



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

Part I IDENTIFICATION					BEA USE ONLY																		
1. Report for quarter ending	Month	Day	Year	Mark (X) if revised →	1																		
2. Name and mailing address of U.S. affiliate																							
See General Instructions concerning consolidated reporting by U.S. affiliate.																							

ELECTRONIC FILING See our web site at www.bea.gov/astar for details.

OR

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

OR

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

Public reporting burden for this collection of information is estimated to average 1 hour 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 0608-0009, Washington, DC 20503.

REPORTING REQUIREMENTS

Who must report – A Form BE-605 Bank is required from every U.S. business enterprise in banking in which a foreign person had a direct and/or indirect ownership interest of 10 percent or more of the voting stock if an incorporated business enterprise or an equivalent interest if an unincorporated business enterprise at any time during the reporting period. Reports are required even though the foreign person's equity interest in the U.S. business enterprise may have been established, acquired, liquidated, sold, or inactivated during the reporting period.

Exemption – A U.S. affiliate is not required to file a report if **each of the following three items** for the U.S. affiliate (not the foreign parent's share) is equal to or less than \$30 million, either positive or negative: (1) Total assets, (2) Annual gross operating revenues, and (3) Annual net income (loss) after provision for U.S. income taxes.

A U.S. affiliate claiming exemption from filing a report must complete the Certification of Exemption and (1) give the levels of the three items above, (2) complete the "Person to Consult" and "Certification" sections on page 4 of Form BE-605 Bank, and (3) return the entire form to BEA at the address noted.

Consolidated reporting by the U.S. affiliate – A U.S. affiliate must file on a fully consolidated domestic U.S. basis, including in the 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. 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-605 BANK to report BOTH the banking and nonbanking operations. Foreign subsidiaries of the U.S. affiliate are not to be included in the consolidation, except as provided under the equity method. See the General Instructions regarding consolidations.

3. U.S. affiliate named in item 2 is – Mark (X) one					Foreign parent named in item 4 holds – Mark (X) one											
a. A U.S. banking affiliate incorporated in the United States					003 1 1 <input type="checkbox"/>											
b. An unincorporated U.S. banking affiliate, such as a branch or agency of a foreign bank					1 2 <input type="checkbox"/>											
4. Name of foreign parent of U.S. affiliate – The foreign parent is the first person outside the U.S. which holds the direct investment interest; its ownership in the U.S. affiliate can be direct and/or indirect through another U.S. affiliate.					6. Only a direct equity interest in the U.S. affiliate (as consolidated).											
					006 1 1 <input type="checkbox"/>											
					7. Only an indirect equity interest in the U.S. affiliate through another U.S. affiliate. (See NOTE at lower left.)											
					1 2 <input type="checkbox"/>											
					8. Both a direct and an indirect equity interest in the U.S. affiliate. (See the General Instructions regarding consolidation.)											
					1 3 <input type="checkbox"/>											
					9. If either item 7 or 8 is marked, enter the name of the U.S. affiliate(s) directly owned by the foreign parent named in item 4. ↘											
5. Country of foreign parent of U.S. affiliate					10. BEA USE ONLY											
005 1					010 1											

NOTE – If item 7 is marked, complete only Parts III, IV, V and IX (to report direct transactions of U.S. affiliate identified in item 2 with the foreign parent and foreign affiliates of the foreign parent), as applicable. (Do not duplicate amounts consolidated in the BE-605 Bank or BE-605 report for the U.S. affiliate identified in item 9.)

However, a U.S. affiliate that is **indirectly** foreign owned and has no direct transactions or positions, excluding ordinary banking operations, with a foreign parent (or foreign affiliates of the foreign parent) at any time during the year is exempt from filing a Form BE-605 Bank provided the Certification of Exemption on page 4 of Form BE-605 Bank is (or has been) filed.

REPORT ALL AMOUNTS IN THOUSANDS OF U.S. DOLLARS

BEA USE ONLY	
001	
1	
2	
3	

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

Enter data for the current quarter in column 1; use column 2 to correct data that were incorrect, revised, or were not given in the preceding quarter. **Do not delay filing because current-quarter data are not available. Estimates may be used where necessary to file a timely report.**

	Current quarter			Preceding quarter, if revised		
	Bil.	Mil.	Thou.	Bil.	Mil.	Thou.
11. Quarterly net income (loss) – Report net income on a quarterly basis, not on a cumulative or year-to-date basis. Report the amount that represents the foreign parent's equity, based on its directly held equity interest in the U.S. affiliate's net income (loss) for the quarter, before provision for all common dividends and preferred dividends owed to foreign parent, and before any deduction for U.S. withholding taxes on dividends, but after provision for U.S. Federal, State, and local income taxes.	1			2		
011 \$						
12. Certain realized and unrealized gains (losses), net of tax effect:						
a. Included in net income (item 11) Examples include: (1) impairment losses, as defined by FAS 115, (2) realized gains or losses on trading or dealing (3) unrealized gains or losses due to changes in the valuation of financial instruments that flow through the income statement, and (4) goodwill impairment as defined by FAS 142. See Specific Instructions.	1			2		
012						
b. Not included in net income (item 11) Include unrealized gains or losses due to changes in the valuation of financial instruments that are taken to other comprehensive income, excluding translation adjustments. See Specific Instructions.	1			2		
013						
13. Translation adjustment – Report foreign parent's share of your foreign currency translation adjustment resulting from the translation of foreign affiliate financial statements from the affiliates' functional currencies into the U.S. dollar. Compute the adjustment in accordance with FAS 52 or other current standards of the Financial Accounting Standards Board. Report the translation adjustment here on a quarterly basis, not on a cumulative or year-to-date basis.	1			2		
014						
14. Dividends or remitted earnings – Dividends on common and preferred stock, excluding stock and liquidating dividends of incorporated U.S. banking affiliate, or distributed earnings of a U.S. bank affiliate that is a branch or agency. Exclude reimbursed losses. (Report reimbursed losses in item 28a.) Report dividends or remitted earnings as of the date they were either paid, accrued, or transferred to the home office, whichever occurred first. Any subsequent settlement of dividends declared but not paid should not be reported.	1			2		
016						
15. U.S. tax withheld – Report U.S. tax withheld on dividends or on distributed earnings of a U.S. banking affiliate that is a branch or agency.	1			2		
017						
16. Net amount – Report net amount of dividends or distributed earnings. Equals item 14 less item 15.	1			2		

Part III INTEREST BETWEEN FOREIGN PARENT AND U.S. AFFILIATE, AS CONSOLIDATED

Enter amounts credited to foreign parent or charged to U.S. affiliate

- Report quarterly amounts (not year to date), GROSS of withholding tax.
- Include interest on capital leases.

Amount		
Bil.	Mil.	Thou.
1		
018	\$	

17. Interest payment on foreign parent's permanent invested debt in U.S. affiliate (item 18) –
Do not include interest from other types of loans.

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

Report the balance of foreign bank 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, or leasing subsidiaries or units. If the closing balance on the previous quarter's report is incorrect, note the correction in column 2.

18. 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 bank parent, and (b) positively identified as being used for nonbanking-type activities (e.g., debt used to acquire buildings, equipment, and other fixed assets). 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.

End-of-quarter			Beginning-of-quarter		
Bil.	Mil.	Thou.	Bil.	Mil.	Thou.
1			2		
124	\$			\$	

Part V INTERCOMPANY BALANCES BETWEEN THE INSURANCE, REAL ESTATE, AND LEASING SUBSIDIARIES OR UNITS OF THE U.S. AFFILIATE AND THE FOREIGN PARENT AND FAFP

19. Does this Form BE-605 BANK include data for domestic U.S. subsidiaries or units that have insurance, real estate, or leasing activities?

- 126 **1** Yes – Answer items 20 through 22
- 2** No – Go to item 23

For items 20 and 21 report amounts that relate ONLY to insurance, real estate, and leasing activities. Report amounts according to the books of the U.S. affiliate.

20. Liabilities – Report balances relating to your insurance, real estate, and leasing activities, owed by U.S. affiliate to foreign parent and to FAFP, both current and long-term.

End-of-quarter			Beginning-of-quarter		
Bil.	Mil.	Thou.	Bil.	Mil.	Thou.
1			2		
127	\$			\$	

21. Receivables – Report balances relating to your insurance, real estate, and leasing activities, due to the U.S. affiliate from the foreign parent and from FAFP, both 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 or FAFP.

1			2		
128					

22. Interest – Report payments, receipts, and accruals of interest on liabilities and receivables related to the insurance, real estate, and leasing activities above (items 20 and 21). For an account accrued prior to the reporting period, do not report any subsequent settlement of the account in this item. Report gross of any taxes withheld.

End-of-quarter			Beginning-of-quarter		
Bil.	Mil.	Thou.	Bil.	Mil.	Thou.
1			2		
129	\$			\$	

Part VI FOREIGN PARENT'S SHARE OF THE CHANGE DURING THE QUARTER IN U.S. AFFILIATE'S LOAN LOSS RESERVE (LLR), EXCLUDING LOANS TRANSFERRED TO THE FOREIGN PARENT

Report the foreign parent's (home office's), equity share of the reporting bank's loan losses or LLR. Calculate the amounts by multiplying the reporting bank's loan losses or LLR by the foreign parent's percentage of ownership. Report all reserves, including general reserves, reserves specific to individual loans, and reserves allocated based on specific country risk. Bank holding companies should include the LLR's of all banks included in the consolidated enterprise.

Amount		
Bil.	Mil.	Thou.
1		
134	\$	

23. Loan loss reserve – Balance at close of prior quarter. If amended from previous quarter's BE-605 BANK report, note revision.

24. Provision for loan losses – Amount charged to the LLR account during current quarter. Report the net effect of all LLR transactions on current quarter net income. For example, include general and/or specific allocations to the LLR less funds received against fully reserved loans that are not written off. Include the amount of any direct write-offs in this item and in item 25.

1		
135		

25. Loan losses – Amount of actual loan losses incurred during current quarter, including direct write-offs. Report both write-offs and sales of loans that are fully reserved. If revenue differs from net book value include the difference in item 12a.

1		
136		

26. Recovered losses and other adjustments – Specify amounts reinstated to the LLR resulting from prior write-offs. If the LLR is being reinstated, report amount of the recovery included in income as a gain in item 12a. Report recoveries of funds against loans fully reserved, but not written off, in item 24 as a reduction. Specify deposits made directly to the LLR by the foreign parent, adjustments due to changes in the foreign parent's ownership percentage and/or acquisition or disposal of an operating bank(s), and any miscellaneous or other adjustments to the LLR not reported in items 24 or 25 – Specify

1		
137		

27. Loan loss reserve – Balance at close of current quarter
Equals sum of items 23, 24, and 26 minus 25.

1		
138		

Part VII CHANGES IN EQUITY HOLDINGS IN THE U.S. AFFILIATE BY THE FOREIGN PARENT

Report transactions by the foreign parent 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 persons other than the foreign parent, reimbursed losses, 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		
		Bil.	Mil.	Thou.
• TRANSACTIONS BETWEEN FOREIGN PARENT AND U.S. AFFILIATE				
28. Increases in equity interest				
28a.	Increase from reimbursed losses – Report the foreign parent's increase in the U.S. affiliate's equity (or home office account), excluding amounts reported in Parts II and IV.	326	\$	1
28b.	Other Increases – 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.	327		1
	Total Increases in equity interest – Equals sum of 28a and 28b.	026		1
29.	Decrease in equity interest – Report sales of capital stock by the foreign parent to the U.S. affiliate, returns of contributed equity capital to the foreign parent not resulting in a reduction of issued stock, and distributions to the foreign parent (excluding amounts reported in Parts II, IV, and V) following total liquidation of the U.S. affiliate. Branches and agencies, report the foreign parent's decrease in the U.S. affiliate's equity (or home office account), excluding amounts reported in Parts II, IV, and V.	027		1
• TRANSACTIONS BETWEEN FOREIGN PARENT AND A PERSON OTHER THAN THE U.S. AFFILIATE				
Acquisition by foreign parent of equity interest in U.S. affiliate from –				
30.	U.S. persons other than the U.S. affiliate	028		1
31.	All foreign persons	029		1
Sale by foreign parent of equity interest in U.S. affiliate to –				
32.	U.S. persons other than the U.S. affiliate	030		1
33.	All foreign persons	031		1
34.	TOTAL TRANSACTION VALUE – Equals sum of items 28, 30, and 31, minus sum of items 29, 32, and 33.	032		1
35.	Book value – Report the book value (approximate) of the transactions reported in items 28 through 33, above. Exclude changes caused by carrying net income to the equity account, payment of stock or cash dividends other than liquidating dividends, distribution of earnings, and treasury stock transactions. Those items should be reported in item 11, net income (loss), and in item 12a.	033		1

Part VIII ANNUAL INCOME AND EQUITY POSITION

Complete **once** a year, not later than the second filing following the close of the calendar year (or fiscal year if the U.S. affiliate's books are not kept on a calendar year basis). For example, following a fiscal year ending December 31, this section must be completed on the report due within 30 days after the close of the first quarter, or April 30. If actual amounts are not available, supply estimates and label them as such. When a data item cannot be fully subdivided as required, supply a total and an estimated breakdown of the total.

		Month	Day	Year
36.	U.S. affiliate's calendar (or fiscal) year ending date	034		
37.	Foreign parent's percentage of equity ownership interest in the U.S. affiliate at end of year – Enter to tenth of one percent.	035		%

		Amount		
		Bil.	Mil.	Thou.
• INCOME STATEMENT ITEMS				
See instructions for items 11, 12, and 13, except that these items refer to the annual amount for the year designated in item 36. Please note in the Remarks section, page 4, any revisions to previously reported quarterly data made after the annual audit.				
38.	Foreign parent's direct equity in U.S. affiliate's annual net income (loss) after provision for U.S. Federal, State, and local income taxes.	036	\$	1
39.	Foreign parent's share of certain realized and unrealized gains (losses), net of tax effect:			1
	a. Included in net income (item 38)	037		
	b. Not included in net income (item 38) but taken directly to retained earnings or other comprehensive income excluding translation adjustment	038		
40.	Foreign parent's share of translation adjustment for the year (an adjustment to other comprehensive income)	338		1
• OWNER'S EQUITY ITEMS FOREIGN PARENT'S SHARE				
Report the foreign parent's share of the owner's equity items of the U.S. affiliate as of the end of the year shown in item 36. Items 41-43 must be computed on the equity method consistent with items 11 and 38.				
41.	Common and preferred stock and additional paid-in capital	039		1
42.	Retained earnings (deficit)	040		1
43.	Other equity accounts, including other comprehensive income – Specify	041		1
44.	TOTAL – Equals sum of items 41, 42, and 43	042		1

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

EXEMPT STATUS – Mark (X) one:

A01 **1 1** This U.S. affiliate is exempt because **each** of the three items listed below is equal to or less than \$30 million (positive or negative). Enter the amount for each of the three items – *Data should be for the fully consolidated U.S. business enterprise and for, or as of the end of, the most recent financial year (use projections if annual data are unavailable).*

- Total assets – **Do not** net out liabilities.
- Sales or gross operating revenues, excluding sales taxes – **Do not** give gross margin.
- Net income (loss) after provision for U.S. income taxes

	Bil.	Mil.	Thous.
A11	1		
A12	1		
A13	1		
	Month	Day	Year
A14	1		

- The above data are for the 12-month period ended

If any one of the three items above exceeds the exemption level, either positive or negative, the U.S. affiliate must report. Quarterly reports for a year may be required retroactively when it is determined that the exemption level has been exceeded. If a U.S. affiliate's total assets, sales, or net income (loss) exceeded the exemption level in a given year, it is deemed that the exemption level will also be exceeded in the following year.

1 2 This U.S. affiliate is consolidated, merged, or reorganized into another U.S. affiliate. Complete the following:

- Name and BEA ID number* of the directly owned U.S. affiliate in the consolidated group

A21

* If BEA ID number is not known, please provide contact information for the above company in the Remarks sections below.

- Date of change in status

	Month	Day	Year
A22	1		

1 3 This U.S. affiliate is only indirectly foreign owned through another U.S. affiliate, and has no direct transactions or accounts (e.g. debt investment balances or other direct transactions relating to insurance, real estate or leasing activities of the consolidated U.S. affiliate) with the foreign parent(s) or any of its(their) foreign affiliates. NOTE If the other U.S. affiliate has a majority interest (greater than 50%) in this U.S. affiliate, this item does **not** apply. See Instructions on "Consolidation."

1 4 In a prior quarter, the foreign parent's **voting interest** in this U.S. business enterprise was either –

- (a) sold to a U.S. person that is not a U.S. affiliate,
- (b) liquidated, or
- (c) diluted, so that the foreign parent's voting interest is below 10%.

Complete the following:

- Date of change in status
- Approximate sale or liquidation value – *If this amount was not reported in Part VII of a prior quarter's Form BE-605 Bank, also complete Part VII on page 3 of this form.*

	Month	Day	Year
A31	1		
	Bil.	Mil.	Thous.
A32	1		
	\$		

• If sold, name of other U.S. person(s) to whom sold A33

- If diluted, use "Remarks" space below to explain

1 5 Other – Use Remarks section below to specify and include reference to section of regulations or instructions on which claim is based.

A41 Remarks

1

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

Name 801 **1**

Address

TELEPHONE NUMBER 802 Area code 1 Number 2 Extension 3

FAX NUMBER 803 Area code 1 Number 2

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

Authorized official's signature

Print or type name and title Date

May we use e-mail to correspond with you to discuss questions relating to this Form BE-605 BANK, including questions that may contain information about your company 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.)

- 804 **1 1** Yes – If yes, please provide your e-mail address. →
- 1 2** No

805 Email address