

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

1028

1032 FAX: 1  Yes  
2  No

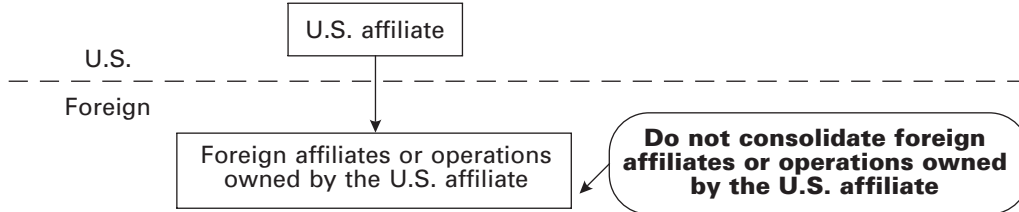


**PART I – IDENTIFICATION OF U.S. AFFILIATE – Continued**

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

<sup>1014</sup> 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.*

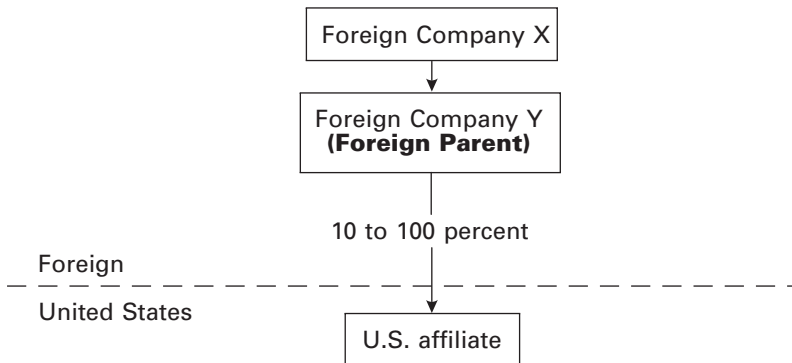
**Ownership held directly by foreign parent(s) of this U.S. affiliate** – Give name of each foreign parent with direct ownership. (If more than 2, continue on a separate sheet.) See *example 1 below for an illustration of ownership held directly by a foreign parent.*

	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**

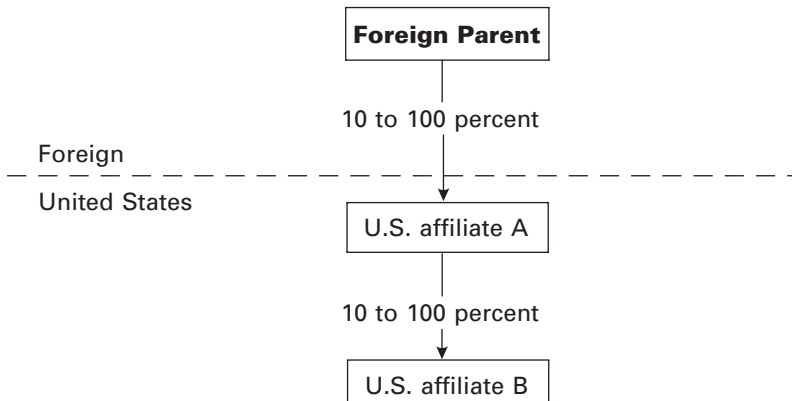
**EXAMPLES OF DIRECT AND INDIRECT OWNERSHIP HELD BY FOREIGN PARENTS**

**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).

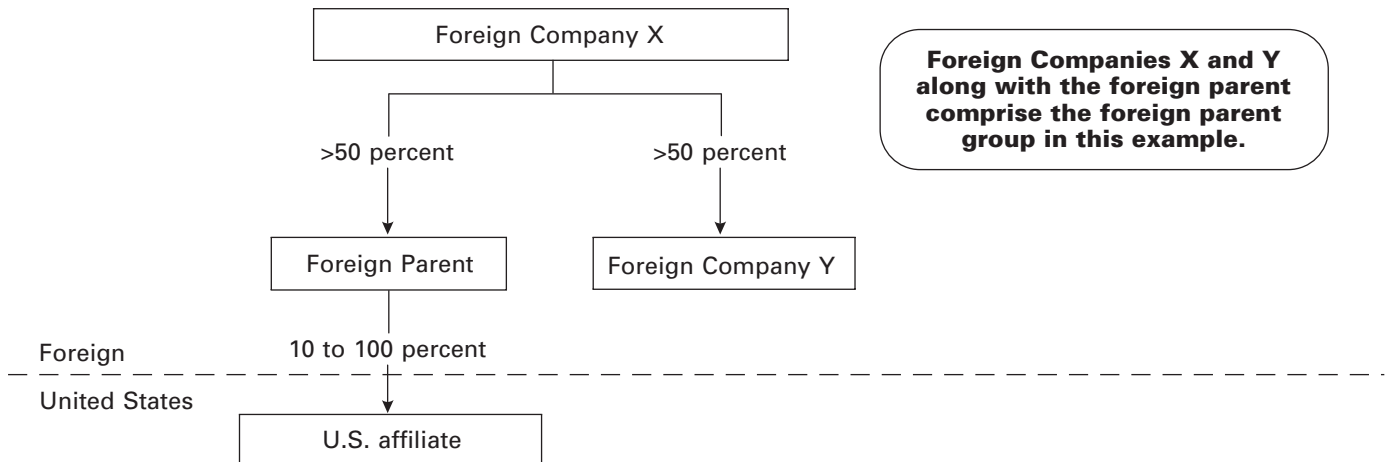
**Column (2) – Total sales or gross operating revenues, excluding sales taxes** – INCLUDE interest revenues at gross amounts. DO NOT net interest revenues against interest expenses. INCLUDE revenues generated during the year from the operations of a discontinued business segment but EXCLUDE gains or 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 <b>5221</b>	\$		
<b>17.</b> Non-depository branches and agencies	1165 <b>5229</b>			
<b>18.</b> Enter other code with largest sales or gross operating revenues	1166			
<b>19.</b> Enter other code with next largest sales or gross operating revenues	1167			
<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			
<b>21. TOTAL SALES OR GROSS OPERATING REVENUES –</b> <i>Equals sum of items 16 through 20, column (2).</i>	1174	\$		

**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**



**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 — Sum of items 27 through 30</b> →	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 <sup>1</sup>  Yes – Answer items 32 and 33  
<sup>1</sup>  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>					
	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.
<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. <b>Report at gross amount before</b> income tax effect. Include tax effect in item 39 below. Report gains (losses) resulting from: <ul style="list-style-type: none"> <li>a. 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.</li> <li>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.</li> <li>c. 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.</li> <li>d. 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;</li> <li>e. Goodwill impairment as defined by FAS 142 (Goodwill and Other Intangible Assets);</li> <li>f. 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;</li> <li>g. Remeasurement of the U.S. affiliate's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the reporting period;</li> <li>h. The cumulative effect of a change in accounting principle; and</li> <li>i. Change in accounting estimate of provision for expected stock option forfeitures under the inception method as defined by FAS 123 (Share-based Payment).</li> </ul>				
			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 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 — <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>			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	\$
<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 used for 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> – <i>Unincorporated affiliates see additional instructions for 45–49 on page 21 at the back of this form.</i>									
<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.

2153

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

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.

2390

**PLEASE CONTINUE ON PAGE 8**

**BEA USE ONLY**

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 – Incorporated affiliate, enter amount of dividends declared, inclusive of withholding taxes, out of current- or prior-period income, on common and preferred stock, excluding stock and liquidating dividends. Branches and agencies, enter amount of earnings remitted to home office. Exclude losses reimbursed by home office. Include such losses in item 58 below.</b>	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	Gross book value (historical cost) of all land and other property, plant, and equipment wherever carried on balance sheet, FY 2007 closing balance.				If U.S. affiliate is majority-owned by foreign parent(s), report the portion of column (4) that is commercial property			
				(3) Number	(4)				(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		Employee compensation for FY 2007			
			(1) Number	(2)	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	1 . %	2 . %
<b>b.</b> equity interest owned	1 . %	2 . %

"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

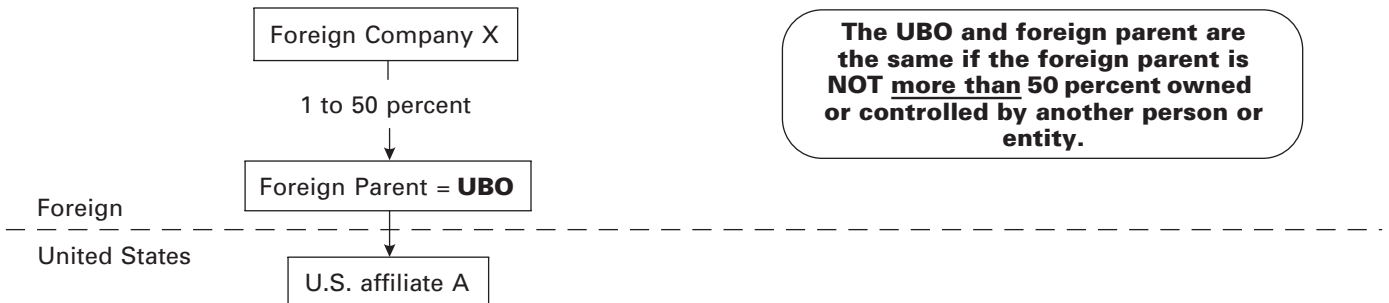
**85. Enter the industry code of the UBO** from the list of codes at the bottom of page 10. **NOTE -** The UBO industry code is based on the consolidated world-wide activities of all majority-owned subsidiaries of the UBO. Select the industry code that best reflects the consolidated world-wide sales 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)**

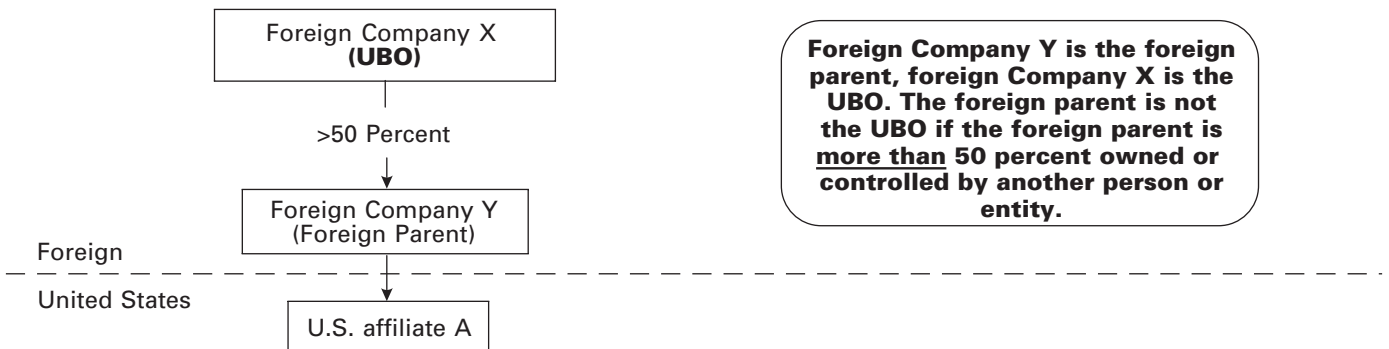
**Example 1 - The UBO and Foreign Parent are the same**



**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.**

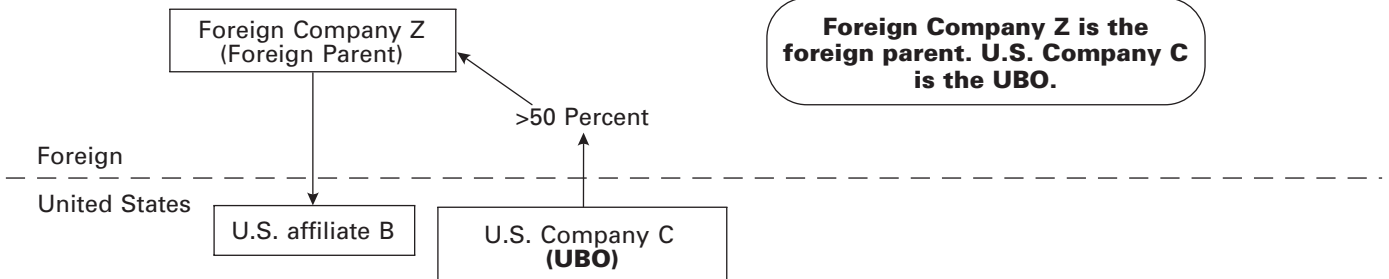
**Examples 2A and 2B - The Foreign Parent is NOT the UBO**

**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 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

**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: Complete items 93 through 103 ONLY if item 86 on page 12 is answered "a. A direct interest."**

**NOTE:** Data reported in sections D, E, and F must be for the fully consolidated domestic U.S. affiliate. The consolidation rules are found on page 20 at the back of this form.

**Section D - CHANGES IN EQUITY HOLDINGS IN THE U.S. AFFILIATE BY THE FOREIGN PARENT NAMED IN ITEM 77**

**Report transactions during FY 2007 by the foreign parent named in item 77 that changed its equity holdings in the U.S. affiliate.** EXCLUDE changes caused by carrying net income to the equity account, the payment of stock or cash dividends (other than liquidating dividends), or the remittance of earnings during the period.

EXCLUDE effect of treasury stock transactions with person other than the foreign parent and reorganizations in capital structure that do not affect total equity. REPORT ALL AMOUNTS AT THE TRANSACTION VALUE, i.e., the value of the consideration given or received by the foreign parent for the increases or decreases in the foreign parent's equity holdings in the U.S. affiliate.

	Amount (1)			
	Bil.	Mil.	Thous.	Dols.
• TRANSACTIONS BETWEEN FOREIGN PARENT AND U.S. AFFILIATE				
<b>93. Increase in equity interest</b>	1			
<b>93a. Increase from reimbursed losses</b> 3048	\$			
<b>93b. Other Increases</b> - Report purchases of capital stock by the foreign parent from the U.S. affiliate and other contributions by the foreign parent of equity capital not resulting in the issuance of stock to the foreign parent by the U.S. affiliate. 3049	1			
<b>94. Decrease in equity interest</b> - Report sales of capital stock by the foreign parent to the U.S. affiliate, returns of contributed equity capital to the foreign parent not resulting in a reduction of issued stock, and liquidating dividends. Branches and agencies, report the foreign parent's decrease in the affiliate's equity (or home office account). 3066	1			
• TRANSACTIONS BETWEEN FOREIGN PARENT AND A PERSON OTHER THAN U.S. AFFILIATE				
<b>Acquisition by foreign parent of equity interest in U.S. affiliate from —</b>				
<b>95. U.S. persons other than the U.S. affiliate</b> 3067	1			
<b>96. All foreign persons</b> 3068	1			
<b>Sale by foreign parent of equity interest in U.S. affiliate to —</b>				
<b>97. U.S. persons other than the U.S. affiliate</b> 3069	1			
<b>98. All foreign persons</b> 3070	1			
<b>99. TOTAL TRANSACTION VALUE - Equals sum of items 93a, 93b, 95, and 96, minus sum of items 94, 97 and 98</b> 3071	\$			

	For acquisition (items 95 and 96) (1)				For sale or termination of operations (items 97 and 98) (2)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
• For items 95-98, what are the amounts by which the transaction values reported in those items -								
<b>100. exceeds the value carried on the books of the U.S. affiliate</b> 3090	1				2			
<b>101. are less than the value carried on the books of the U.S. affiliate</b> 3091	1				2			

**Section E - PAYMENTS AND RECEIPTS OF DIVIDENDS OR REMITTED EARNINGS**

Enter amounts received, paid, or entered into intercompany accounts, whichever occurred first. Include amounts for which payment was made in kind. For an item accrued prior to the reporting period, do not report any subsequent settlement of the account in the items below.

**102. Dividends or remitted earnings** - Dividends on common and preferred stock. 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. **Exclude** stock and liquidating dividends of an incorporated U.S. bank affiliate, or distributed earnings of a U.S. bank affiliate that is a branch or agency. **Exclude** reimbursed losses. Report reimbursed losses in item 93a. 3073

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			
\$				\$			

**Section F - FOREIGN PARENT'S EQUITY IN U.S. AFFILIATE'S NET INCOME**

**103. 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 the amount reported in item 51 on page 7 based on the foreign parent's direct equity in the U.S. affiliate during the fiscal year that ended in calendar year 2007. 3085

	Amount (1)			
	Bil.	Mil.	Thous.	Dols.
<b>BEA USE ONLY</b> 3104	1			
	2			



**LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED OR DIRECTLY FOREIGN OWNED BRANCHES AND AGENCIES AGGREGATED INTO THE REPORTING AFFILIATE**

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.

(1) BEA USE ONLY	(2) Name of each U.S. affiliate consolidated or aggregated (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)	(5) 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 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 . %

**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.**

<b>BEA USE ONLY</b> (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)	Page number 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		–		%



**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**

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

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.

1 <b>BEA USE ONLY</b> (1)	2 Name of each U.S. affiliate in which a direct interest is held but that is not listed in Supplement A (2)	3 Address of each U.S. affiliate listed in column (2) Give number, street, city, State, and ZIP Code (3)	4 Has each affiliate been notified of obligation to file? Mark (X) one (4)	5 Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes (5)	6 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. (6)
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		

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

<p><b>BEA USE ONLY</b> (1)</p>	<p>Name of each U.S. affiliate in which a direct interest is held but which is not listed in Supplement A (2)</p>	<p>Address of each U.S. affiliate listed in column (2) Give number, street, city, State, and ZIP Code (3)</p>	<p>Has each affiliate been notified of obligation to file? Mark (X) one (4)</p>	<p>Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes (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. (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

**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.

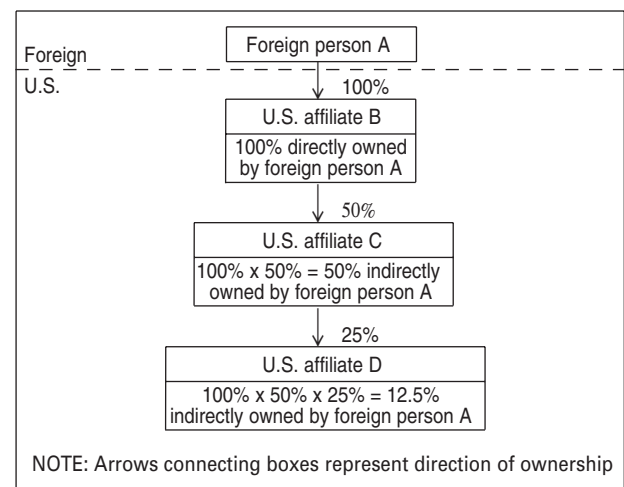
- Was the U.S. affiliate majority-owned by its foreign parent(s) at the end of its fiscal year that ended in calendar year 2007? (A U.S. affiliate is "majority-owned" if the combined direct and indirect ownership interests of all foreign parents of the U.S. affiliate exceed 50 percent.)
  - Yes – Continue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

**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.

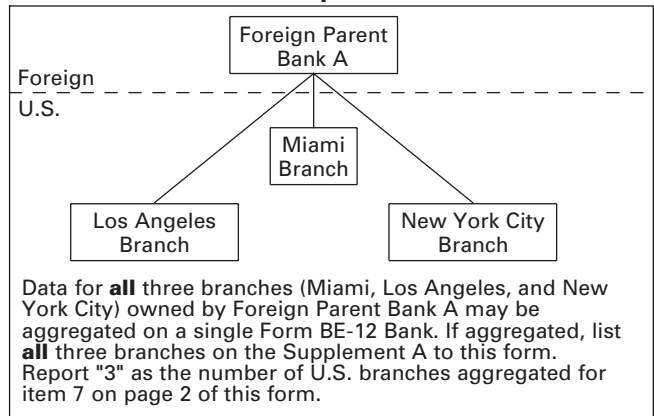
**NOTE:** U.S. affiliates that are banks and bank holding companies that directly or indirectly own more than a 50 percent interest in one or more U.S. affiliates in nonbanking industries must **file a single consolidated report on Form BE-12 Bank to report BOTH the banking and nonbanking operations.**

Except as noted in **b** below, all majority-owned U.S. affiliates should be fully consolidated into your Form BE-12 Bank.

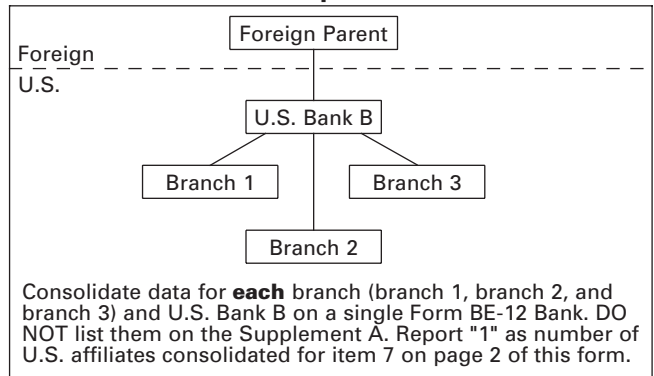
**Aggregated reporting** – All U.S. branches and agencies (including International Banking Facilities) directly owned by a foreign bank may be aggregated on a single Form BE-12 Bank. See example A above.

(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.

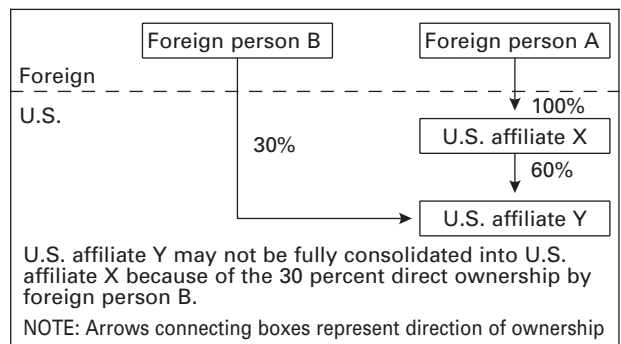
**Exceptions to consolidated reporting** – Note: If a U.S. affiliate is not consolidated into its U.S. parent's BE-12 report, then it **must** be listed on the Supplement B of its parent's BE 12 report, unless the report is a BE-12 Mini which does not have a Supplement B, and each U.S. affiliate not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

#### 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.)