

FORM BE-14 U.S. DEPARTMENT OF COMMERCE BUREAU OF ECONOMIC ANALYSIS (REV. 12/2003)

REPORT BY A U.S. PERSON WHO ASSISTS OR INTERVENES IN THE ACQUISITION OF A U.S. BUSINESS ENTERPRISE BY, OR WHO ENTERS INTO A JOINT VENTURE WITH, A FOREIGN PERSON MANDATORY - CONFIDENTIAL

MAIL REPORTS TO

U.S. Department of Commerce Bureau of Economic Analysis BE-49(NI) Washington, DC 20230

DELIVER REPORTS TO

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

NOTE - File a single original copy of the form with the Bureau of Economic Analysis. Retain file copies for 3 years.

This report is to be completed either by -

(a) A U.S. person - including an intermediary, a real estate broker, business broker, and a brokerage house - who assists or intervenes in the sale to, or purchase by, a foreign person or a U.S. affiliate of a foreign person, of a 10 percent or more voting interest in a U.S. business enterprise, including real estate; or

(b) a U.S. person who enters into a joint venture with a foreign person to create a U.S. business enterprise.

A U.S. person is required to report only when such a foreign involvement is known; it is not incumbent upon the U.S. person to ascertain the foreign status of a person involved in an acquisition unless the U.S. person has reason to believe the acquiring party may be a foreign person.

Form BE-14 is not required if a U.S. person files Form BE-13 relating to the acquisition of the U.S. business enterprise by a foreign person.

PURPOSE - BE-14 reports are required in order to identify new foreign direct investments in the United States.

MANDATORY - 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 under Section 5(b)(2) of the Act (22 U.S.C. 3104). The implementing regulations are contained in Title 15 CFR, Part 806.

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

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.

EXEMPTIONS - If the U.S. business enterprise acquired has total assets of, or if the capitalization (including loans from the joint venturers) of the joint venture to be established is, \$3,000,000 or less, then no report is required, provided the enterprise does not own 200 acres or more of U.S. land. (If it owns 200 acres or more of U.S. land, a report is required regardless of the value of total assets.)

Real Estate - The ownership of real estate is a business enterprise, and if the real estate is foreign owned, it is a U.S. affiliate of a foreign person. However:

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

ASSISTANCE - Telephone (202) 606-5577 or FAX (202) 606-5319.

DUE DATE - Form BE-14 is due no later than 45 days after the direct investment transaction occurs.

CONTROL NUMBER

The combined public reporting burden for related Forms BE-13, BE-13 Supplement C, and BE-14 is estimated to vary from 1 to 4 hours per response, with an average of 1.5 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 0608-0035, Washington, DC 20503.

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. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such violation, upon conviction, may be punished by a like fine, imprisonment, or both. (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.

Part I IDENTIFICATION OF PERSON FILING REPORT

1. Name and address of U.S. person assisting or intervening in the sale to, or purchase by, a foreign person of a U.S. business enterprise, or entering into a joint venture with a foreign person.

Name of U.S. person

Street or PO Box

City and State

ZIP Code

This report is being completed by (Mark (X) one)

2. A U.S. person assisting or intervening in a purchase or sale of a U.S. business enterprise

Complete Part II

3. A U.S. person entering into a joint venture with a foreign person to create a U.S. business enterprise

Complete Part III (See Page 2)

Part II INFORMATION RELATED TO PURCHASE OR SALE TRANSACTION

This Part is to be completed only if item 2, Part I above, was marked.

4. Name and address of U.S. business enterprise that is being acquired by the foreign person, or by an existing U.S. affiliate of a foreign person. (If the enterprise is land held for investment and there is no operating enterprise, and if you mark "No" in item 5 below, enter the name and address of U.S. person acting as agent or other intermediary of the foreign person on a continuing basis, together with sufficient information to identify the property.)

Name of U.S. business enterprise

Street or PO Box

City and State

ZIP Code

5. Do you have a continuing relationship with the foreign person, or U.S. affiliate of the foreign person, concerning this specific investment (such as being a manager, overseer, rental agent, etc., of the investment)?

Yes No

6. Give name and address of purchaser - Include country if purchaser is a foreign person.

Name of purchaser

Street or PO Box

City and State

ZIP Code

Country

7. Date transaction was completed

Month Day Year

8. Value of transaction based on your records, rounded to thousands of U.S. dollars.

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9. If the answer to item 5 is "Yes," should future report forms be sent to you for completion?

Yes No

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

Name 1000 1

Address

TELEPHONE NUMBER 1001 1 Area code 2 Number 3 Extension

FAX NUMBER 4 Area code 5 Number

May we use e-mail to correspond with you to discuss questions relating to this Form BE-14, including questions that may contain information about this transaction that you may consider confidential? (Note that electronic mail is not inherently confidential; we will treat information we receive as confidential, but your e-mail is not necessarily secure against interception by a third party.)

1027 1 1 Yes - If yes, please provide your e-mail address. 2 No

E-mail address

1028

CERTIFICATION - The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with III.G. of the Instructions, estimates have been provided where data are not available from customary accounting records or precise data could not be obtained without undue burden.

Authorized official's signature Date

Print or type name and title

Telephone number FAX number

CONTINUE ON REVERSE SIDE

**Part II INFORMATION RELATED TO PURCHASE OR SALE TRANSACTION – Continued**

Complete only if item 2, Part I, was marked.

**10. If the answer to item 9 is "No," give name and address of person who should receive the report forms.**

Name			
Street or PO Box			
City and State			ZIP Code

**Part III INFORMATION RELATED TO JOINT VENTURE – Complete items 11 through 14 only if item 3, Part I, was marked.**

**11. Name and address, including country, of foreign person that joint venture is with**

Name of foreign person			
Street or PO Box			
City and State			ZIP Code
Country			

**12. Name and address of U.S. business enterprise created**

Name of U.S. business enterprise			
Street or PO Box			
City and State			ZIP Code

**13. Foreign person's percent of voting ownership in joint venture**

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**14. Name and address to which future report forms for the joint venture should be sent**

Name			
Street or PO Box			
City and State			ZIP Code

**Determining Whether an Individual is a Foreign Person or a U.S. Person Based on Residence**

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

- (a) 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.
- (b) 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 (c) below.
- (c) If an owner or employee of a business enterprise resides outside the country of location of the enterprise for one year or more for the purpose of furthering the business of the enterprise, and the country of the business enterprise is the country of citizenship of the owner or employee, then the owner or employee is considered a resident of the country of citizenship provided he or she intends to return within a reasonable period of time.
- (d) Individuals and members of their immediate families who reside 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.

**DEFINITIONS**

- A. United States**, when used in a geographic sense, means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.
- B. Foreign**, when used in a geographic sense, means that which is situated outside the United States or which belongs to or is characteristic of a country other than the United States.
- C. Person** means any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the United States Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government-sponsored agency).
- D. Foreign person** means any person resident outside the United States or subject to the jurisdiction of a country other than the United States.

**DEFINITIONS – Continued**

- E. Direct investment** means the ownership or control, directly or indirectly, by one person of 10 per centum or more of the voting securities of an incorporated business enterprise or an equivalent interest in an unincorporated business enterprise.
- F. Foreign direct investment in the United States** means the ownership or control, directly or indirectly, by one foreign person of 10 per centum or more of the voting securities of an incorporated U.S. business enterprise or an equivalent interest in an unincorporated U.S. business enterprise, including a branch.
- G. Branch** means the operations or activities conducted by a person in a different location in its own name rather than through an incorporated entity.
- H. Affiliate** means a business enterprise located in one country which is directly or indirectly owned or controlled by a person of another country to the extent of 10 per centum or more of its voting stock for an incorporated business or an equivalent interest for an unincorporated business, including a branch.
- I. U.S. affiliate** means an affiliate located in the United States in which a foreign person has a direct investment.
- J. Foreign parent** means the first foreign person in the ownership chain of the U.S. affiliate.
- K. U.S. corporation** means a business enterprise incorporated in the United States.
- L. Business enterprise** means any organization, association, branch or venture which exists for profitmaking purposes or to otherwise secure economic advantage, and any ownership of any real estate.
- M. Intermediary** means an agent, nominee, manager, custodian, trust, or any person acting in a similar capacity.
- N. 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. Each of the following are deemed to be an associated group –
  - (1) Members of the same family,
  - (2) A business enterprise and one or more of its officers and directors,
  - (3) Members of a syndicate or joint venture, or
  - (4) A corporation and its domestic subsidiaries.