INVESTMENTS NO MATTER WHAT THE PERCENTAGE OWNERSHIP.** Include foreign holdings owned 20 percent or more (including those that are majority-owned) using the equity method of accounting. DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for investments reported using the equity method.

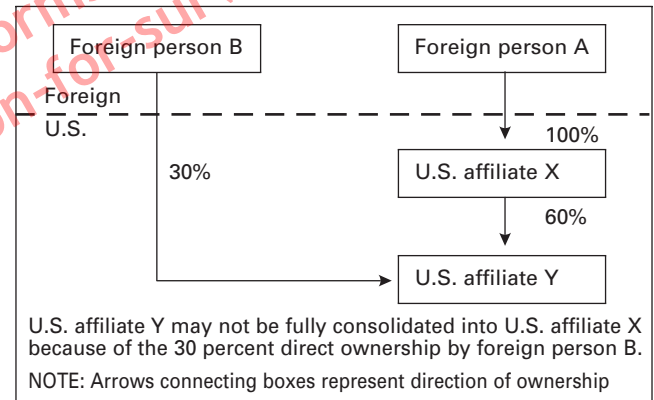
- b. Do not consolidate banking activities.** If the nonbank U.S. affiliate reporting on Form BE-12 Mini has a direct or indirect ownership interest in a U.S. bank, bank holding company (BHC), or any other banking activity, such as a U.S. wholesale or limited purpose bank, DO NOT consolidate those banking activities into the Form BE-12 Mini. Banks are required to file a separate BE-12 Bank report.

Include on Form BE-12 Mini any banking operations owned 20 percent or more (including those that are majority-owned) using the equity method of accounting. DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for banking operations reported using the equity method.

For BE-12 reporting purposes, treat Financial Holding Companies in the same manner as you would treat a BHC.

- c. Special consolidation rules apply to U.S. affiliates that are limited partnerships or that have an ownership interest in a U.S. limited partnership.** These rules can be found on our web site at [www.bea.gov/ltdpartner12](http://www.bea.gov/ltdpartner12).

- d.** A U.S. affiliate in which a direct ownership interest and an indirect ownership interest are held by **different** foreign persons should not be fully consolidated into another U.S. affiliate, but must complete and file its own Form BE-12 report. (See diagram below.)



If this exception applies, reflect the indirect ownership interest, even if more than 50 percent, on the owning U.S. affiliate's BE-12 report on an equity basis. For example, using the situation shown in the diagram above, U.S. affiliate X must treat its 60 percent ownership interest in U.S. affiliate Y as an equity investment.

- 14. Reporting period** – The report covers the U.S. affiliate's 2007 fiscal year. The affiliate's 2007 fiscal year is defined as the affiliate's financial reporting year that had an ending date in calendar year 2007.

### Special Circumstances:

- a. 52/53 week fiscal year** – Affiliates having a "52/53 week" fiscal year that ends within the first week of January 2008 are considered to have a 2007 fiscal year and should report December 31, 2007 as their 2007 fiscal year end.
- b. U.S. affiliates without a financial reporting year** – If a U.S. affiliate does not have a financial reporting year, its fiscal year is deemed to be the same as calendar year 2007.
- c. Change in fiscal year**

- (1) New fiscal year ends in calendar year 2007** – A U.S. affiliate that changed the ending date of its financial reporting year **should file a 2007 BE-12 report that covers the 12 month period prior to the new fiscal year end date.** The following example illustrates the reporting requirements.

**Example 1:** U.S. affiliate A had a June 30, 2006 fiscal year end date but changed its 2007 fiscal year end date to March 31. Affiliate A should file a 2007 BE-12 report covering the 12 month period from April 1, 2006 to March 31, 2007.

- (2) No fiscal year ending in calendar year 2007** – If a change in fiscal year results in a U.S. affiliate not having a fiscal year that ended in calendar year 2007, the affiliate **should file a 2007 BE-12 report that covers 12 months.** The following example illustrates the reporting requirements.

**Example 2:** U.S. affiliate B had a December 31, 2006 fiscal year end date but changed its next fiscal year end date to March 31. Instead of having a short fiscal year ending in 2007, affiliate B decides to have a 15 month fiscal year running from January 1, 2007 to March 31, 2008. Affiliate B should file a 2007 BE-12 report covering a 12 month period ending in calendar year 2007, such as the period from April 1, 2006 to March 31, 2007.

For 2008, assuming no further changes in the fiscal year end date occur, affiliate B should file a BE-12 report covering the 12 month period from April 1, 2007 to March 31, 2008.

- 15. Reporting for a U.S. business that became a U.S. affiliate during its fiscal year that ended in calendar year 2007** –

- a. A U.S. business enterprise that was newly established in fiscal year 2007** should file a report for the period starting with the establishment date up to, and ending on, the last day of its fiscal year that ended in calendar year 2007. DO NOT estimate amounts for a full year of operations if the first fiscal year is less than 12 months.
- b. A U.S. business enterprise existing before fiscal year 2007 that became a U.S. affiliate in fiscal year 2007** should file a report covering a full 12 months of operations.



### III. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM — Continued

#### 16a. Voting interest and Equity interest

- (1) **Voting interest** – is the percent of ownership in the voting equity of the U.S. affiliate. Voting equity consists of ownership interests that have a say in the management of the company. Examples of voting equity include capital stock that has voting rights, and a general partner's interest in a partnership.
- (2) **Equity interest** – is the percent of ownership in the total equity (voting and nonvoting) of the U.S. affiliate. Nonvoting equity consists of ownership interests that do not have a say in the management of the company. An example of nonvoting equity is preferred stock that has no voting rights.

**Voting interest and equity interest are not always equal.** For example, an owner can have a 100 percent voting interest in a U.S. affiliate but own less than 100 percent of the affiliate's total equity. This situation is illustrated in the following example.

**Example:** U.S. affiliate A has two classes of stock, common and preferred. There are 50 shares of common stock outstanding. Each common share is entitled to one vote and has an ownership interest in 1 percent of the total owners' equity amount. There are 50 shares of preferred stock outstanding. Each preferred share has an ownership interest in 1 percent of the total owners' equity amount but has no voting rights. Foreign parent B owns all 50 shares of the common stock. U.S. investors own all 50 shares of the preferred stock. Because foreign parent B owns all of the voting stock, foreign parent B has a 100 percent voting interest in U.S. affiliate A. However, because all 50 of the nonvoting preferred shares are owned by U.S. investors, foreign parent B has only a 50 percent interest in the owners' equity amount of U.S. affiliate A.

#### 16b. Determining place of residence and country of jurisdiction of individuals

An individual is considered a resident of, and subject to the jurisdiction of, the country in which he or she is physically located. The following guidelines apply to individuals who do not reside in their country of citizenship.

- (1) Individuals who reside, or expect to reside, outside their country of citizenship for less than one year are considered to be residents of their country of citizenship.
- (2) Individuals who reside, or expect to reside, outside their country of citizenship for one year or more are considered to be residents of the country in which they are residing, except as provided in paragraphs (3) and (4) below.
- (3) If an owner or employee of a business enterprise resides outside the country of location of the enterprise for one year or more for the purpose of furthering the business of the enterprise, and the country of the business enterprise is the country of citizenship of the owner or employee, then the owner or employee is considered a resident of the country of citizenship, provided there is the intent to return to the country of citizenship within a reasonable period of time.
- (4) Individuals and members of their immediate family who are residing outside their country of citizenship as a result of employment by the government of that country - diplomats, consular officials, members of the armed forces, etc. - are considered to be residents of their country of citizenship.

#### 28. Total employee compensation

– Base compensation on payroll records. Employee compensation must cover compensation charged as an expense on the income statement, charged to inventories, or capitalized during the reporting period. Exclude employee compensation related to activities of a prior period, such as compensation capitalized or charged to inventories in prior periods. Employee compensation consists of:

- a. **Wages and salaries** – are the gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to persons who are not employees.

Wages and salaries include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Include employer contributions to benefit funds. Exclude payments made by, or on behalf of, benefit funds rather than by the employer.

Wages and salaries include in-kind payments, valued at their cost, that are **clearly and primarily of benefit to the employees as consumers**. Exclude expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement for business expenses.

- b. **Employee benefit plans** – are employer expenditures for all employee benefit plans, including those required by government statute, those resulting from a collective-bargaining contract, or those that are voluntary. Employee benefit plans include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

#### 33. Research and development expenditures

– Report all research and development (R&D) performed BY the U.S. affiliate for its own account or for others, including the foreign parent group and affiliates owned by the U.S. affiliate. Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, taxes, materials and supplies, allocated overhead, and indirect costs. Exclude the cost of all R&D funded by the U.S. affiliate but performed by others.

R&D includes basic and applied research in the sciences and engineering. It also includes design and development of new products and processes, and enhancement of existing products and processes.

R&D includes activities carried on by persons trained, either formally or by experience, in engineering, the physical sciences such as chemistry and physics, the biological sciences such as medicine, the mathematical and statistical sciences, and computer science. R&D includes these activities if the purpose is to do one or more of the following:

- The planned, systematic pursuit of new knowledge or understanding toward general application (**basic research**);
- The acquisition of knowledge or understanding to meet a specific, recognized need (**applied research**); and
- The application of knowledge or understanding toward the production or improvement of a product, service, process, or method (**development**).

**Basic research** is the pursuit of new scientific knowledge or understanding that does not have specific immediate commercial objectives, although it may be in fields of present or potential commercial interest.

**Applied research** applies the findings of basic research or other existing knowledge toward discovering new scientific knowledge that has specific commercial objectives with respect to new products, services, processes, or methods.

**Development** is the systematic use of the knowledge or understanding gained from research or practical experience directed toward the production or significant improvement of useful products, services, processes, or methods, including the design and development of prototypes, materials, devices, and systems.

R&D includes the activities described above whether assigned to separate R&D organizational units of the company or carried out by company laboratories and technical groups not a part of an R&D organization.

### IV. FILING THE BE-12

**A. Due date** – File a fully completed and certified Form BE-12 Mini no later than May 31, 2008. If the U.S. affiliate is exempt from filing Form BE-12 Mini, complete and file the BE-12 Claim For Not Filing by May 31, 2008.

**B. Mailing report forms to a foreign address** – BEA will accommodate foreign owners that wish to have forms sent directly to them. However, the extra time consumed in mailing to and from a foreign place may make meeting filing deadlines difficult. In such cases, please consider using BEA's electronic filing option. Go to our web site at [www.bea.gov/efile](http://www.bea.gov/efile) for details about this option. To obtain forms online go to: [www.bea.gov/fdi](http://www.bea.gov/fdi)

**C. Extensions** – For the efficient processing of the survey and timely dissemination of the results, it is important that your report be filed by the due date. Nevertheless, reasonable requests for extension of the filing deadline will normally be granted. Requests for extensions of more than 30 days **MUST** be in writing and should explain the basis for the request. You may request an extension via email at [be12/15@bea.gov](mailto:be12/15@bea.gov). For extension requests of 30 days or less, you may call BEA at (202) 606-5577. All requests for extensions must be received **NO LATER THAN** the due date of the report.

**D. Annual stockholders' report or other financial statements** – Please furnish a copy of your FY 2007 annual report or Form 10K when filing the BE-12 report. If you do not publish an annual stockholders' report or Form 10K, please provide any financial statements that may be prepared, including the accompanying notes. Information contained in these statements is useful in reviewing your report and may reduce the need for further contact. Section 5(c) of the International Investment and Trade in Services Survey Act, Public Law 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended, provides that this information can be used for analytical and statistical purposes only and that it must be held strictly confidential.

**E. Number of copies** – File a single original copy of the form. If you are not filing electronically, this should be the copy with the address label on page 1, if such a labeled copy has been provided by BEA. (Make corrections to the address on the label, if necessary.) You should also retain a file copy of each report for three years to facilitate resolution of any questions that BEA may have concerning your report. (Both copies are protected by law; see the statement on Confidentiality on page 6.)

OMB No. 0608-0042: Approval Expires 11/30/2010

BEA Identification Number →



**MANDATORY — CONFIDENTIAL**

**2007 BENCHMARK SURVEY OF FOREIGN DIRECT INVESTMENT  
IN THE UNITED STATES  
(BANK FORM)**

**DUE DATE: MAY 31, 2008**

**ELECTRONIC FILING:** Go to [www.bea.gov/efile](http://www.bea.gov/efile) for details

**OR**

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

**OR**

**DELIVER REPORTS TO:** U.S. Department of Commerce  
Bureau of Economic Analysis, BE-49(A)  
Shipping and Receiving Section, M100  
1441 L Street, NW  
Washington, DC 20005

**OR**

**FAX REPORTS TO:** (202) 606-1905\*

\*See the **NOTE** at the bottom of this page if you plan to fax your report to BEA.

**ASSISTANCE**

**Email:** [be12/15@bea.gov](mailto:be12/15@bea.gov)

**Telephone:** (202) 606-5577

**FAX:** (202) 606-5319

**Copies of blank forms:** [www.bea.gov/fdi](http://www.bea.gov/fdi)

**Definitions of key terms** – See pages 19 and 20.

**A. Name and address of U.S. business enterprise** – If a label has been affixed, make any changes directly on the label. If a label has not been affixed, enter the BEA Identification Number of this U.S. affiliate, if available, in the box at the upper right hand corner of this page.

Name of U.S. affiliate  
1002 0

c/o (care of)  
1010 0

Street or P.O. Box  
1003 0

City State  
1004 0 0998 0

ZIP Code Foreign Postal Code  
1005 0 OR 0

**B. Location of U.S. affiliate** – If the mailing address in item A is in care of someone other than the U.S. affiliate, give the name and location of the primary U.S. headquarters of the affiliate.

Name of U.S. affiliate  
1300 0

Street or P.O. Box  
1301 0

City State  
1302 0 1304 0

ZIP Code  
1303 0

**IMPORTANT**

Please read the **Instructions** starting on page 19 before completing this form.

- Who must file Form BE-12 Bank** – Form BE-12 Bank must be filed by a U.S. affiliate if (1) it is a bank, bank holding company, or financial holding company and (2) at least **one** of the following three items – total assets (do not net out liabilities), sales or gross operating revenues (excluding sales taxes), **or** net income (after provision for U.S. income taxes) – for the U.S. affiliate (not just the foreign parent’s share) exceeded \$15 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2007. If you do not meet these filing criteria see instruction I.A. starting on page 19 to determine which form to file.
- Accounting principles** – If feasible use U.S. Generally Accepted Accounting Principles to complete Form BE-12 Bank unless you are requested to do otherwise by a specific instruction. References in the instructions to Financial Accounting Standards Board statements are referred to as "FAS."
- U.S. affiliate’s 2007 fiscal year** – The affiliate’s financial reporting year that had an ending date in calendar year 2007.
- Consolidated reporting** – A U.S. affiliate must file on a fully consolidated **domestic U.S.** basis, including in the consolidation **ALL U.S. affiliates**, BANK AND NONBANK, in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The consolidation rules are found in instruction IV.2 starting on page 20.
- Rounding** – Report currency amounts in U.S. dollars rounded to thousands (omitting 000). **Do not enter amounts in the shaded portions of each line.**  
**Example** – If amount is \$1,334,891.00 report as: →

Bil.	Mil.	Thous.	Dols.
	1	335	

**MANDATORY CONFIDENTIALITY PENALTIES**



This survey is being conducted under the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended). The filing of reports is mandatory and the Act provides that your report to this Bureau is confidential. Whoever fails to report may be subject to penalties. See page 19 for more details.

**PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT — Enter name and address**

Name 1000 0

Address 1029 0

1030 0

1031 0

TELEPHONE NUMBER 1001 1 Area code Number 2 Extension

FAX NUMBER 0999 1 Area code Number

**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 estimates may 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 Date

0990 0 Print or type name 0991 0 Print or type title

0992 1 Telephone number 2 Extension 3 FAX number

**May FAX and/or email be used in correspondence between your enterprise and BEA**, including FAX’ed reports, and/or to discuss questions relating to this survey that may contain information about your company that you may consider confidential? **NOTE:** The Internet and telephone systems are not secure means of transmitting confidential information unless it is encrypted. If you choose to communicate with BEA via FAX or electronic mail, BEA cannot guarantee the security of the information during transmission, but will treat information we receive as confidential in accordance with Section 5(c) of the International Investment and Trade in Services Survey Act.

1027 Email: 1  Yes (If yes, please print your email address.) → Email address (Please print)  
2  No

1032 FAX: 1  Yes  
2  No

**PART I – IDENTIFICATION OF U.S. AFFILIATE**

**Additional Instructions** by line item are at the back of this form starting with Section IV of the instructions on page 20.

**1. What financial reporting standards will be used to complete this BE-12 report?** NOTE: Unless it is highly burdensome or not feasible, the BE-12 report should be completed using U.S. Generally Accepted Accounting Principles (U.S. GAAP).

1399 <sup>1</sup>  U.S. Generally Accepted Accounting Principles

<sup>1</sup>  International Financial Reporting Standards or other reporting standards, but with adjustments to correct for any material differences between U.S. GAAP and the reporting standards used. *Specify the reporting standards used.* ↘

<sup>1</sup>  International Financial Reporting Standards or other reporting standards, but without adjustments to correct for any material differences between U.S. GAAP and the reporting standards used. *Specify the reporting standards used.* ↘

**2. Consolidated reporting by the U.S. affiliate – Is more than 50 percent of the voting interest in this U.S. affiliate owned by another U.S. affiliate of your foreign parent?**

1400 <sup>1</sup>  Yes <sup>2</sup>  No

**If the answer is "Yes"** – Do not complete this report unless exception 2b described in the consolidation rules on page 20 applies. If this exception does not apply, please forward this BE-12 survey packet to the U.S. business enterprise owning your company more than 50 percent, and notify BEA of the action taken by filing a **BE-12 Claim For Not Filing** with item (e) completed on page 2. The BE-12 Claim For Not Filing can be downloaded from our web site at: [www.bea.gov/fdi](http://www.bea.gov/fdi)

**If the answer is "No"** – Complete this report in accordance with the consolidation rules on page 20.

**3. Enter Employer Identification Number(s) used by the U.S. affiliate to file income and payroll taxes.**

Primary	Other
1006 <sup>1</sup> <input style="width: 150px; height: 20px;" type="text" value="-"/>	<sup>2</sup> <input style="width: 150px; height: 20px;" type="text" value="-"/>

**4. REPORTING PERIOD** – Reporting period instructions are found in instruction 4 on page 21. If there was a **change in fiscal year**, please review instruction 4.c. on page 21.

This U.S. affiliate's financial reporting year ended in **calendar year 2007** on \_\_\_\_\_

Month	Day	Year
1007 1		

**Example** – If the financial reporting year ended on March 31, report for the 12-month period ended March 31, **2007**.

**5. Did the U.S. business enterprise become a U.S. affiliate during its fiscal year that ended in calendar year 2007?**

1008 <sup>1</sup>  Yes – **If "Yes"** – Enter date U.S. business enterprise became a U.S. affiliate and see instruction 5 on page 21. \_\_\_\_\_

<sup>1</sup>  No

Month	Day	Year
1009 1		

**NOTE** – For a U.S. business enterprise that became a U.S. affiliate during its fiscal year that ended in calendar year 2007, leave the close FY 2006 data columns blank.

**6. Is the U.S. affiliate named on page 1 separately incorporated in the United States, including its territories and possessions?** Mark "No" if the U.S. affiliate is a branch or agency of a foreign bank.

1011 <sup>1</sup>  Yes  
<sup>1</sup>  No

**7. U.S. affiliates fully consolidated (or, in the case of branches/agencies, aggregated) in this report –**

U.S. branches and agencies, directly owned by the foreign parent, that are aggregated on this report should be counted separately and listed separately on the Supplement A to this form. See Example A under instruction IV.2 on page 20 at the back of this form.

U.S. branches and agencies, owned by a U.S. bank affiliate, should be consolidated on this report but **not** counted separately and **not** listed separately on the Supplement A to this form. See Example B under instruction IV.2 on page 20 at the back of this form.

1012  <sup>1</sup> **Number** – If number is greater than one, complete the Supplement A on page 15.

**8. U.S. affiliates NOT fully consolidated** – See instruction 8 on page 21.

**Number of U.S. affiliates in which this U.S. affiliate has an ownership interest that ARE NOT fully consolidated in this report.**

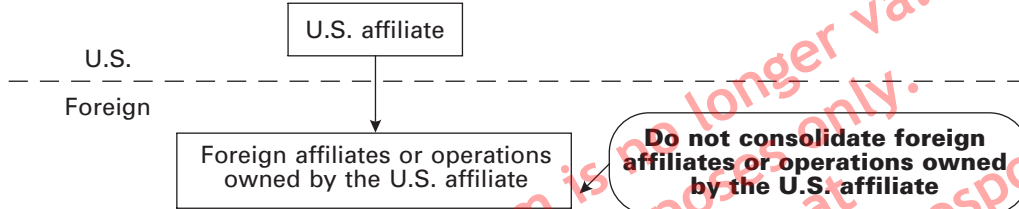
1013  <sup>1</sup> **Number** – If number is not zero, complete the Supplement B on page 17. The U.S. affiliate named on page 1 must include data for unconsolidated U.S. affiliates on an equity basis or, if less than 20 percent owned, in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost basis, and must notify the unconsolidated U.S. affiliates of their obligation to file a Form BE-12(LF), BE-12(SF), BE-12 Bank, or BE-12 Mini in their own names.

**PART I – IDENTIFICATION OF U.S. AFFILIATE – Continued**

**9. Does this U.S. affiliate own any foreign affiliates or operations?**

1014 1  Yes **If "Yes" – DO NOT consolidate foreign operations.** Foreign affiliates or operations in which you own an interest of 20 percent or more, including those in which you own a majority interest, are to be deconsolidated and reported using the equity method of accounting. If your ownership interest is less than 20 percent, foreign affiliates or operations are to be reported in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting. Reporting rules for foreign affiliates or operations are found in the instruction IV.2a starting on page 20.

2  No



**NOTE: Arrows connecting boxes represent direction of ownership**

**Ownership** – Enter **percent of ownership in this U.S. affiliate**, to a tenth of one percent, based on **voting interest** if an incorporated affiliate or an equivalent interest if an unincorporated affiliate. "Voting interest" is defined in instruction 79a on page 22.

**Foreign parent** – A foreign parent is the **FIRST** person or entity outside the U.S. in a chain of ownership that has a 10 percent or more **voting** interest (direct or indirect) in this U.S. affiliate. See example 1 below for an illustration of foreign parent.

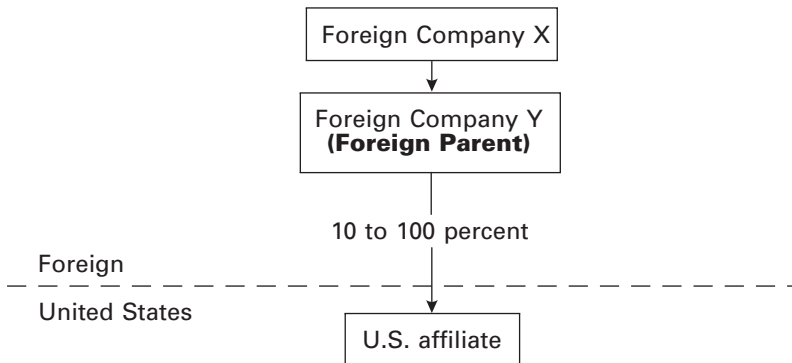
**Ownership held directly by foreign parent(s) of this U.S. affiliate** – Give name of each foreign parent with direct ownership. (If more than 2, continue on a separate sheet.) See example 1 below for an illustration of ownership held directly by a foreign parent.

	Country of incorporation or organization (if a business enterprise) or residence, if an individual. For individuals, see instruction V.B. on page 22.	REPORTING PERIOD		BEA USE ONLY (3)
		Close FY 2007 (1)	Close FY 2006 (2)	
<b>10.</b>		1	2	3
	1017	. %	. %	
<b>11.</b>		1	2	3
	1018	. %	. %	
<b>12.</b>	Country of foreign parent of U.S. affiliate	1	2	3
	1063	. %	. %	
<b>13.</b>		1	2	3
	1064	. %	. %	
<b>14. Ownership held directly by all other persons (do not list names)</b>		1	2	
	1061	. %	. %	
<b>TOTAL of ownership interests – Sum of items 10 through 13</b>		<b>100.0%</b>	<b>100.0%</b>	

**PLEASE CONTINUE WITH QUESTION 15 ON PAGE 4**

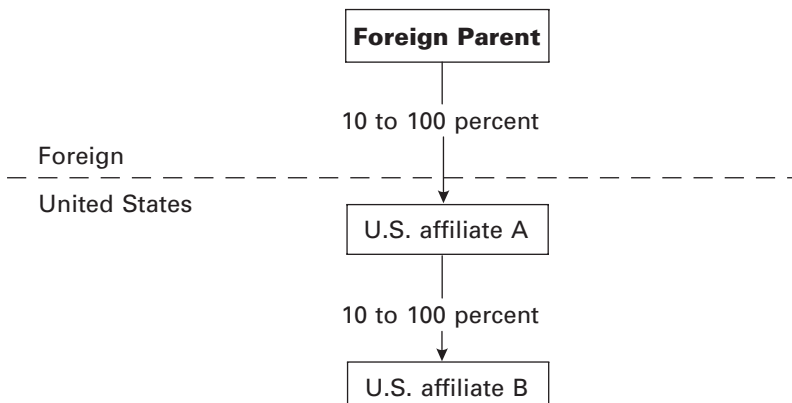
**EXAMPLES OF DIRECT AND INDIRECT OWNERSHIP HELD BY FOREIGN PARENTS**

**Example 1 – Ownership held directly by a foreign parent**



**Foreign Company Y is the foreign parent because it is the first owner located outside the U.S. in a chain of ownership that owns 10 percent or more of the U.S. affiliate.**

**Example 2 – Ownership held indirectly by a foreign parent through another U.S. affiliate**



**U.S. affiliate B is indirectly owned by the foreign parent through U.S. affiliate A. U.S. affiliate A has a direct ownership in U.S. affiliate B.**

**NOTE: Arrows connecting boxes represent direction of ownership**

**PART II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE**

**Report all amounts in thousands of U.S. dollars.**

**15. Major product(s) or service(s) of fully consolidated U.S. affiliate** – Briefly describe the major product(s) and/or service(s) of the U.S. affiliate.

1163 0

**INDUSTRY CLASSIFICATION AND TOTAL SALES OR GROSS OPERATING REVENUES OF FULLY CONSOLIDATED U.S. AFFILIATE**

Enter the 4-digit International Surveys Industry (ISI) code(s) and the sales associated with each code. If you use fewer than four codes, you must account for total sales in items 16 through 18.

**Column (1) – ISI Code** – For a full explanation of each code, see the *Guide to Industry Classifications for International Surveys, 2007*. A copy of this guide can be found on our web site at: [www.bea.gov/naics2007](http://www.bea.gov/naics2007). For an inactive affiliate, show the industry classification(s) based on its last active period; for "start-ups" with no sales, show the intended activity(ies).

**Column (2) – Total sales or gross operating revenues, excluding sales taxes** – INCLUDE interest revenues at gross amounts. DO NOT net interest revenues against interest expenses. INCLUDE revenues generated during the year from the operations of a discontinued business segment but EXCLUDE gains or losses from DISPOSALS of discontinued operations. Report such gains and losses on page 6, item 37. EXCLUDE all investment gains and losses and gains and losses from derivative instruments. Report such gains and losses on page 6, item 37.

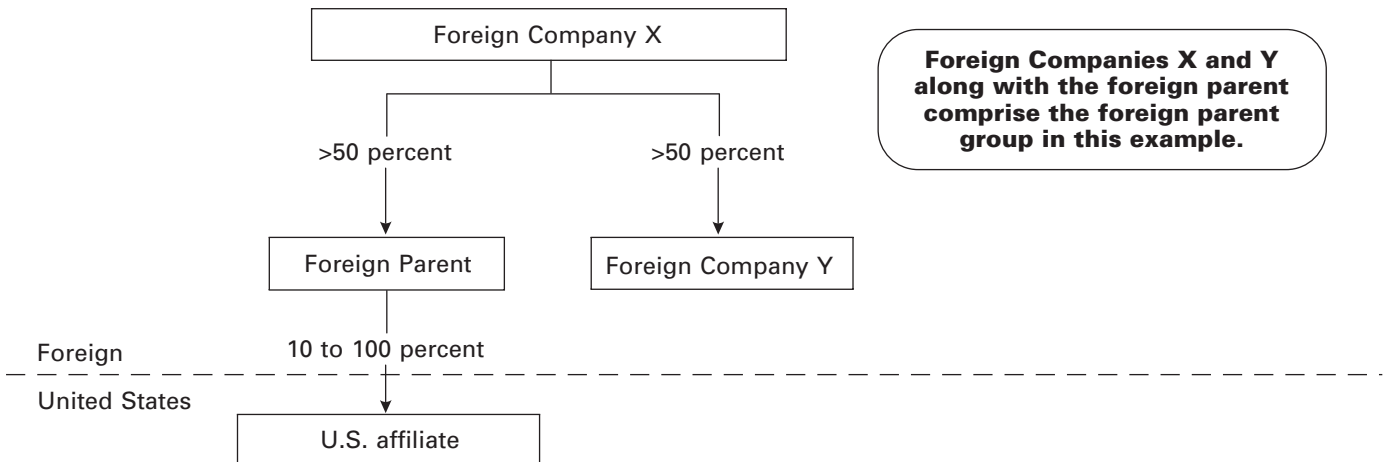
	ISI code (1)	Total sales or gross operating revenues (2)		
		Bil.	Mil.	Thous. Dols.
<b>16.</b> Depository credit intermediation (Banking)	1164	2		
	<b>5221</b>	\$		
<b>17.</b> Non-depository branches and agencies	1165	2		
	<b>5229</b>			
<b>18.</b> Enter other code with largest sales or gross operating revenues	1166	2		
<b>19.</b> Enter other code with next largest sales or gross operating revenues	1167	2		
<b>20.</b> Sales or gross operating revenues not accounted for above — Item 19 must have an entry if amounts are entered on this line.	1173	2		
<b>21. TOTAL SALES OR GROSS OPERATING REVENUES –</b> <i>Equals sum of items 16 through 20, column (2).</i>	1174	2		
		\$		

**22. Did the ownership (both direct and indirect) by ALL foreign parents in the voting securities (or an equivalent interest) of this U.S. affiliate EXCEED 50 percent as of the end of the U.S. affiliate's fiscal year that ended in calendar year 2007?** "Voting interest" is defined in instruction 79a on page 22.

1101 <sup>1</sup>  Yes – Answer items 23 through 103 on pages 5 through 13.

<sup>1</sup>  No – Skip to item 42 on page 7.

**EXAMPLE OF FOREIGN PARENT GROUP**



**Foreign Companies X and Y along with the foreign parent comprise the foreign parent group in this example.**

**NOTE: Arrows connecting boxes represent direction of ownership**

**DEFINITIONS OF KEY TERMS**

**Foreign parent group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 percent of the person below it up to and including that person which is not owned more than 50 percent 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 percent by the person above it.

The term "**person**" in the above paragraph is used in the broad legal sense and includes companies. See instruction II.C. on page 19 for the complete definition of "person."

**PART II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued**

*Report all amounts in thousands of U.S. dollars.*

**NOTE: Complete items 23 through 41 ONLY if item 22 on page 4 is answered "Yes." Skip to item 42 on page 7 if item 22 is answered "No."**

**DISTRIBUTION OF SALES OR GROSS OPERATING REVENUES**

Distribute sales or gross operating revenues among three categories — sales of goods, sales of services, and investment income.

		Amount (1)			
		Bil.	Mil.	Thous.	Dols.
<b>23. TOTAL SALES OR GROSS OPERATING REVENUES, EXCLUDING SALES TAXES —</b> <i>Equals item 21 column 2, and also sum of items 24 through 26</i> →	2243	\$			
<b>24. Sales of Goods</b>	2244	\$			
<b>25. Investment income included in gross operating revenues (e.g., dividends and interest generated by finance and insurance subsidiaries or units)</b>	2245	\$			
<b>26. Sales of Services, Total —</b> <i>Sum of items 27 through 30</i> →	2246	\$			
<b>27. To U.S. persons</b>	2247				
<b>28. To foreign parent group.</b> See the example at the bottom of page 4 for an illustration of foreign parent group.	2248				
<b>29. To foreign affiliates owned by this U.S. affiliate.</b> See item 9 at the top of page 3 for an illustration of foreign affiliates owned by the U.S. affiliate.	2249				
<b>30. To other foreign persons</b>	2250				

**INSURANCE INDUSTRY ACTIVITIES**

Insurance related activities are covered by industry codes 5243 (Insurance carriers, except life insurance carriers) and 5249 (Life insurance carriers).

**31. Of the total sales and gross operating revenues reported on line 21, column 2, were any of the sales or revenues generated by insurance related activities?**

- 1180 1  Yes – Answer items 32 and 33  
 2  No – Skip to item 34

**NOTE: Complete items 32 and 33 ONLY if item 31 is answered "Yes."**

		Amount (1)			
		Bil.	Mil.	Thous.	Dols.
<b>32. Premiums earned —</b> Report premiums, gross of commissions, included in revenue during the reporting year. Calculate as direct premiums written (including renewals) net of cancellations, plus reinsurance premiums assumed, minus reinsurance premiums ceded, plus unearned premiums at the beginning of the year, minus unearned premiums at the end of the year. EXCLUDE all annuity premiums. Also EXCLUDE premiums and policy fees related to universal and adjustable life, variable and interest-sensitive life, and variable-universal life policies.	1181	\$			
<b>33. Losses incurred —</b> Report losses incurred for the insurance products covered by question 32. EXCLUDE loss adjustment expenses and losses that relate to annuities. Also EXCLUDE losses related to universal and adjustable life, variable and interest-sensitive life, and variable-universal life policies.  <i>For property and casualty insurance,</i> calculate as net losses paid during the reporting year, minus net unpaid losses at the beginning of the year, plus net unpaid losses at the end of the year. In the calculation of net losses, include losses on reinsurance assumed from other companies and exclude losses on reinsurance ceded to other companies. Unpaid losses include both case reserves and losses incurred but not reported.  <i>For life insurance,</i> losses reflect policy claims on reinsurance assumed or on primary insurance sold, minus losses recovered from reinsurance ceded, adjusted for changes in claims due, unpaid, and in course of settlement.	1182	\$			
<b>34. Interest income from ALL sources (including foreign parents and affiliates), after deduction of taxes withheld at the source.</b> Do not net against interest expense (item 35).	2400	\$			
<b>35. Interest expense plus interest capitalized, paid or due to ALL payees (including foreign parents and affiliates), before deduction of U.S. tax withheld by the affiliate.</b> Do not net against interest income (item 34).	2401	\$			
<b>36. Income from equity investments in unconsolidated U.S. affiliates and all foreign entities –</b> Report equity in earnings during the reporting period for all U.S. and foreign investments included on the equity basis. For investments owned less than 20 percent and not subject to FAS 115 (Accounting for Certain Investments in Debt and Equity Securities), report dividends received.	2150	\$			
<b>PLEASE CONTINUE ON PAGE 6</b>					
	<b>BEA USE ONLY</b>				
					2598 \$

**BEA USE ONLY**

1200	1	2	3	4	5
1201	1	2	3	4	5
1202	1	2	3	4	5
1203	1	2	3	4	5

## PART II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued

Report all amounts in thousands of U.S. dollars.

**NOTE: Complete items 23 through 41 ONLY if item 22 on page 4 is answered "Yes." Skip to item 42 on page 7 if item 22 is answered "No."**

	Amount (1)			
	Bil.	Mil.	Thous.	Dols.
<p><b>37. Certain realized and unrealized gains (losses) — Note:</b> Please read the following instructions carefully as they are keyed to economic accounting concepts and in some cases may deviate from what is normally required by U.S. Generally Accepted Accounting Principles.</p> <p><b>Report at gross amount before</b> income tax effect. Include tax effect in item 39 below. Report gains (losses) resulting from:</p> <p><b>a.</b> Extraordinary, unusual, or infrequently occurring items that are material. INCLUDE losses from accidental damage or disasters, after estimated insurance reimbursement. INCLUDE other material items, including writeups, writedowns, and writeoffs of tangible and intangible assets; gains (losses) from the sale or other dispositions of capital assets; and gains (losses) from the sale or other dispositions of financial assets, including securities, to the extent not included above. EXCLUDE legal judgments.</p> <p><b>b.</b> Restructuring. INCLUDE restructuring costs that reflect write downs or writeoffs of assets or liabilities. EXCLUDE actual payments, or charges to establish reserves for future actual payments, such as for severance pay, and fees to accountants, lawyers, consultants, or other contractors.</p> <p><b>c.</b> Sales or disposition of land, other property, plant and equipment, or other assets, and FAS 144 (Accounting for the Impairment or Disposal of Long-lived Assets) impairment losses. EXCLUDE gains or losses from the sale of inventory assets in the ordinary course of trade or business.</p> <p><b>d.</b> Sales or other disposition of financial assets, including investment securities; FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) holding gains (losses) on securities classified as trading securities; FAS 115 impairment losses; and gains and losses derived from derivative instruments. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies, see special instructions on page 21;</p> <p><b>e.</b> Goodwill impairment as defined by FAS 142 (Goodwill and Other Intangible Assets);</p> <p><b>f.</b> DISPOSALS of discontinued operations. EXCLUDE income from the operations of a discontinued segment. Report such income as part of your income from operations in items 16 through 21;</p> <p><b>g.</b> Remeasurement of the U.S. affiliate's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the reporting period;</p> <p><b>h.</b> The cumulative effect of a change in accounting principle; and</p> <p><b>i.</b> Change in accounting estimate of provision for expected stock option forfeitures under the inception method as defined by FAS 123 (Share-based Payment).</p>				
			1	
	2151	\$		
<b>38. Depreciation expense on property, plant, and equipment for the fiscal year that ended in calendar year 2007.</b>	2392	\$		
<b>39. Income taxes</b> – Provision for U.S. Federal, State, and local incomes taxes. Include the income tax effect of certain realized and unrealized gains (losses) reported on line 37. Exclude production royalty payments.	2156	\$		
<b>40. Other taxes</b> and non-tax payments (EXCLUDING income and payroll taxes) — Amount paid or accrued for the year, net of refunds or credits, to U.S. Federal, State, and local governments, their subdivisions and agencies for —				
<ul style="list-style-type: none"> <li>• Sales, consumption, and excise taxes <b>collected by you on goods and services you sold</b></li> <li>• Premium taxes paid by insurance companies</li> <li>• Property and other taxes on the value of assets and capital</li> <li>• Any remaining taxes (other than income and payroll taxes)</li> <li>• Non-tax liabilities (other than for purchases of goods and services) such as — <ul style="list-style-type: none"> <li>• Import and export duties</li> <li>• Production royalties for natural resources</li> <li>• License fees, fines, penalties, and similar items</li> </ul> </li> </ul>			1	
	2402	\$		
<b>41. Cash items</b> – Deposits in financial institutions and other cash items that are included in total assets on your balance sheet. <i>Do NOT include overdrafts as negative cash.</i> <b>Note</b> – Although including certificates of deposit (CDs) in CASH is permitted by generally accepted accounting principles, <b>exclude</b> CDs and other deposits of the U.S. affiliate held by the foreign parent group. <i>See example at the bottom of page 4 for an illustration of foreign parent group.</i>	2101	\$		
			1	
<b>PLEASE CONTINUE WITH ITEM 42 ON PAGE 7</b>				
<b>BEA USE ONLY</b>	2599			

**PART II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued**

*Report all amounts in thousands of U.S. dollars*

**CROSS-BORDER SERVICES TRANSACTIONS**

**42. Did this U.S. affiliate receive payments or credits from, or make payments or issue credits to, persons or entities located outside of the United States for any of the items listed below?**

- Royalties, license fees, and other fees for the use or sale of intangible property.
- Services including but not limited to: accounting, advertising, computer, construction and related services, consulting, data base, financial, insurance, legal, management, operational leasing, public relations, research and development.

1186 <sup>1</sup>  Yes    <sup>2</sup>  No

**BALANCE SHEET ITEMS (43–49)**

Report income or losses accumulated at a Branch or Agency, but not yet remitted or reimbursed, as part of owners' equity, not as receivables or payables. If you are a Branch or Agency, do not net out liabilities and receivables to related parties.

Report on the basis of audited statements, or internal books if an independent audit is not performed. Do not report on the basis of the Call Reports to the Federal Reserve (FFIEC-002 or FFIEC-041).

**NOTE** – Foreign operations in which you own an interest of 20 percent or more, including those in which you own a majority interest, are to be deconsolidated. Include all unconsolidated businesses on an equity basis or, if less than 20 percent owned, in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting.

		BALANCES							
		Close FY 2007				Close FY 2006 (Unrestated)			
		(1)				(2)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
<b>43. Total assets (including cash)</b>	2109								
<b>44. Total liabilities</b>	2114								
• <b>OWNERS' EQUITY ITEMS</b> – Unincorporated affiliates see additional instructions for 45–49 on page 21 at the back of this form.									
<b>45. Capital stock (common and preferred, voting and non-voting), contributed capital, and additional paid-in capital</b>	2116								
<b>46. Retained earnings (deficit)</b>	2117								
<b>47. Accumulated other comprehensive income (loss)</b>		Close FY 2007 (1)				Close FY 2006 (Unrestated) (2)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
<b>47a. Translation adjustment</b>	2122								
<b>47b. All other components</b>	2128								
<b>47c. Total accumulated other comprehensive income (loss) – Equals sum of 47a and 47b.</b>	2129								
<b>48. Other, including treasury stock — Specify major items</b>	2119								
<b>49. TOTAL OWNERS' EQUITY (INCORPORATED OR UNINCORPORATED U.S. AFFILIATE) – Sum of items 45, 46, 47c, and 48, also equals item 43 minus item 44</b>	2120								

**OTHER FINANCIAL AND OPERATING DATA**

• **INCOME**

**50. Total income** – Includes but is not limited to:

- a. Sales or gross operating revenues included on page 4, item 21, column (2);
- b. Income from equity investments in unconsolidated U.S. affiliates and all foreign affiliates owned by the U.S. affiliate;
- c. Certain realized and unrealized gains (losses); and
- d. Other income.

				Amount (1)			
				Bil.	Mil.	Thous.	Dols.
				1			
				2153			

**51. Net income (loss) – After provision for U.S. Federal, State, and local income taxes.**

				1			
				2159			

**52. Expenditures for property, plant, and equipment for FY 2007** – INCLUDE all purchases by, or transfers (at net book value) to, the U.S. affiliate of land, mineral and timber rights, and other property, plant and equipment. Also INCLUDE capitalized and expensed exploration and development expenditures. EXCLUDE expenditures made in prior years that are reclassified in the current year. Also EXCLUDE land and other property, plant and equipment obtained through the acquisition of or merger with another company during the year. DO NOT net out sales and other dispositions of property, plant, and equipment from the expenditures reported on this line.

				1			
				2390			

**PLEASE CONTINUE ON PAGE 8**

**BEA USE ONLY**

				1			
				2399			



## PART II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued

Report all amounts in thousands of U.S. dollars.

CHANGE IN RETAINED EARNINGS (DEFICIT) – If retained earnings (deficit) is not shown as a separate account, show change in total owner's equity.	Amount (1)			
	Bil.	Mil.	Thous.	Dols.
<b>53. Balance, close FY 2006 before restatement due to a change in the entity (i.e., due to mergers, acquisitions, divestitures, etc.) or a change in accounting methods or principles, if any – Enter amount from item 46, column (2); if retained earnings is not shown as a separate account, enter amount from item 49, column (2).</b>	2211	\$	1	
<b>54. Increase (decrease) due to restatement of FY 2006 closing balance. – Specify reasons for change ↘</b>	2212		1	
<b>55. FY 2006 closing balance as restated – Item 53 plus item 54.</b>	2213	\$	1	
<b>56. Net income (loss) – Enter amount from item 51 on page 7.</b>	2214		1	
<b>57. Dividends or remitted earnings –</b> Incorporated affiliate, enter amount of dividends declared, inclusive of withholding taxes, out of current- or prior-period income, on common and preferred stock, <b>excluding stock and liquidating dividends.</b> Branches and agencies, enter amount of earnings remitted to home office. Exclude losses reimbursed by home office. Include such losses in item 58 below.	2215		1	
<b>58. Losses reimbursed by home office, and other increases (decreases) in retained earnings, including stock or liquidating dividends, or, if retained earnings is not shown as a separate account, other increases (decreases) in total owners' equity, including capital contributions (return of capital). – Specify major items ↘</b>	2217		1	
<b>59. FY 2007 closing balance – Sum of items 55, 56, and 58 minus item 57. Must equal item 46, column (1) if retained earnings (deficit) is shown as a separate account; must equal item 49 column (1) if retained earnings (deficit) is NOT shown as a separate account.</b>	2218	\$	1	
<b>CHANGE IN LOAN LOSS RESERVE, EXCLUDE LOANS TRANSFERRED TO THE FOREIGN PARENT</b>			1	
<b>60. Loan loss reserve – Balance at close of FY 2006</b>	2300	\$		
<b>61. Provision for loan losses – Amount charged to the loan loss reserve account during FY 2007</b>	2301		1	
<b>62. Loan losses – Amount of actual loan losses incurred during FY 2007, including direct write-offs</b>	2302		1	
<b>63. Recovered losses and other adjustments – Amount of actual loan losses and other adjustments recovered during FY 2007 – Specify major items ↘</b>	2303		1	
<b>64. Loan loss reserve – Balance at close of FY 2007 – Sum of items 60, 61, and 63 minus item 62 →</b>	2304	\$	1	

## SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION

**65. Copy your answer from item 22 on page 4 to the appropriate box below and follow the applicable instructions.**

- Yes** – For each state that you list on the schedule on page 9, complete columns (3), (4), and (5). If column (5) is zero, please show zero.
- No** – For each state that you list on the schedule on page 9, complete only columns (3) and (4). DO NOT complete column 5.

**66–72.**

**Complete the schedule on page 9 for the five states in which the U.S. affiliate has reportable data.** If the U.S. affiliate has activities in more than five states, report those five states for which the number of employees (column (3)) is largest. If the number of employees is zero or insignificant, use the gross book value of all land and other property, plant and equipment (column (4)) to determine the five primary states. **Additional instructions for items 66–72 are found starting on page 21.**

**Column (3) – INCLUDE** all full-time and part-time employees on the payroll at the end of FY 2007; **EXCLUDE** contract workers and other workers not carried on the payroll of this U.S. affiliate. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of the number on the payroll at the end of the fiscal year. If employment at the end of FY 2007 or the count taken at some other time during FY 2007, was unusually high or low because of temporary factors (e.g., a strike), give the number of employees that reflects normal operations. If the business enterprise's activity involves large seasonal variations, give the average number of employees for FY 2007. If given, the average should be the average for FY 2007 of the number of persons on the payroll at the end of each payroll period, month, or quarter. If precise figures are not available, give your best estimate.

**PART II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued**

*Report all amounts in thousands of U.S. dollars.*

**SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION – Continued**

**Column (4)** – INCLUDE land and other property, plant, and equipment items, whether carried as investments, in fixed asset accounts, or in other balance sheet accounts. INCLUDE land held for resale, for investment purposes, and all other land owned. INCLUDE property you own that you lease to others under operating leases. INCLUDE land and other property, plant, and equipment on capital lease from other, but EXCLUDE that on capital lease to others. Value land and other property, plant, and equipment at historical cost before any allowances for depreciation or depletion.

**Column (5)** – Complete column (5) ONLY if item 65 on page 8 is answered "Yes." INCLUDE in column (5) the gross book value of commercial property you own, and commercial property you use or operate that is leased from others under a capital lease. Commercial property INCLUDES ALL buildings and associated land leased or rented to others under operating leases. Commercial property INCLUDES apartment buildings; office buildings; hotels; motels; and buildings used for wholesale, retail, and services trades, such as shopping centers, recreational facilities, department stores, bank buildings, restaurants, public garages, and automobile service stations. INCLUDE the value of land associated with these buildings. INCLUDE office buildings and associated land owned by industrial companies NOT located at industrial sites. EXCLUDE furniture and equipment located at commercial property. EXCLUDE property you use for agricultural, mining, manufacturing, or other industrial purposes (such as water and sewage treatment, electric power generation, and other utility plants), property you use to support these activities, such as research labs and warehouses, and office buildings located at industrial sites. Also EXCLUDE educational buildings, hospitals, nursing homes, institutional buildings, and all undeveloped land.

	BEA USE ONLY (1)	STATE – Enter name If applicable, enter name of U.S. territory or possession on the lines below. Additional instructions for items 66–72 are found starting on page 21.	BEA USE ONLY (2)	Number of employees at close of FY 2007 (3)	Gross book value (historical cost) of all land and other property, plant, and equipment wherever carried on balance sheet, FY 2007 closing balance. (4)				If U.S. affiliate is majority-owned by foreign parent(s), report the portion of column (4) that is commercial property (5)					
					Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.		
66.	1		2	3	4					5				
67.	1		2	3	4					5				
68.	1		2	3	4					5				
69.	1		2	3	4					5				
70.	1		2	3	4					5				
71.	1	Employment and property, plant, and equipment not accounted for above 2764	2	3	4					5				
72.	1	TOTAL – Sum of items 66 through 71 2700	2	3	4					5				

**TOTAL NUMBER OF EMPLOYEES** →

**EMPLOYEES AND EMPLOYEE COMPENSATION BY STANDARD OCCUPATION CLASSIFICATION (SOC) GROUPS**

*Please report employees and employee compensation by (SOC). See instruction 73–75 starting on page 21 for a list of the major SOC groups.*

**Column (1) – Number of employees at close of FY 2007** – The total number of employees reported in item 75, column (1) below, MUST equal the total number of employees reported in item 72, column (3) above.

**Column (2) – Employee compensation for FY 2007** – Sum of **wages and salaries** and **employee benefit plans (before payroll deductions)**. Report expenditures made by an employer to employees, including cash payments, stock based compensation, payments-in-kind, and employer expenditures for employee benefit plans including those required by statute, those resulting from collective bargaining contracts, or those that are voluntary. Base compensation data on payroll records. Report compensation which relates to activities that occurred during the reporting period regardless of whether the activities were charged as an expense on the income statement, charged to inventories, or capitalized. EXCLUDE amounts related to activities of a prior period, such as those capitalized or charged to inventories in prior periods. See instruction 73–75 on page 21 for more details of what to include as employee compensation.

**NOTE: A list of the major SOC groups can be found starting on page 21 and continuing on page 22.**

		Number of employees at close of FY 2007 (1)		Employee compensation for FY 2007 (2)			
		Number		Bil.	Mil.	Thous.	Dols.
73.	Managerial, professional and technical employees (SOC 11-29) 2260	1	2	\$			
74.	All other employees (SOC 31-55) 2261	1	2				
75.	TOTAL NUMBER OF EMPLOYEES AND EMPLOYEE COMPENSATION – Sum of items 73 and 74. Column (1) must equal item 72, column (3). → 2262	1	2	\$			

**PART III - INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT AND BETWEEN U.S. AFFILIATE AND FOREIGN PARENT GROUP**

**Name of U.S. business enterprise shown in item A on page 1 of this BE-12 Bank**

**Instructions for Part III** - Prepare a separate Part III to report each ownership interest held by a foreign parent, at **anytime** during the fiscal year that ended in calendar year 2007, in the U.S. affiliate named on page 1 of this BE-12. Such ownership interests are reported in items 10 through 13 on page 3 (and, if applicable, continued on a separate sheet). If a foreign parent held **both** direct **and** indirect ownership interests in this U.S. affiliate, prepare one Part III to report the direct interest and a separate Part III to report the indirect interest. A Part III must also be prepared for foreign parent ownership interests disposed of in their entirety during the year.

Use this Part III to report the foreign parent with the largest voting interest **at year-end**. Use photocopies of this Part III to report all additional voting interests, if any, held by foreign parents in this U.S. affiliate.

**If more than one Part III is filed, do not duplicate positions in, or transactions with, the U.S. affiliate.**

**Section A - IDENTIFICATION OF FOREIGN PARENT AND ULTIMATE BENEFICIAL OWNER (UBO)**

**76. Number of Part IIIs filed by the U.S. affiliate - If there is only one, enter "1."**

3010

BEA USE ONLY	
Control number	
-	-

**77. What is the name of the foreign parent being reported on in this Part III?**

3011

Name of foreign parent

**78. For the foreign parent named in item 77 above, this Part III is being used to report - Mark (X) one**

- a.**  a **direct** ownership interest in the U.S. affiliate (as reported in items 10 and 11 on page 3). See example 1 near the bottom of page 3 for an illustration of a direct ownership interest.
- b.**  an **indirect** ownership interest in the U.S. affiliate (as reported in items 12 and 13 on page 3). See example 2 near the bottom of page 3 for an illustration of an indirect ownership interest.

**79. If item 78a is marked - Give percent of -**

	Close FY 2007 (1)	Close FY 2006 (2)
<b>a.</b> voting interest owned . . . . . 3014	. %	. %
<b>b.</b> equity interest owned . . . . . 3015	. %	. %

"Voting interest" and "equity interest" are defined in instruction 79 on page 22 at the back of this form.

**NOTE** - Sum of item 79a (voting interest owned) of all Part IIIs must equal the sum of items 10 and 11 on page 3.

**80. Country in which foreign parent named in item 77 -**

**a.** is incorporated or organized, if a business enterprise, or is a resident, if an individual . . . . .

**BEA USE ONLY**

3016

**b.** is located, if a business enterprise and the country is different from that in item 80a . . . .

3017

**81. Enter the industry code of the foreign parent, named in item 77, from the list of codes at the bottom of this page that best describes the PRIMARY activity of the SINGLE entity named as the foreign parent. DO NOT base the code on the world-wide sales of all consolidated subsidiaries of the foreign parent.**

3018

**FOREIGN PARENT AND UBO INDUSTRY CODES**

**Note:** "ISI codes" are International Surveys Industry codes, as given in the *Guide to Industry Classifications for International Surveys, 2007*.

- |  |  |
|--|--|
| <p><b>01</b> Government and government-owned or -sponsored enterprise, or quasi-government organization or agency</p> <p><b>02</b> Pension fund - Government run</p> <p><b>03</b> Pension fund - Privately run</p> <p><b>04</b> Estate, trust, or nonprofit organization (that part of ISI code 5252 that is estates and trusts)</p> <p><b>05</b> Individual</p> <p><b>Private business enterprise, investment organization, or group engaged in:</b></p> <p><b>06</b> Insurance (ISI codes 5242, 5243, 5249)</p> <p><b>07</b> Agriculture, forestry, fishing and hunting (ISI codes 1110-1140)</p> <p><b>08</b> Mining (ISI codes 2111-2127)</p> <p><b>09</b> Construction (ISI codes 2360-2380)</p> <p><b>10</b> Transportation and warehousing (ISI codes 4810-4939)</p> <p><b>11</b> Utilities (ISI codes 2211-2213)</p> <p><b>12</b> Wholesale and retail trade (ISI codes 4231-4251 and 4410-4540)</p> <p><b>13</b> Banking, including bank holding companies (ISI codes 5221 and 5229)</p> <p><b>14</b> Holding companies, excluding bank holding companies (ISI codes 5512 and 5513)</p> <p><b>15</b> Other finance (ISI codes 5223, 5224, 5231, 5238, that part of ISI code 5252 that is not estates and trusts, and ISI code 5331)</p> | <p><b>16</b> Real estate (ISI code 5310)</p> <p><b>17</b> Information (ISI codes 5111-5191)</p> <p><b>18</b> Professional, scientific, and technical services (ISI codes 5411-5419)</p> <p><b>19</b> Other services (ISI codes 1150, 2132, 2133, 5321, 5329, and 5611-8130)</p> <p><b>Manufacturing, including fabricating, assembling, and processing of goods:</b></p> <p><b>20</b> Food (ISI codes 3111-3119)</p> <p><b>21</b> Beverages and tobacco products (ISI codes 3121 and 3122)</p> <p><b>22</b> Pharmaceuticals and medicine (ISI code 3254)</p> <p><b>23</b> Other chemicals (ISI codes 3251-3259, except 3254)</p> <p><b>24</b> Nonmetallic mineral products (ISI codes 3271-3279)</p> <p><b>25</b> Primary and fabricated metal products (ISI codes 3311-3329)</p> <p><b>26</b> Computer and electronic products (ISI codes 3341-3346)</p> <p><b>27</b> Machinery manufacturing (ISI codes 3331-3339)</p> <p><b>28</b> Electrical equipment, appliances and components (ISI codes 3351-3359)</p> <p><b>29</b> Motor vehicles and parts (ISI codes 3361-3363)</p> <p><b>30</b> Other transportation equipment (ISI codes 3364-3369)</p> <p><b>31</b> Other manufacturing (ISI codes 3130-3231, 3261, 3262, 3370-3399)</p> <p><b>32</b> Petroleum manufacturing, including integrated petroleum and petroleum refining without extraction (ISI codes 3242-3244)</p> |
|--|--|

**PART III - INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT AND BETWEEN U.S. AFFILIATE AND FOREIGN PARENT GROUP - Continued**

**Section A - IDENTIFICATION OF FOREIGN PARENT AND ULTIMATE BENEFICIAL OWNER - Continued**

**NAME, COUNTRY, AND INDUSTRY CODE OF ULTIMATE BENEFICIAL OWNER (UBO)**

**Furnish the name, country, and industry code of the UBO.** The UBO is that person or entity, proceeding up the ownership chain beginning with and including the foreign parent, that is not more than 50 percent owned or controlled by another person or entity. See instruction II.O. on page 20 for the complete definition of UBO.

**NOTE: See the diagrams at the bottom of this page for examples of the UBO.**

**82. Is the foreign parent named in item 77 also the UBO?** If the foreign parent is owned or controlled MORE THAN 50 percent by another person or entity, then the foreign parent is NOT the UBO.

- 3019 <sup>1</sup>  Yes - (example 1 below) - *Skip to 85*  
<sup>1</sup>  No - (examples 2A and 2B below) - *Continue with 83*

**83. Enter the name of the UBO of the foreign parent.** If the UBO is an individual, or an associated group of individuals, enter "individual." See instruction II.D. on page 19 for the definition of associated group. Identifying the UBO as "bearer shares" is not an acceptable response.

3021

**84. Enter country of UBO.** For individuals, see instruction V.B on page 22.

**BEA USE ONLY**

3022

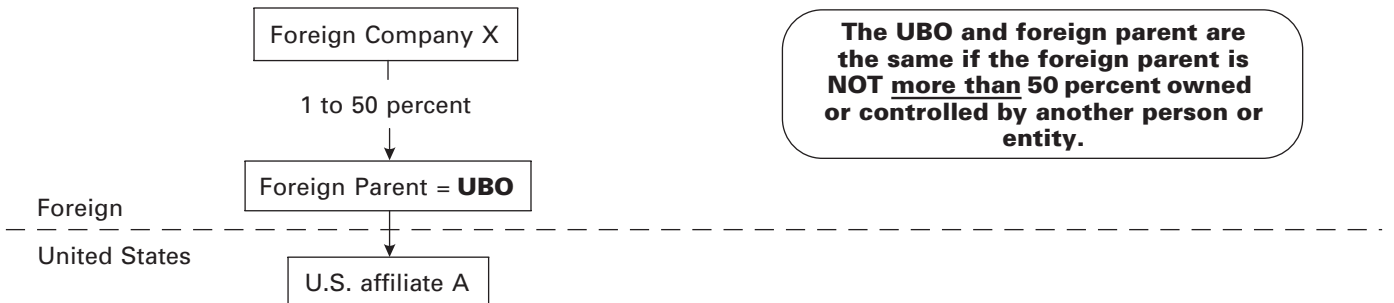
**85. Enter the industry code of the UBO** from the list of codes at the bottom of page 10. **NOTE** - The UBO industry code is based on the consolidated world-wide activities of all majority-owned subsidiaries of the UBO. Select the industry code that best reflects the consolidated world-wide sales of the UBO, including all of its majority-owned subsidiaries.

3023  DO NOT USE CODE 14 UNLESS YOU RECEIVE PERMISSION FROM BEA. Code "14" (holding company) is normally NOT a valid UBO industry code.

**PLEASE CONTINUE WITH QUESTION 86 ON PAGE 12**

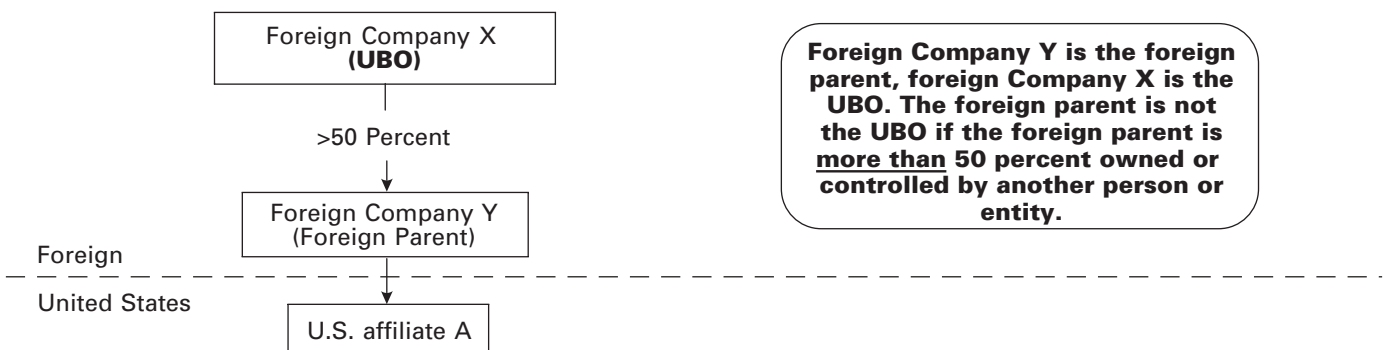
**EXAMPLES OF THE ULTIMATE BENEFICIAL OWNER (UBO)**

**Example 1 - The UBO and Foreign Parent are the same**

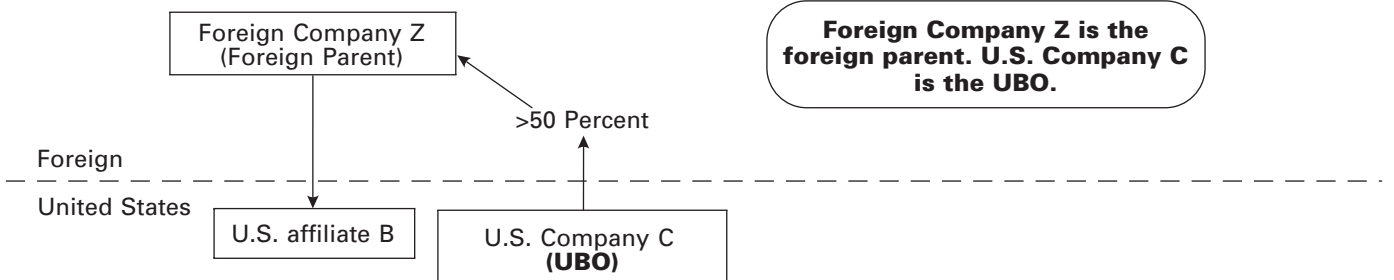


**Examples 2A and 2B - The Foreign Parent is NOT the UBO**

**A. The UBO is a foreign person or entity**



**B. The UBO is a U.S. person or entity**



**NOTE: Arrows connecting boxes represent direction of ownership**

**PART III - INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT AND BETWEEN U.S. AFFILIATE AND FOREIGN PARENT GROUP - Continued**

**Report all amounts in thousands of U.S. dollars.**

**NOTE** ▶ To avoid duplication in U.S. Government statistics, exclude from section B claims and liabilities arising from the parent's and affiliate's ordinary banking business and also exclude receipts and payments of interest on the excluded claims and liabilities. Instead, report claims and liabilities arising from ordinary banking business and related interest receipts and payments on Treasury Department International Capital (TIC) forms.

**86. Copy your answer from item 78 on page 10 to the appropriate box below and follow the applicable instructions.**

- a. <sup>1</sup>  A **direct** interest - Complete items 87 through 103 on pages 12 and 13. Do not duplicate data reported on other Part IIIs.
- b. <sup>1</sup>  An **indirect** interest - Complete **ONLY** items 87 through 92 on page 12. Do not duplicate data reported on other Part IIIs.

**Section B - FOREIGN BANK PARENT'S PERMANENT DEBT INVESTMENT IN THE BANKING OPERATIONS OF THE U.S. AFFILIATE AND RELATED INTEREST PAYMENTS OR CREDITS**

Report the foreign parent's "permanent" debt investment that relates **ONLY** to consolidated subsidiaries or units that are banks or bank holding companies. DO NOT include debt that arises from ordinary banking operations or debt that relates to insurance, real estate, leasing, or other nonbank subsidiaries or units.

**• DEBT**

**87. Foreign bank parent's permanent debt investment balances in U.S. affiliate** - INCLUDE debt that is considered to be BOTH (a) permanently invested by the foreign parent, and (b) positively identified as being used for nonbanking-type activities (e.g., debt used to acquire buildings, equipment, and other fixed assets) of the consolidated subsidiaries or units that are banks or bank holding companies. EXCLUDE non-permanent debt such as ordinary bank loans or deposits. Also EXCLUDE demand and overnight accounts, debt used to fund investment activities, debt for which the proceeds are used to meet regulatory and/or capital requirements, and debt with foreign parents that are **not** banks.

Close FY 2007 (1)				Close FY 2006 (2)			
Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1				2			
3055	\$			\$			

**INTEREST**

Enter amounts credited to foreign parent or charged to U.S. affiliate

- Include interest on capital leases.

**PAYMENTS OR CREDITS BY U.S. AFFILIATE TO FOREIGN PARENT**

Gross payment (before deduction of U.S. tax withheld) (1)				U.S. tax withheld (2)			
Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1				2			
3076	\$			\$			

**88. Interest payments on foreign bank parent's permanent invested debt in U.S. affiliate (item 87)** - Do not include interest from other types of loans. 3076

**Section C - INTERCOMPANY BALANCES AND RELATED INTEREST BETWEEN THE INSURANCE, REAL ESTATE, AND LEASING SUBSIDIARIES OR UNITS OF THE U.S. AFFILIATE AND THE FOREIGN PARENT NAMED IN ITEM 77, AND ITS FOREIGN PARENT GROUP**

**NOTE: See the diagram near the bottom of page 4 that illustrates foreign parent group.**

Insurance activities are covered by industry codes 5243 (insurance carriers, except life insurance carriers) and 5249 (life insurance carriers). Real estate activities are covered by industry code 5310 (real estate). Leasing activities are covered by industry codes 5321 (automotive equipment rental and leasing), 5329 (other rental and leasing services), and 5331 (lessors of non-financial intangible assets (except copyrighted works)).

**89. Does this Form BE-12 Bank include data for domestic U.S. subsidiaries or units that have insurance, real estate, or leasing activities?**

- <sup>3047</sup> <sup>1</sup>  Yes - Answer items 90 through 92.
- <sup>1</sup>  No - Skip to item 93 on page 13 if item 86 above is answered "a. A direct interest."

**NOTE: Complete items 90 through 92 ONLY if item 89 is answered "Yes."**

**For items 90 and 91 report amounts that relate ONLY to insurance, real estate, and leasing activities. Report amounts according to the books of the U.S. affiliate.**

**90. Liabilities, relating to your insurance, real estate, and leasing activities, owed by U.S. affiliate to foreign parent named in item 77 and to its foreign parent group** - Current and long-term. 3050

Close FY 2007 (1)				Close FY 2006 (2)			
Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1				2			
3050	\$			\$			

**91. Receivables, relating to your insurance, real estate, and leasing activities, due to U.S. affiliate from foreign parent named in item 77 and from its foreign parent group** - Current and long-term. Include certificates of deposit and other deposits (that would otherwise be included in cash on your balance sheet) held by the foreign parent and its foreign parent group. 3051

1				2			
3051	\$			\$			

**92. Interest on liabilities and receivables related to the insurance, real estate, and leasing activities (items 90 and 91)** 3080

**PAYMENTS OR CREDITS BY U.S. AFFILIATE TO FOREIGN PARENT AND ITS FOREIGN PARENT GROUP**

**RECEIPTS BY OR CREDITS TO U.S. AFFILIATE FROM FOREIGN PARENT AND ITS FOREIGN PARENT GROUP**

Gross payments (before deduction of U.S. tax withheld) (1)				U.S. tax withheld (2)				Gross receipts (before deduction of foreign tax withheld) (3)				Foreign tax withheld (4)			
Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1				2				3				4			
3080	\$			\$				\$				\$			

**BEA USE ONLY**

3103



**REMARKS** – Please use this space for any explanation that may be essential in understanding your reported data.

This historical survey form is no longer valid  
and is for information purposes only.  
Current survey forms are at  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).

Name of U.S. affiliate as shown in item A, page 1, of BE-12 Bank

Supplement A must be completed by a reporting affiliate which consolidates or aggregates financial and operating data of any other U.S. affiliate(s). The number of U.S. affiliates listed below plus the reporting U.S. affiliate must agree with item 7, Part I, of Form BE-12 Bank. Continue listing onto as many additional copied pages as necessary.

**LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED OR DIRECTLY FOREIGN OWNED BRANCHES AND AGENCIES AGGREGATED INTO THE REPORTING AFFILIATE**

(1)	(2)	(3)	(4)	(5)
BEA USE ONLY	Name of each U.S. affiliate consolidated or aggregated (as represented in item 7, Part I)	Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes	Name of U.S. affiliate which holds the direct ownership interest in the U.S. affiliate listed in column (2)	Percentage of direct voting ownership which the U.S. affiliate named in column (4) holds in the U.S. affiliate named in column (2). - Enter percentage to nearest tenth.
1	2	3	4	5
5111		-		. %
1	2	-		. %
5112		-		. %
1	2	-		. %
5113		-		. %
1	2	-		. %
5114		-		. %
1	2	-		. %
5115		-		. %
1	2	-		. %
5116		-		. %
1	2	-		. %
5117		-		. %
1	2	-		. %
5118		-		. %
1	2	-		. %
5119		-		. %
1	2	-		. %
5120		-		. %
1	2	-		. %
5121		-		. %
1	2	-		. %
5122		-		. %
1	2	-		. %
5123		-		. %
1	2	-		. %
5124		-		. %
1	2	-		. %
5125		-		. %
1	2	-		. %
5126		-		. %
1	2	-		. %
5127		-		. %
1	2	-		. %
5128		-		. %
1	2	-		. %
5129		-		. %
1	2	-		. %
5130		-		. %
1	2	-		. %
5131		-		. %
1	2	-		. %
5132		-		. %
1	2	-		. %
5133		-		. %

www.bea.gov/help/information-for-survey-respondents.  
This historical survey form is no longer valid and is for information purposes only.  
Current survey forms are at



BE-12 Bank Supplement A (2007) – List of ALL U.S. affiliates fully consolidated or directly foreign owned branches and agencies aggregated into the reporting affiliate – Cont.		Page number		
BEA USE ONLY (1)	Name of each U.S. affiliate consolidated or aggregated (as represented in item 7, Part I) (2)	Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes (3)	Name of U.S. affiliate which holds the direct ownership interest in the U.S. affiliate listed in column (2) (4)	Percentage of direct voting ownership which the U.S. affiliate named in column (4) holds in the U.S. affiliate named in column (2). – Enter percentage to nearest tenth. (5)
1	2	3	4	5
5134		-		%
1	2	3	4	5
5135		-		%
1	2	3	4	5
5136		-		%
1	2	3	4	5
5137		-		%
1	2	3	4	5
5138		-		%
1	2	3	4	5
5139		-		%
1	2	3	4	5
5140		-		%
1	2	3	4	5
5141		-		%
1	2	3	4	5
5142		-		%
1	2	3	4	5
5143		-		%
1	2	3	4	5
5144		-		%
1	2	3	4	5
5145		-		%
1	2	3	4	5
5146		-		%
1	2	3	4	5
5147		-		%
1	2	3	4	5
5148		-		%
1	2	3	4	5
5149		-		%
1	2	3	4	5
5150		-		%
1	2	3	4	5
5151		-		%
1	2	3	4	5
5152		-		%
1	2	3	4	5
5153		-		%
1	2	3	4	5
5154		-		%
1	2	3	4	5
5155		-		%
1	2	3	4	5
5156		-		%
1	2	3	4	5
5157		-		%
1	2	3	4	5
5158		-		%
1	2	3	4	5
5159		-		%

This historical survey form is no longer valid  
 and is for information purposes only.  
 Current survey forms are at  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).

Name of U.S. affiliate as shown in item A, page 1, of BE-12 Bank

**LIST OF ALL U.S. AFFILIATES IN WHICH THE REPORTING AFFILIATE (AS CONSOLIDATED) OR AGGREGATED HAS A DIRECT OWNERSHIP INTEREST BUT WHICH ARE NOT FULLY CONSOLIDATED**

Supplement B must be completed by a reporting affiliate which files a BE-12 Bank and has a direct ownership interest in a U.S. affiliate(s) which is (are) not fully consolidated. The number of U.S. affiliates listed below must agree with item 8, Part 1, of BE-12 Bank. Continue listing onto as many additional copied pages as necessary.

<p>1 (1)</p>	<p>2 (2)</p>	<p>3 (3)</p>	<p>4 (4)</p>	<p>5 (5)</p>	<p>6 (6)</p>
<p><b>BEA USE ONLY</b></p>	<p>Name of each U.S. affiliate in which a direct interest is held but that is not listed in Supplement A</p>	<p>Address of each U.S. affiliate listed in column (2) Give number, street, city, State, and ZIP Code</p>	<p>Has each affiliate been notified of obligation to file? Mark (X) one</p>	<p>Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes</p>	<p>Percentage of direct voting ownership interest that the fully consolidated or aggregated U.S. affiliate named on page 1 of this Form BE-12 Bank, holds in the U.S. affiliate named in column (2). - Enter percentage to nearest tenth.</p>
6211			<p>1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No</p>	-	%
6212			<p>1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No</p>	-	%
6213			<p>1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No</p>	-	%
6214			<p>1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No</p>	-	%
6215			<p>1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No</p>	-	%
6216			<p>1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No</p>	-	%
6217			<p>1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No</p>	-	%
6218			<p>1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No</p>	-	%
6219			<p>1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No</p>	-	%
6220			<p>1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No</p>	-	%
6221			<p>1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No</p>	-	%

This historical survey form is no longer valid and is for information purposes only. Current survey forms are at [www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).

**BE-12 Bank Supplement B (2007) – LIST OF U.S. AFFILIATES – Continued**

<p><b>BEA USE ONLY</b></p> <p>(1)</p>	<p>Name of each U.S. affiliate in which a direct interest is held but which is not listed in Supplement A</p> <p>(2)</p>	<p>Address of each U.S. affiliate listed in column (2) Give number, street, city, State, and ZIP Code</p> <p>(3)</p>	<p>Has each affiliate been notified of obligation to file? Mark (X) one</p> <p>(4)</p>	<p>Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes</p> <p>(5)</p>	<p>Percentage of direct voting ownership interest that the fully consolidated or aggregated U.S. affiliate named on page 1 of this Form BE-12 Bank holds in the U.S. affiliate named in column (2). – Enter percentage to nearest tenth.</p> <p>(6)</p>
1	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6222	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6223	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6224	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6225	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6226	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6227	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6228	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6229	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6230	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6231	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6232	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6233	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6234	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6

This historical survey form is no longer valid  
 and is for information purposes only.  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents)

**2007 BENCHMARK SURVEY OF FOREIGN DIRECT INVESTMENT IN THE UNITED STATES  
FORM BE-12 BANK INSTRUCTIONS**

**NOTE:** Instructions in section IV are cross referenced by number to the items located on pages 1 to 18 of this form.

**Authority** – This survey is being conducted pursuant to 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"), and the filing of reports is MANDATORY pursuant to Section 5(b)(2) of the Act (22 U.S.C. 3104).

A response is required from persons subject to the reporting requirements of the BE-12 survey, whether or not they are contacted by BEA. Also, persons contacted by BEA concerning their being subject to reporting, either by sending them a report form or by written inquiry, must respond pursuant to section 806.4 of 15 CFR, Chapter VIII. This may be accomplished by completing and submitting Form BE-12(LF), BE-12(SF), BE-12 Mini, BE-12 Bank, or the BE-12 Claim For Not Filing, whichever is applicable, by May 31, 2008.

**PENALTIES** – Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. These civil penalties are subject to inflationary adjustments. Those adjustments are found in 15 CFR 6.4. 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 violations, upon conviction, may be punished by a like fine, imprisonment or both (22 U.S.C. 3105).

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number. The control number for this survey is at the top of page 1 of this form.

**Respondent Burden** – Public reporting burden for this Bank form is estimated to vary from 4 to 8 hours per response, with an average of 5.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to 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 0608-0042, Washington, DC 20503.

**CONFIDENTIALITY** – The Act provides that your report to this Bureau is CONFIDENTIAL and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report CANNOT be presented in a manner that allows it to be individually identified. Your report CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

### I. REPORTING REQUIREMENTS

**A. Which form to file** – Please review the questions below to determine which form to file. Blank forms can be found at: [www.bea.gov/fdi](http://www.bea.gov/fdi)

- Were at least 10 percent of the voting rights in your business directly or indirectly owned by a foreign person or entity at the end of your fiscal year that ended in calendar year 2007?
  - Yes – Continue with question 2. **NOTE: Your business is hereinafter referred to as a "U.S. affiliate."**
  - No – File the BE-12 Claim For Not Filing by May 31, 2008.
- Is this U.S. affiliate a bank, bank holding company, or financial holding company?
  - Yes – File Form BE-12 Bank by May 31, 2008, OR, if 1) total assets, 2) sales or gross operating revenues, and 3) net income (loss) were ALL less than or equal to \$15 million at the end of, or for, the fiscal year that ended in calendar year 2007, file the BE-12 Claim for Not Filing (Claim). On the Claim complete items A and B, and the Person to Consult Concerning Questions About This Report and the Certification on Page 1, and item (f) on page 2. In item (f) specify that you are a bank, bank holding company, or financial holding company with total assets, sales or gross operating revenues, or net income (loss) all less than or equal to \$15 million.
  - No – Continue with question 3.
- Were more than 50 percent of the voting rights in this U.S. affiliate owned by another U.S. affiliate before the end of this U.S. affiliate's fiscal year that ended in calendar year 2007?
  - Yes – Continue with question 4.
  - No – Skip to question 5.
- Do different foreign persons hold a direct and an indirect ownership interest in this U.S. affiliate (exception "b" to the consolidation rules)? (The consolidation rules are found in instruction IV.2 on page 20.)
  - Yes – Continue with question 5.
  - No – This U.S. affiliate must be consolidated on the BE-12 report of the U.S. affiliate that owns it more than 50 percent. File the BE-12 Claim For Not Filing with page 1 and item (e) on page 2 completed by May 31, 2008, forward this survey packet to the U.S. affiliate that owns this affiliate more than 50 percent, and have them consolidate your data into their report.
- Did any one of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed \$40 million at the end of, or for, its fiscal year that ended in calendar year 2007?
  - Yes – Continue with question 6.
  - No – File Form BE-12 Mini by May 31, 2008.

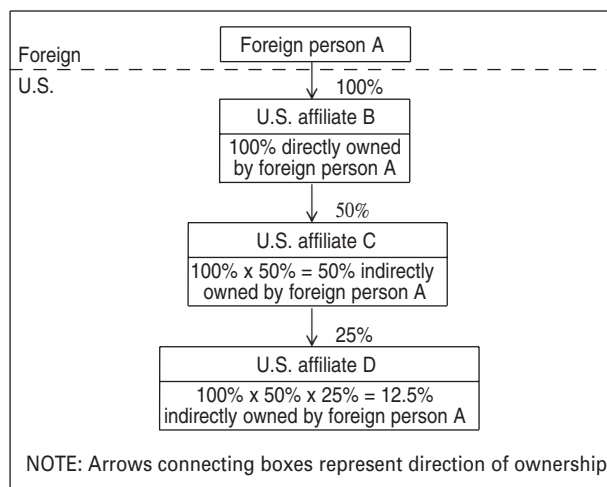
- Was the U.S. affiliate majority-owned by its foreign parent(s) at the end of its fiscal year that ended in calendar year 2007? (A U.S. affiliate is "majority-owned" if the combined direct and indirect ownership interests of all foreign parents of the U.S. affiliate exceed 50 percent.)
  - Yes – Continue with question 7.
  - No – File Form BE-12(SF) by May 31, 2008.

- Did any one of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed \$175 million at the end of, or for, its fiscal year that ended in calendar year 2007?
  - Yes – File Form BE-12(LF) by May 31, 2008.
  - No – File Form BE-12(SF) by May 31, 2008.

**B. Indirect ownership interest in a U.S. business enterprise** is the product of the direct ownership percentage of the foreign parent in the first U.S. business enterprise in the ownership chain multiplied by that first enterprise's direct ownership percentage in the second U.S. business enterprise multiplied by each succeeding direct ownership percentage of each other intervening U.S. business enterprise in the ownership chain between the foreign parent and the given U.S. business enterprise.

**Example:** In the diagram below, foreign person A owns 100% of the voting stock of U.S. affiliate B; U.S. affiliate B owns 50% of the voting stock of U.S. affiliate C; and U.S. affiliate C owns 25% of the voting stock of U.S. affiliate D. Therefore, U.S. affiliate B is 100% directly owned by foreign person A; U.S. affiliate C is 50% indirectly owned by foreign person A; and U.S. affiliate D is 12.5% indirectly owned by foreign person A.

#### Calculation of Foreign Ownership



### II. DEFINITIONS OF KEY TERMS

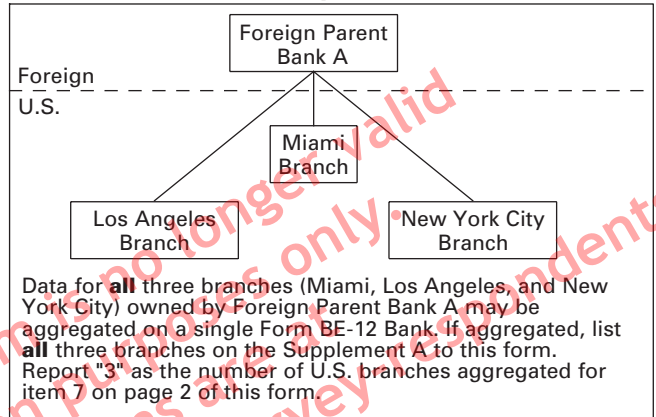
- United States**, when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.
- Foreign**, when used in a geographic sense, means that which is situated outside the United States or which belongs to or is characteristic of a country other than the United States.
- Person**, means any individual, branch, partnership, association, associated group, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the U.S. Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government sponsored agency).
- Associated group** means two or more persons who, by the appearance of their actions, by agreement, or by an understanding, exercise their voting privileges in a concerted manner to influence the management of a business enterprise. The following are deemed to be associated groups:
  - Members of the same family.
  - A business enterprise and one or more of its officers or directors.
  - Members of a syndicate or joint venture.
  - A corporation and its domestic subsidiaries.
- 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 percent 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 percent 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.
- Business enterprise** means any organization, association, branch, or venture which exists for profit making purposes or to otherwise secure economic advantage, and any ownership of any real estate.
- Branch** means the operations or activities conducted by a person in a different location in its own name rather than through an incorporated entity.

**II. DEFINITIONS OF KEY TERMS – Continued**

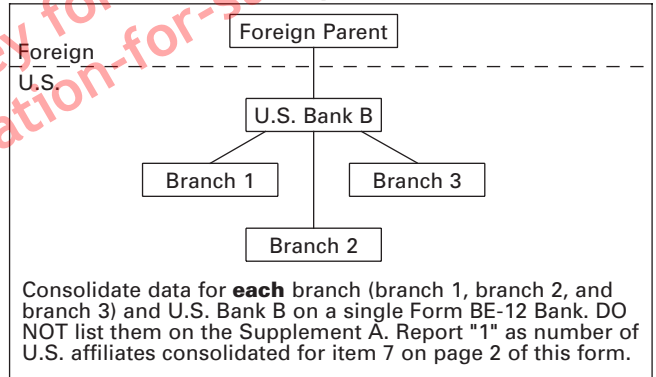
- J. Affiliate** means a business enterprise located in one country which is directly or indirectly owned or controlled by a person of another country to the extent of 10 percent or more of its voting securities for an incorporated business enterprise or an equivalent interest for an unincorporated business enterprise, including a branch.
- K. U.S. affiliate** means an affiliate located in the United States in which a foreign person has a direct investment.
  - 1. Majority-owned U.S. affiliate** means a U.S. affiliate in which the combined direct and indirect voting interest of all foreign parents of the U.S. affiliate exceeds 50 percent.
  - 2. Minority-owned U.S. affiliate** means a U.S. affiliate in which the combined direct and indirect voting interest of all foreign parents of the U.S. affiliate is 50 percent or less.
- L. Foreign parent** means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.
- M. U.S. corporation** means a business enterprise incorporated in the United States.
- N. Intermediary** means any agent, nominee, manager, custodian, trust, or any person acting in a similar capacity.
- O. Ultimate beneficial owner (UBO)** is that person, proceeding up the ownership chain beginning with and including the foreign parent, that is not more than 50 percent owned or controlled by another person. Note: Stockholders of a closely or privately held corporation are normally considered to be an associated group and may be a UBO.
- P. 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, bank holding companies, and financial holding companies under the Gramm-Leach-Bliley Act.
- Q. Lease** is an arrangement conveying the right to use property, plant, or equipment (i.e., land and/or depreciable assets), usually for a stated period of time.
  - 1. Capital lease** – A long-term lease under which a sale of the asset is recognized at the inception of the lease. These may be shown as lease contracts or accounts receivable on the lessor's books. The asset would not be considered as owned by the lessor.
  - 2. Operating lease** – Generally, a lease with a term which is less than the useful life of the asset and a transfer of ownership is not contemplated.

(Note that subsequent filings of Form BE-605 quarterly reports with BEA, if required, must be on the same aggregated basis.) If all U.S. branches and agencies directly owned by a foreign bank are not aggregated on a single report, then each branch or agency must file a separate Form BE-12 Bank.

**Example A**



**Example B**



**Unless the exceptions discussed below apply, any deviation from these consolidation/aggregation rules must be approved in writing each year by BEA.** In accordance with FAS 94 (Consolidation of all Majority-Owned Subsidiaries), consolidation of majority-owned subsidiaries is required even if their operations are not homogeneous with those of the U.S. affiliate that owns them. If you receive permission from BEA to file deconsolidated reports, report majority-owned subsidiaries, if not consolidated, on this Form BE-12 Bank using the equity method of accounting. DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for affiliates not consolidated.

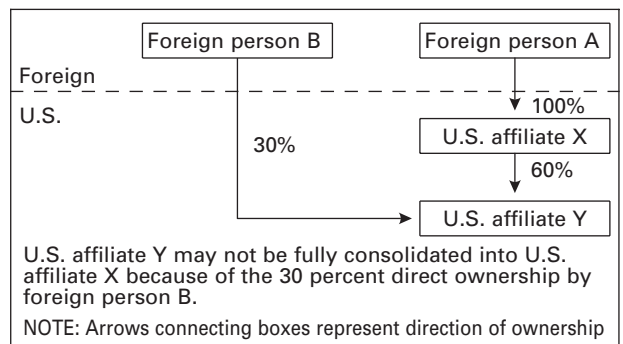
**Exceptions to consolidated reporting** – Note: If a U.S. affiliate is not consolidated into its U.S. parent's BE-12 report, then it **must** be listed on the Supplement B of its parent's BE 12 report, unless the report is a BE-12 Mini which does not have a Supplement B, and each U.S. affiliate not consolidated **must** file its own Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank.

- a. DO NOT CONSOLIDATE FOREIGN SUBSIDIARIES, BRANCHES, OPERATIONS OR INVESTMENTS NO MATTER WHAT THE PERCENTAGE OWNERSHIP.** Report foreign holdings of the U.S. bank affiliate owned 20 percent or more (including those that are majority owned) using the equity method of accounting. DO NOT eliminate intercompany accounts for investments reported using the equity method. You may report immaterial foreign investments using the cost method of accounting if this treatment is consistent with your normal reporting practice.

Report foreign holdings of the U.S. bank affiliate owned less than 20 percent in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting.

**Do not** consolidate, aggregate, or report on the equity or cost methods the operations of branches separately chartered by the foreign parent offshore (for example, in the Cayman Islands or the Bahamas). Such branches are considered to be foreign branches of the foreign parent and are not foreign holdings of the U.S. bank affiliate.

- b.** A U.S. affiliate in which a direct ownership interest and an indirect ownership interest are held by different foreign persons should not be fully consolidated into another U.S. affiliate, but must complete and file its own Form BE-12(LF), BE-12(SF), BE-12 Mini, or BE-12 Bank. (See diagram below.)



If this exception applies, reflect the indirect ownership interest, even if more than 50 percent, on the owning U.S. affiliate's BE-12 report on an equity basis. For example, using the situation shown in the diagram above, U.S. affiliate X must treat its 60 percent ownership interest in U.S. affiliate Y as an equity investment.

**III. GENERAL INSTRUCTIONS**

- A. Changes in the reporting entity** – DO NOT restate close fiscal year 2006 balances for changes in the consolidated reporting entity that occurred during fiscal year 2007. The close fiscal year 2006 balances should represent the reporting entity as it existed at the close of fiscal year 2006.
- B. Required information not available** – Make all reasonable efforts to obtain the information required for reporting. Answer every question except where specifically exempt. Indicate when only partial information is available.
- C. Estimates** – If actual figures are not available, please provide estimates and label them as such. When items cannot be fully subdivided as required, provide totals and an estimated breakdown of the totals.

Certain sections of the Form BE-12 Bank require data that may not normally be maintained in a company's customary accounting records. Precise answers for these items may present the respondent with a substantial burden beyond what is intended by BEA. Therefore, the answers in these sections may be reasonable estimates based upon the informed judgment of persons in the responding organization, sampling techniques, prorations based on related data, etc. However, the estimating procedures used should be consistently applied on all BEA surveys.

- D. Space on form insufficient** – When space on a form is insufficient to permit a full answer to any item, provide the required information on supplementary sheets, appropriately labeled and referenced to the item number on the form.

**IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM**

**NOTE:** Instructions in section IV are cross referenced by number to the items located on pages 1 to 18.

**2. Consolidation Rules**

**Consolidated reporting by the U.S. affiliate** – A U.S. affiliate must file on a fully consolidated **domestic U.S.** basis, including in the full consolidation all **U.S. business enterprises** in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The fully consolidated entity is considered one U.S. affiliate.

**NOTE:** U.S. affiliates that are banks and bank holding companies that directly or indirectly own more than a 50 percent interest in one or more U.S. affiliates in nonbanking industries must **file a single consolidated report on Form BE-12 Bank to report BOTH the banking and nonbanking operations.**

Except as noted in **b** below, all majority-owned U.S. affiliates should be fully consolidated into your Form BE-12 Bank.

**Aggregated reporting** – All U.S. branches and agencies (including International Banking Facilities) directly owned by a foreign bank may be aggregated on a single Form BE-12 Bank. See example A above.

#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM – Continued

- 4. Reporting period** – The report covers the U.S. affiliate's 2007 fiscal year. The affiliate's 2007 fiscal year is defined as the affiliate's financial reporting year that had an ending date in calendar year 2007.

##### Special Circumstances:

- a. 52/53 week fiscal year** – Affiliates having a "52/53 week" fiscal year that ends within the first week of January 2008 are considered to have a 2007 fiscal year and should report December 31, 2007 as their 2007 fiscal year end.
- b. U.S. affiliates without a financial reporting year** – If a U.S. affiliate does not have a financial reporting year, its fiscal year is deemed to be the same as calendar year 2007.
- c. Change in fiscal year**

- (1) New fiscal year ends in calendar year 2007** – A U.S. affiliate that changed the ending date of its financial reporting year **must file a 2007 Form BE-12 Bank that covers the 12 month period prior to the new fiscal year end date.** The following example illustrates the reporting requirements.

**Example 1.** U.S. affiliate A had a June 30, 2006 fiscal year end date but changed its 2007 fiscal year end date to March 31. Affiliate A must file a 2007 Form BE-12 Bank covering the 12 month period from April 1, 2006 to March 31, 2007. The ending balance sheet amounts reported in column (1) of items 43 through 49 must be the correct balances as of March 31, 2007. The beginning balance sheet amounts reported in column (2) must be the **unrestated ending balances as of June 30, 2006.** To reconcile the beginning and ending retained earnings balances (or, if retained earnings is not shown as a separate account, the beginning and ending owners' equity balances) affiliate A must include an adjusting entry in item 54.

- (2) No fiscal year ending in calendar year 2007** – If a change in fiscal year results in a U.S. affiliate not having a fiscal year that ended in calendar 2007, the affiliate **must file a 2007 Form BE-12 Bank that covers 12 months of data.** The following example illustrates the reporting requirements.

**Example 2.** U.S. affiliate B had a December 31, 2006 fiscal year end date but changed its next fiscal year end date to March 31. Instead of having a short fiscal year ending in 2007, affiliate B decides to have a 15 month fiscal year running from January 1, 2007 to March 31, 2008. Affiliate B must file a 2007 Form BE-12 Bank covering a 12 month period ending in calendar year 2007, such as the period from April 1, 2006 to March 31, 2007. In this example, the ending balance sheet amounts reported in column (1) of items 43 through 49 must be the correct balances as of March 31, 2007. The beginning balance sheet amounts reported in column (2) must be the **unrestated ending balances as of December 31, 2006.** To reconcile the beginning and ending retained earnings balances (or, if retained earnings is not shown as a separate account, the beginning and ending owners' equity balances) affiliate B must include an adjusting entry in item 54.

#### 5. Reporting requirements for a U.S. business enterprise that became foreign owned in fiscal year 2007

- a. A U.S. business enterprises newly established in fiscal year 2007** must report data starting with the establishment date up to and ending on the last day of its fiscal year that ended in calendar year 2007. DO NOT estimate data for a full year of operations if the first fiscal year is less than 12 months.
- b. A U.S. business enterprises existing before fiscal year 2007 that became foreign owned in fiscal year 2007** must report data for **all** items for a full 12 months of operations.
- 8. U.S. affiliates NOT consolidated** – Report equity investments in U.S. business enterprises that are not consolidated and that are owned 20 percent or more (Including those that are majority owned) using the equity method of accounting. DO NOT report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for holdings reported using the equity method.

You may report immaterial investments using the cost method of accounting if this treatment is consistent with your normal reporting practice. Report investments owned less than 20 percent in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost basis of accounting.

List all U.S. affiliates in which this U.S. affiliate has a voting interest of at least 10 percent and that are not consolidated in this Form BE-12 Bank on the Supplement B.

#### 37. Certain realized and unrealized gains (losses) –

##### Special instructions for dealers in financial instruments and finance and insurance companies.

- (1) Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies** – Include in item 37:

- (a) impairment losses as defined by FAS 115,
- (b) realized gains and losses on trading or dealing,
- (c) unrealized gains or losses, due to changes in the valuation of financial instruments, that flow through the income statement, and
- (d) goodwill impairment as defined by FAS 142.

**EXCLUDE** unrealized gains or losses due to changes in the valuation of financial instruments that are taken to other comprehensive income. Reflect such changes in items 47b and 47c (total accumulated accumulated other comprehensive income (loss)).

**EXCLUDE** income from explicit fees and commissions from item 37. Include income from these fees and commissions as part of your income from operations on page 4, items 16 through 21.

#### 45-49 – OWNER'S EQUITY ITEMS

Equity investment in branches and agencies consists of earnings (losses) that have not been distributed or credited (debited) against the parent's account, plus the parent's initial capitalization and subsequent contributions of capital, less the return of this capital, plus the balance of the "accumulated other comprehensive income (loss)" account.

#### 66-72 – SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION

The Schedule of Employment and Property, Plant, and Equipment, by Location covers the 50 States, the District of Columbia, and all territories and possessions of the United States. Include in this schedule only data pertaining to those U.S. business enterprises that are fully consolidated or aggregated into the reporting U.S. affiliate. Do not consolidate or include data for foreign business enterprises or operations, whether incorporated or unincorporated.

**Location** of employees or of an asset is the U.S. State, territory, or possession in which the person is permanently employed, or in which the land or other property, plant, and equipment is physically located and to which property taxes, if any, on such assets are paid. For example, an employee carried on the payroll of a company located in California who is on a duty assignment for one year or less in Texas should be shown as being located in California, not Texas. If the duty assignment is for more than one year, show the employee as being located in Texas, not California.

#### 73-75 – EMPLOYEES AND EMPLOYEE COMPENSATION BY STANDARD OCCUPATION CLASSIFICATION (SOC) GROUPS

**Total employee compensation** – Employee compensation consists of wages and salaries of employees and employer expenditures for all employee benefit plans. Base employee compensation data on payroll records related to activities during the reporting period. The employee compensation data must cover activities that were charged as an expense on the income statement, charged to inventories, or capitalized during the reporting period. Do not include data related to activities of prior periods, such as those capitalized or charged to inventories in prior years.

- (1) Wages and salaries** are the gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to independent personnel who are not employees.

Wages and salaries include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Exclude payments made by, or on behalf of, benefit funds rather than by the employer. (Include employer contributions to benefit funds in employee benefit plans.)

Wages and salaries include in-kind payments, valued at their cost, that are **clearly and primarily of benefit to the employees as consumers.** Do not include expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement for business expenses.

- (2) Employee benefit plans** are employer expenditures for all employee benefit plans, including those required by government statute, those resulting from a collective-bargaining contract, or those that are voluntary. Employee benefit plans include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

**SOC System Groups** – The major SOC groups are as follows:

**Managerial, professional and technical employees** – Covers employees in SOC groups 11–29 listed below:

- 11-Management Occupations
- 13-Business and Financial Operations Occupations
- 15-Computer and Mathematical Occupations
- 17-Architecture and Engineering Occupations
- 19-Life, Physical, and Social Science Occupations
- 21-Community and Social Services Occupations
- 23-Legal Occupations
- 25-Education, Training, and Library Occupations
- 27-Arts, Design, Entertainment, Sports, and Media Occupations
- 29-Healthcare Practitioners and Technical Occupations

**All other employees** – Covers employees in SOC groups 31–55 listed below and at the top of the next page:

- 31-Healthcare Support Occupations
- 33-Protective Service Occupations
- 35-Food Preparation and Serving Related Occupations
- 37-Building and Grounds Cleaning and Maintenance Occupations
- 39-Personal Care and Service Occupations
- 41-Sales and Related Occupations
- 43-Office and Administrative Support Occupations

#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM – Continued

##### 73-75 – EMPLOYEES AND EMPLOYEE COMPENSATION BY STANDARD OCCUPATION CLASSIFICATION (SOC) GROUPS – Continued

**All other employees** – Covers employees in SOC groups 31–55: (Continued)

- 45-Farming, Fishing, and Forestry Occupations
- 47-Construction and Extraction Occupations
- 49-Installation, Maintenance, and Repair Occupations
- 51-Production Occupations
- 53-Transportation and Material Moving Occupations
- 55-Military Specific Occupations

The **SOC** system and related information can be found at the Bureau of Labor Statistics web site [www.bls.gov](http://www.bls.gov). Using the A-Z index, select Standard Occupational Classification.

##### 79. Voting interest and Equity interest

- a. Voting interest** is the percent of ownership in the voting equity of the U.S. affiliate. Voting equity consists of ownership interests that have a say in the management of the company. Examples of voting equity include capital stock that has voting rights and a general partner's interest in a partnership.
- b. Equity interest** is the percent of ownership in the total equity (voting and nonvoting) of the U.S. affiliate. Nonvoting equity consists of ownership interests that do not have a say in the management of the company. An example of nonvoting equity is preferred stock that has no voting rights.

**Voting interest and equity interest are not always equal.**

For example, an owner can have a 100 percent voting interest in a U.S. affiliate but own less than 100 percent of the affiliate's total equity. This situation is illustrated in the following example.

**Example:** U.S. affiliate A has two classes of stock, common and preferred. There are 50 shares of common stock outstanding. Each common share is entitled to one vote and has an ownership interest in 1 percent of the total owners' equity. There are 50 shares of preferred stock outstanding. Each preferred share has an ownership interest in 1 percent of the total owners' equity but has no voting rights. Foreign parent B owns all 50 shares of the common stock. Unaffiliated U.S. investors own all 50 shares of the preferred stock. Since foreign parent B owns all of the voting stock, foreign parent B has a 100 percent voting interest in U.S. affiliate A. However, since all 50 of the nonvoting preferred shares are owned by unaffiliated U.S. investors, foreign parent B has only a 50 percent equity interest in U.S. affiliate A.

#### V. SPECIAL INSTRUCTIONS

##### A. Estates, trusts, and intermediaries

**A FOREIGN ESTATE** is a person and therefore may have direct investment, and the estate, not the beneficiary, is considered to be the owner.

**A TRUST** is a person but it is not a business enterprise. The trust is considered to be the same as an intermediary, and should report as outlined in the instructions for intermediaries below. For reporting purposes, the beneficiary(ies) of the trust, is (are) considered to be the owner(s) for purposes of determining the existence of direct investment, except in two cases: **(1)** if there is, or may be, a reversionary interest, and **(2)** if a corporation or other organization creates a trust designating its shareholders or members as beneficiaries. In these two cases, the creator(s) of the trust is (are) deemed to be the owner(s) of the investments of the trust (or succeeding trusts where the presently existing trust had evolved out of a prior trust), for the purposes of determining the existence and reporting of direct investment.

This procedure is adopted in order to fulfill the statistical purposes of this survey and does not imply that control over an enterprise owned or controlled by a trust is, or can be, exercised by the beneficiary(ies) or creator(s).

##### FOR AN INTERMEDIARY

1. If a U.S. intermediary holds, exercises, administers, or manages a particular foreign direct investment in the United States for the beneficial owner, such intermediary is responsible for reporting the required information for, and in the name of, the U.S. affiliate. Alternatively, the U.S. intermediary can instruct the U.S. affiliate to submit the required information. Upon so doing, the intermediary is released from further liability to report, provided it has informed BEA of the date such instructions were given and provides BEA the name and address of the U.S. affiliate, and has supplied the U.S. affiliate with any information in the possession of, or which can be secured by, the intermediary that is necessary to permit the U.S. affiliate to complete the required reports. When acting in the capacity of an intermediary, the accounts or transactions of the U.S. intermediary with a foreign beneficial owner are considered

as accounts or transactions of the U.S. affiliate with the foreign beneficial owner. To the extent such transactions or accounts are unavailable to the U.S. affiliate, BEA may require the intermediary to report them.

2. If a foreign beneficial owner holds a U.S. affiliate through a foreign intermediary, the U.S. affiliate may report the intermediary as its foreign parent but, when requested, must also identify and furnish information concerning the foreign beneficial owner. Accounts or transactions of the U.S. affiliate with the foreign intermediary are considered as accounts or transactions of the U.S. affiliate with the foreign beneficial owner.

##### B. Determining place of residence and country of jurisdiction of individuals

– An individual is considered a resident of, and subject to the jurisdiction of, the country in which he or she is physically located. The following guidelines apply to individuals who do not reside in their country of citizenship:

1. Individuals who reside, or expect to reside, outside their country of citizenship for less than one year are considered to be residents of their country of citizenship.
2. Individuals who reside, or expect to reside, outside their country of citizenship for one year or more are considered to be residents of the country in which they are residing, except as provided in paragraphs 3 and 4 below.
3. If an owner or employee of a business enterprise resides outside the country of location of the enterprise for one year or more for the purpose of furthering the business of the enterprise, and the country of the business enterprise is the country of citizenship of the owner or employee, then such owner or employee is considered a resident of the country of citizenship, provided there is the intent to return to the country of citizenship within a reasonable period of time.
4. Individuals and members of their immediate family who are residing outside their country of citizenship as a result of employment by the government of that country – diplomats, consular officials, members of the armed forces, etc. – are considered to be residents of their country of citizenship.

#### VI. FILING THE BE-12

- A. Due date** – File a fully completed and certified Form BE-12 Bank no later than May 31, 2008. If the U.S. affiliate is exempt from filing Form BE-12 Bank, complete and file the BE-12 Claim For Not Filing by May 31, 2008.
- B. Mailing report forms to a foreign address** – BEA will accommodate foreign owners that wish to have forms sent directly to them. However, the extra time consumed in mailing to and from a foreign place may make meeting filing deadlines difficult. In such cases, please consider using BEA's electronic filing option. Go to our web site at [www.bea.gov/efile](http://www.bea.gov/efile) for details about this option. To obtain forms online go to: [www.bea.gov/fdi](http://www.bea.gov/fdi)
- C. Extensions** – For the efficient processing of the survey and timely dissemination of the results, it is important that your report be filed by the due date. Nevertheless, reasonable requests for extension of the filing deadline will be granted. Requests for extensions of more than 30 days **MUST be in writing** and should explain the basis for the request. You may request an extension via email at [be12/15@bea.gov](mailto:be12/15@bea.gov). For extension requests of 30 days or less, you may call BEA at (202) 606-5577. All requests for extensions must be received **NO LATER THAN** the original due date of the report.
- D. Assistance** – For assistance, telephone (202) 606-5577, FAX (202) 606-5319, or send e-mail to [be12/15@bea.gov](mailto:be12/15@bea.gov). Forms can be obtained from BEA's web site at: [www.bea.gov/fdi](http://www.bea.gov/fdi)
- E. Annual stockholders' report or other financial statements** – Please furnish a copy of your FY 2007 annual stockholders' report or Form 10K when filing the BE-12 report. If you do not publish an annual stockholders' report or file Form 10K, please provide any financial statements that may be prepared, including the accompanying notes. Information contained in these statements is useful in reviewing your report and may reduce the need for further contact. Section 5(c) of the International Investment and Trade in Services Survey Act, Public Law 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended, provides that this information can be used for analytical and statistical purposes only and that it must be held strictly confidential.
- F. Number of copies** – File a single original copy of the form and supplement(s). If you are not filing electronically, this should be the copy with the address label on page 1, if such a labeled copy has been provided by BEA. (Make corrections to the address on the label, if necessary.) You should also retain a file copy of each report for three years to facilitate resolution of any questions that BEA may have concerning your report. (Both copies are protected by law; see the statement on confidentiality on page 19.)