

OMB No. 0608-0034: Approval Expires xx/xx/xxxx

BEA Identification Number →



MANDATORY — CONFIDENTIAL

**2008 ANNUAL SURVEY OF FOREIGN DIRECT INVESTMENT
IN THE UNITED STATES
FORM BE-15A**

DUE DATE: MAY 31, 2009**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**ELECTRONIC FILING:** www.bea.gov/efile**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.

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.

1002	Name of U.S. affiliate	0	
1010	c/o (care of)	0	
1003	Street or P.O. Box	0	
1004	City	0998	State 0
1005	ZIP Code	OR	Foreign Postal Code 0

ASSISTANCE****Email:****be12/15@bea.gov****Telephone:****(202) 606-5577****Copies of blank forms:****www.bea.gov/fdi****Definitions of key terms:**

See page 21.

****Please include your BEA Identification Number with all requests.**

Who must file BE-15A – Form BE-15A must be filed for a majority-owned U.S. affiliate with total assets, sales or gross operating revenues, or net income greater than \$275 million (positive or negative). For more information on filing requirements, see instruction I.2 on page 20. If you do not meet these filing criteria, see instruction I.A.1 starting on page 19 to determine which form to file.

**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**

1000	Name	0		
1029	Address	0		
1030		0		
1031		0		
1001	Telephone number	Area code	Number	Extension
	0			
0999	FAX number	Area code	Number	
	0			

CERTIFICATION — The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with instruction III.C starting on page 21, estimates may have been provided.

Authorized official's signature

Date

0990 Print or type name

0

0991 Print or type title

0

0992 Telephone number

0

0993 FAX number

0

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 confidential information about your company?

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	<input type="checkbox"/>	Yes (If yes, please print your email address.) →	0	Email address (Please print)
		2	<input type="checkbox"/>	No		
1032	FAX:	1	<input type="checkbox"/>	Yes		
		2	<input type="checkbox"/>	No		

1028

PART I – IDENTIFICATION OF U.S. AFFILIATE

IMPORTANT

Please review the **Instructions** starting on page 19 before completing this form. **Insurance and real estate companies** see Special Instructions starting on page 26.

- **Accounting principles** – If feasible use U.S. Generally Accepted Accounting Principles to complete Form BE-15 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 2008 fiscal year** – The affiliate's financial reporting year that had a ending date in calendar year 2008.
- **Consolidated reporting** – A U.S. affiliate must file on a fully consolidated **domestic U.S.** basis, including in the consolidation ALL **U.S. affiliates** in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The consolidation rules are found in instruction IV.2 on page 22.
- **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	000

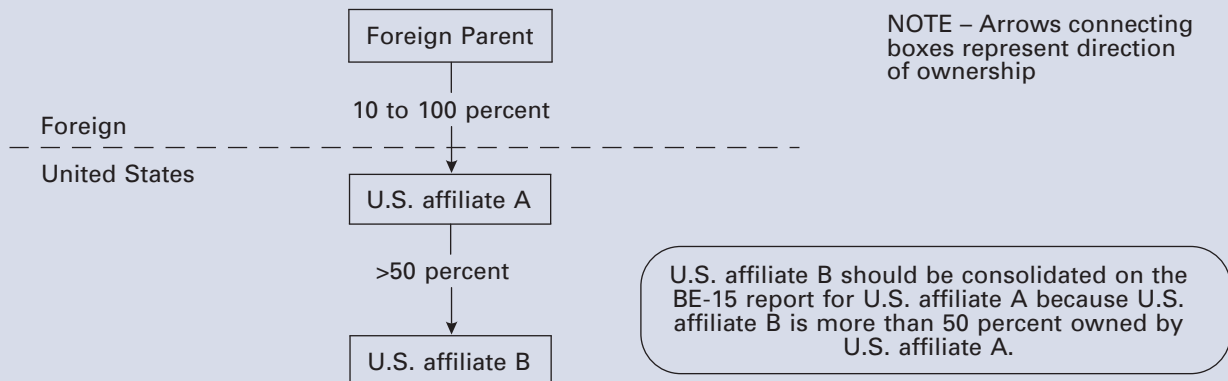
1. Which financial reporting standards will be used to complete this BE-15 report? NOTE: Unless it is highly burdensome or not feasible, the BE-15 report should be completed using U.S. Generally Accepted Accounting Principles (U.S. GAAP).

- ¹³⁹⁹ 1 U.S. Generally Accepted Accounting Principles
- 2 International Financial Reporting Standards or other reporting standards, but with adjustments to correct for any material differences between U.S. GAAP and the reporting standards used. *Specify the reporting standards used.*
- 3 International Financial Reporting Standards or other reporting standards, but without adjustments to correct for any material differences between U.S. GAAP and the reporting standards used. *Specify the reporting standards used.*

2. Consolidated reporting by the U.S. affiliate – Is more than 50 percent of the voting interest in this U.S. affiliate owned by another U.S. affiliate of your foreign parent (see the diagram below for assistance in answering this question)?

- ¹⁴⁰⁰ 1 Yes If "Yes" – Do not complete this report unless exception 2c described in the consolidation rules on page 22 applies. If this exception does not apply, please forward this BE-15 survey packet to the U.S. business enterprise owning your company more than 50 percent, and notify BEA of the action taken by filing BE-15 Claim for Exemption with item 2(d) completed on page 3 of that form. The BE-15 Claim for Exemption can be downloaded from BEA's web site at: www.bea.gov/fdi
- 2 No If "No" – Complete this report in accordance with the consolidation rules on pages 22.

CONSOLIDATION OF U.S. AFFILIATES



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

<p>Primary</p> <p>¹⁰⁰⁶ <input style="width: 100%;" type="text" value="1 -"/></p>	<p>Other</p> <p><input style="width: 100%;" type="text" value="2 -"/></p>
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PART I – IDENTIFICATION OF U.S. AFFILIATE – Continued

4. REPORTING PERIOD – Reporting period instructions are found in instruction 4 starting on page 22. If there was a **change in fiscal year**, please review instruction 4.b. on pages 22 and 23.

This U.S. affiliate's financial reporting year ended in **calendar year 2008** on 1007

Month	Day	Year
1	1	2008

Example – If the financial reporting year ended on March 31, report for the 12-month period ended March 31, **2008**.

NOTE – Affiliates with a fiscal year that ended within the first week of January 2009 are considered to have a 2008 fiscal year and should report December 31, 2008 as their 2008 fiscal year end.

5. Did the U.S. business enterprise become a U.S. affiliate during its fiscal year that ended in calendar year 2008?

¹⁰⁰⁸ ¹ Yes If "Yes" – Enter date U.S. business enterprise became a U.S. affiliate and see instruction 5 on page 23 to determine how to report for the first time.

¹ ² No 1009

Month	Day	Year
1	1	2008

NOTE – For a U.S. business enterprise that became a U.S. affiliate during its fiscal year that ended in calendar year 2008, leave the close FY 2007 data columns blank.

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

¹⁰¹¹ ¹ Incorporated in U.S.

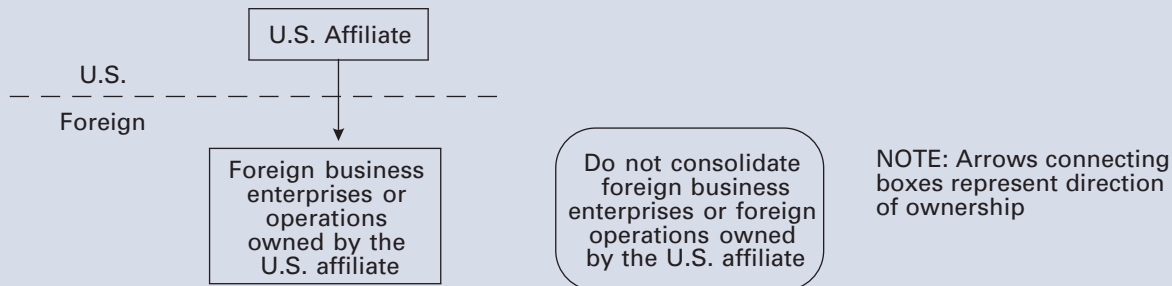
Reporting rules for unincorporated affiliates are found in instruction 6 on page 23.

- ¹ ² U.S. partnership — Reporting rules for partnerships are found in instruction 6.b. on page 22.
- ¹ ³ U.S. branch of a foreign person
- ¹ ⁴ Limited Liability Company (LLC) — Reporting rules for LLCs are found in instruction 6.c. on page 24.
- ¹ ⁵ Real property not in 1–4 above — Reporting rules for real estate are found in instruction V.C. starting on page 26.
- ¹ ⁶ Business enterprise incorporated abroad, but whose head office is located in the United States and whose business activity is conducted in, or from, the United States
- ¹ ⁷ Other — *Specify* ↴

7. Does this U.S. affiliate own any foreign business enterprises or operations (see the diagram below for assistance in answering this question)?

¹⁰¹⁴ ¹ Yes **If "Yes"** – DO NOT consolidate foreign business enterprises or operations. Foreign operations in which you own an interest of 20 percent or more are to be deconsolidated and reported using the equity method of accounting or the **fair value option** per FAS 159 (The Fair Value Option for Financial Assets and Financial Liabilities). If your ownership interest is less than 20 percent, foreign operations are to be reported in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting. Reporting rules for foreign operations are found in the instruction IV.2.a on page 22.

¹ ² No



8. U.S. affiliates fully consolidated in this report – U.S. affiliates that are more than 50-percent foreign-owned must be fully consolidated in this report, except as noted in the consolidation rules on page 22.

Enter the number of U.S. affiliates consolidated in this report in the box below. Hereinafter they are considered to be one U.S. affiliate. If the report is for a single U.S. affiliate, enter "1" in the box below. **Exclude from the consolidation all foreign business enterprises or operations owned by this U.S. affiliate.**

¹⁰¹³ ¹

Number – If number is greater than one, complete the Supplement A on page 15.

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

9. U.S. affiliates NOT fully consolidated — See instruction 9 on page 24.

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

¹⁰¹³ ¹

Number — If number is not zero, complete the Supplement B on page 17.

The U.S. affiliate named on page 1 must include data for unconsolidated U.S. affiliates on an equity basis, or using the **fair value option** per FAS 159 (The Fair Value Option for Financial Assets and Financial Liabilities) or, if less than 20 percent owned, in accordance with FAS 115 (Accounting for Certain Investments in Debt and Equity Securities) or the cost method of accounting, and must notify the unconsolidated U.S. affiliates of their obligation to file a Form BE-15 in their own names (see pages 19 and 20 to determine the appropriate form for these affiliates to file).

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

¹⁰¹⁵ ¹ Yes ² No

11. Did this U.S. affiliate sell, transfer ownership of, or liquidate any of its U.S. subsidiaries, operating divisions, segments, etc., during its fiscal year that ended in calendar year 2008?

¹⁰¹⁶ ¹ Yes ² No

Ownership — Enter percent of ownership, in this U.S. affiliate, to a tenth of one percent, based on voting and equity interests (or an equivalent interest if an unincorporated affiliate). "Voting interest" and "equity interest" are defined in instructions 12–16 on page 24.

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. The country of foreign parent is the country of incorporation or organization if the parent is a business enterprise, or of residence if the parent is an individual. For individuals, see instruction V.F. on page 28.

Name of each direct owner	Country of foreign parent	Voting interest		Equity interest (if different from voting interest)		BEA USE ONLY
		Close FY 2008 (1)	Close FY 2007 (2)	Close FY 2008 (3)	Close FY 2007 (4)	

Ownership held directly by foreign parent(s) of this affiliate—see example 1 below.

Enter name and country of each foreign parent with direct ownership—if more than 2, continue on separate sheet.

12.		¹⁰¹⁷	¹ _ . . . %	² _ . . . %	³ _ . . . %	⁴ _ . . . %	⁵
13.		¹⁰¹⁸	¹ _ . . . %	² _ . . . %	³ _ . . . %	⁴ _ . . . %	⁵

Ownership held indirectly by foreign parents of this U.S. affiliate through another U.S. affiliate—see example 2 below.

Enter name of each U.S. affiliate that owns this affiliate and the country of the foreign parent—if more than 2, continue on separate sheet.

14.		¹⁰¹⁹	¹ _ . . . %	² _ . . . %	³ _ . . . %	⁴ _ . . . %	⁵
15.		¹⁰²⁰	¹ _ . . . %	² _ . . . %	³ _ . . . %	⁴ _ . . . %	⁵

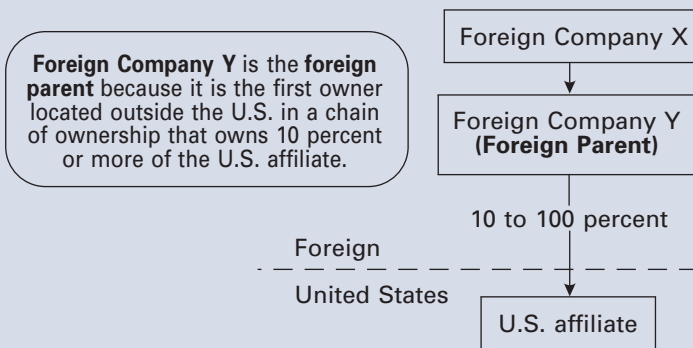
16a. All other U.S. persons (do not list names)	¹⁰⁶¹	¹ _ . . . %	² _ . . . %	³ _ . . . %	⁴ _ . . . %	⁵
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16b. All other foreign persons (do not list names)	¹⁰⁶²	¹ _ . . . %	² _ . . . %	³ _ . . . %	⁴ _ . . . %	⁵
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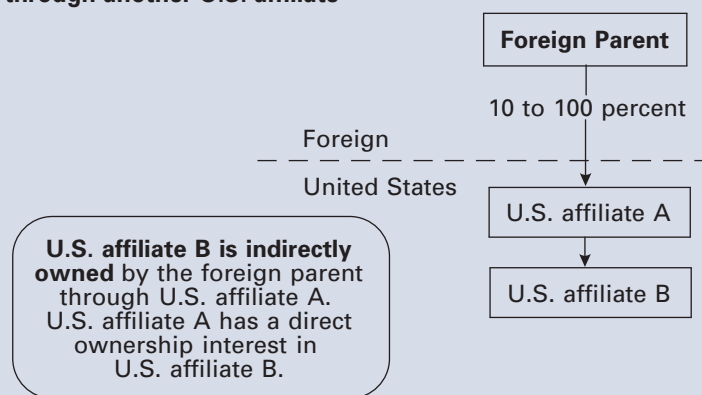
TOTAL of directly held ownership interests — Sum of items 12 through 16b.		100.0%	100.0%	100.0%	100.0%	
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EXAMPLES OF DIRECT AND INDIRECT FOREIGN OWNERSHIP

Example 1 – Ownership held directly by a foreign parent



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



NOTE: Arrows connecting boxes represent direction of ownership

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

17. Enter the name and industry code of the foreign parent. If there is more than one foreign parent, list each and its industry code on a separate sheet.

17a. Enter name of foreign parent. If the foreign parent is an individual enter "individual."

3011 0

17b. Enter the foreign parent industry code from the list of codes on page 6 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. If the foreign parent is an individual, enter code "05."

3018 1

18. For each foreign parent, furnish the name, country and industry code of the ultimate beneficial owner (UBO) – see UBO diagrams below. If there is more than one foreign parent, list each on a separate sheet and give the name of its UBO, and the UBO's country and industry codes. 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 21 for the complete definition of UBO.

18a. Is the foreign parent also the UBO? If the foreign parent is owned or controlled more than 50 percent by another person or entity, then the foreign parent is NOT the UBO.

3019 1 **Yes** (as shown in example 1 below) – Skip to 18d. 2 **No** (as shown in examples 2A and 2B below) – Continue with 18b.

18b. Enter the name of the UBO of the foreign parent. If the UBO is an individual enter "individual." Identifying the UBO as "bearer shares" is not an acceptable response.

3021 0

18c. Enter country of the UBO. For individuals, see instruction V.F. on page 28.

BEA USE ONLY

3022 1

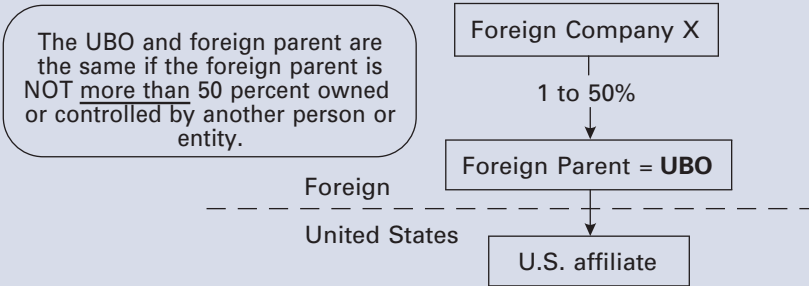
18d. Enter the industry code of the UBO from the list of codes at the bottom of page 6. **NOTE** – The UBO industry code is based on the consolidated world-wide activities of all majority-owned subsidiaries of the UBO. Select the industry code that best reflects the consolidated world-wide sales of the UBO, including all of its majority-owned subsidiaries.

3023 1 DO NOT use code "14" unless you receive permission from BEA.

EXAMPLES OF THE ULTIMATE BENEFICIAL OWNER (UBO)

Example 1 – The UBO and Foreign Parent are the same

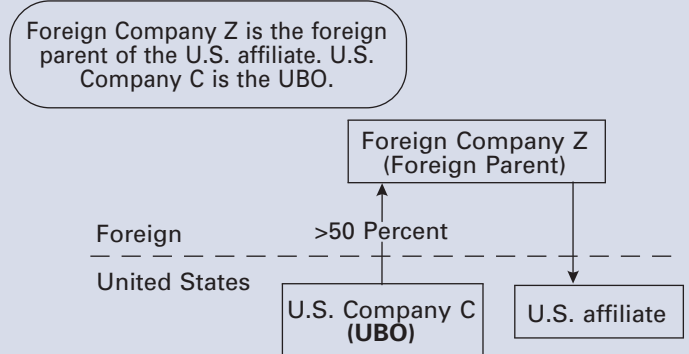
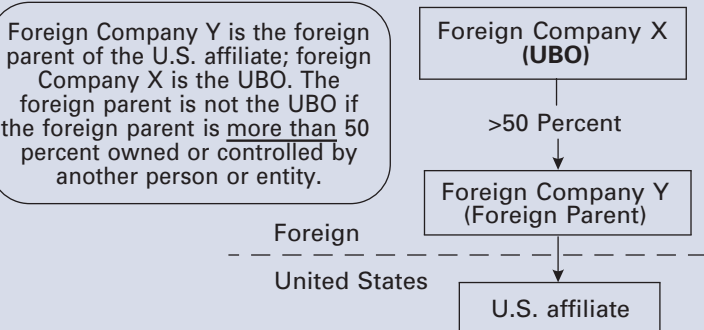
NOTE: Arrows connecting boxes represent direction of ownership



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

A. The UBO is a foreign person or entity

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



BEA USE ONLY 1070

1	2	3	4	5
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PART II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE

FOREIGN PARENT AND UBO INDUSTRY CODES
For Page 5 items 17b. and 18d.

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

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

Section A – INDUSTRY CLASSIFICATION, TOTAL SALES, AND EMPLOYEES OF FULLY CONSOLIDATED U.S. AFFILIATE

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

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

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

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

1163 0

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 – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued

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

Enter the 4-digit International Surveys Industry (ISI) code(s) and the sales and employment associated with each code in items 21 through 30 below. If you use fewer than ten codes, you must account for total sales in items 21 through 29.

Book publishers, printers, and Real Estate Investment Trusts – See instructions for items 21–34 on page 24.

Dealers in financial instruments and finance and insurance companies – See special instructions for item 37 starting on page 24.

Holding company (ISI code 5512) is often an invalid industry classification for a conglomerate. A conglomerate must determine its industry code based on the activities of the fully consolidated domestic U.S. business enterprise.

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 at: www.bea.gov/naics2007. For an inactive affiliate, base the industry classification(s) on its last active period; for "start-ups" with no sales, show the intended activity(ies).

Column (2) – Sales

INCLUDE

- **Total sales or gross operating revenues, excluding sales taxes** – Gross sales minus returns, allowances, and discounts; or gross operating revenues.
- Revenues generated during the year from the operations of a discontinued business segment.
- ONLY finance and insurance companies and units should report dividends and interest. Companies involved with repos and reverse repos see instructions for items 21–34 on page 24.
- Total income of **holding companies** (ISI code 5512) as reported in item 39 on page 8.

EXCLUDE

- Sales or consumption taxes levied directly on the consumer.
- Excise taxes levied directly on manufacturers, wholesalers, and retailers.
- Gains or losses from DISPOSALS of discontinued operations and gains and losses from derivative instruments (report as certain gains (losses) on page 8, item 37).
- Dividends and interest earned by non-finance and non-insurance companies and units (report as other income on page 8, item 38).

Column (3) – Number of employees – INCLUDE all full-time and part-time employees on the payroll at the end of FY 2008, associated with each ISI code. EXCLUDE contract workers and other workers not carried on the payroll of this U.S. affiliate. If employment at the end of FY 2008 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 2008. If precise figures are not available, provide your best estimate.

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

	ISI code (1)	Sales (2)				Number of employees associated with each ISI code in column (1) (3)
		Bil.	Mil.	Thous.	Dols.	
21. Enter code with largest sales	1164	1	2	\$	000	3
22. Enter code with 2nd largest sales	1165	1	2	\$	000	3
23. Enter code with 3rd largest sales	1166	1	2	\$	000	3
24. Enter code with 4th largest sales	1167	1	2	\$	000	3
25. Enter code with 5th largest sales	1168	1	2	\$	000	3
26. Enter code with 6th largest sales	1169	1	2	\$	000	3
27. Enter code with 7th largest sales	1170	1	2	\$	000	3
28. Enter code with 8th largest sales	1171	1	2	\$	000	3
29. Enter code with 9th largest sales	1176	1	2	\$	000	3
30. Enter code with 10th largest sales	1177	1	2	\$	000	3
31. Number of employees of administrative offices and other auxiliary units – INCLUDE employees at corporate headquarters, central administrative, and regional offices, and operating units that provide administration and management or support services (such as accounting, data processing, legal, research and development and testing, and warehousing) to more than one U.S. operating unit. EXCLUDE employees that provide administration and management or support services for only one unit. Instead, report such employees in column (3) of items 21 through 30 above.					1178	3
32. Sales and employees accounted for – Sum of items 21 through 31	1172		2	\$	000	3
33. Sales and employees not accounted for above – Items 21 through 30 must all have entries if amounts are entered on this line.	1173		2	\$	000	3
34. TOTAL SALES OR GROSS OPERATING REVENUES (excluding sales taxes) AND EMPLOYEES – Sum of items 32 and 33, columns (2) and (3)	1174	1	2	\$	000	3

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

Section B — INCOME STATEMENT		Bil.	Mil.	Thous.	Dols.
INCOME					
35. Total sales or gross operating revenues, excluding sales taxes — Item 35 must equal item 34, column (2), and also item 45.	2149	1			000
		\$			
36. Income from equity investments in unconsolidated U.S. affiliates and all foreign entities — INCLUDE here the equity in earnings, during the reporting period, for all U.S. and foreign investments that are unconsolidated and reported on page 10 item 60. INCLUDE dividends received for investments that are owned less than 20 percent and not subject to FAS 115. INCLUDE FAS 159 (The Fair Value Option for Financial Assets and Financial Liabilities) fair value gains and losses for investments that would otherwise be accounted for under the equity method but for which the fair value option has been applied.	2150	1			000
		\$			
37. Certain gains (losses) — PLEASE READ INSTRUCTIONS CAREFULLY as this item is based on <i>economic</i> accounting concepts and may, in some cases, deviate from accounting principles. Report gross amount before income tax effect. Include tax effect in item 41 below. Report gains (losses) resulting from:					
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. EXCLUDE legal judgments (report legal judgments against the U.S. affiliate in item 40; report legal settlements in favor of the U.S. affiliate in item 38);					
b. Restructuring. INCLUDE restructuring costs that reflect writedowns or writeoffs of assets or liabilities. EXCLUDE actual payments, or charges to establish reserves for future actual payments, such as for severance pay, and fees to accountants, lawyers, consultants, or other contractors. Report them in item 40;					
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. Real estate companies, see special instructions IV.37.(2) on page 25;					
d. Sales or other disposition of financial assets , including investment securities; FAS 159 (The Fair Value Option for Financial Assets and Financial Liabilities) fair value option gains and losses EXCEPT those to be reported in item 36 above; FAS 115 holding gains (losses) on securities classified as trading securities ; FAS 115 impairment losses; and gains and losses derived from derivative instruments . Dealers in financial instruments and finance and insurance companies, see special instructions IV.37.(1) starting on page 24;					
e. Goodwill impairment as defined by FAS 142 (Goodwill and Other Intangible Assets);					
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 21 through 34;					
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;					
h. The cumulative effect of a change in accounting principle ; and					
i. Change in accounting estimate of provision for expected stock option forfeitures under the inception method as defined by FAS 123(R) (Share-Based Payments).	2151	1			000
		\$			
38. Other income — Legal settlements in favor of the U.S. affiliate, nonoperating, and other income not included above. — <i>Specify major items</i> ↘	2152	1			000
		\$			
39. TOTAL INCOME — Sum of items 35 through 38	2153	1			000
		\$			
COSTS AND EXPENSES					
40. Cost of goods sold or services rendered, and selling, general, and administrative expenses — Operating expenses that relate to sales or gross operating revenues, item 35, and selling, general, and administrative expenses. INCLUDE production royalty payments to governments, their subdivisions and agencies, and to other persons. INCLUDE legal judgments against the U.S. affiliate. INCLUDE depletion charges representing the amortization of the actual cost of capital assets, but EXCLUDE all other depletion charges. EXCLUDE goodwill impairment as defined by FAS 142 (Goodwill and Other Intangible Assets). Report such impairment losses in item 37 above. For guidance on restructuring costs, see item 37b above.	2154	1			000
		\$			
41. Income taxes — Provision for U.S. Federal, state, and local incomes taxes. INCLUDE the income tax effect of certain gains (losses) reported in item 37. EXCLUDE production royalty payments.	2156	1			000
		\$			
42. Other costs and expenses not included above, including minority interest in profits and losses that arise out of consolidation. — <i>Specify major items</i> ↘	2157	1			000
		\$			
43. TOTAL COSTS AND EXPENSES — Sum of items 40 through 42	2158	1			000
		\$			
NET INCOME					
44. Net income (loss) after provision for U.S. Federal, state, and local income taxes — Item 39 minus item 43	2159	1			000
		\$			

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

Section C — DISTRIBUTION OF SALES OR GROSS OPERATING REVENUES

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

NOTE — BEFORE COMPLETING THIS SECTION, PLEASE SEE THE INSTRUCTIONS FOR ITEMS 45 THROUGH 50 ON PAGE 25. Insurance companies also see page 26, V.A. for special instructions.

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

		Bil.	Mil.	Thous.	Dols.
45. TOTAL SALES OR GROSS OPERATING REVENUES, EXCLUDING SALES TAXES — Equals item 35, and also sum of items 46 through 48	2243	1 \$			000
46. Sales of Goods	2244	1 \$			000
47. Investment income included in gross operating revenues. Include ALL interest and dividends generated by finance and insurance subsidiaries or units.	2245	1 \$			000
48. Sales of Services, Total — Sum of items 49 through 50	2246	1 \$			000
49. To U.S. persons or entities	2247	1 \$			000
50. To foreign persons	2257	1 \$			000
Section D — OTHER FINANCIAL AND OPERATING DATA					
51. Interest income from all sources (including foreign parents and affiliates), after deduction of taxes withheld by the payer. Do not net against interest expense (item 52).	2400	1 \$			000
52. Interest expense plus interest capitalized, paid or due to all payees (including to foreign parents and affiliates), before deduction of U.S. tax withheld by the affiliate. Do not net against interest income (item 51).	2401	1 \$			000
53. Other taxes and non-tax payments (EXCLUDING income and payroll taxes) — Amount paid or accrued for the year, net of refunds or credits, to U.S. Federal, state, and local governments, their subdivisions and agencies for — <ul style="list-style-type: none"> • Sales, consumption, and excise taxes collected by you on goods and services you sold • Premium taxes paid by insurance companies • Property and other taxes on the value of assets and capital • Any remaining taxes (other than income and payroll taxes) • Non-tax liabilities (other than for purchases of goods and services) such as — <ul style="list-style-type: none"> • Import and export duties • Production royalties for natural resources • License fees, fines, penalties, and similar items NOTE: The amount reported in this item SHOULD NOT EQUAL the amount reported in item 41.	2402	1 \$			000
54. TOTAL EMPLOYEE COMPENSATION — Base compensation on payroll records. Employee compensation must cover compensation charged as an expense on the income statement, charged to inventories, or capitalized during the reporting period. INCLUDE wages and salaries and employee benefit plans. EXCLUDE compensation related to activities of a prior period, such as compensation capitalized or charged to inventories in prior periods. EXCLUDE compensation of contract workers and other workers not carried on the payroll of this U.S. affiliate. See instruction 54 on page 25.	2253	1 \$			000
55a. Expenditures for research and development (R&D) performed BY the U.S. affiliate — Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, taxes, materials and supplies, overhead — whether or not allocated to others — and all other indirect costs. EXCLUDE the cost of R&D funded by the U.S. affiliate but performed by others. See instruction 55a starting on page 25.	2403	1 \$			000
55b. Research and development employees — Report the number of employees engaged in R&D in the United States (including the District of Columbia, Puerto Rico, and all territories and possessions of the United States) during the fiscal year that ended in calendar year 2008. R&D employees are scientists, engineers, and other professional and technical employees, including managers, engaged in scientific or engineering R&D work, at a level that requires knowledge of physical or life sciences, engineering, mathematics, statistics, or computer science at least equivalent to that acquired through completion of a four year college course with a major in one of these fields (i.e., training may be either formal or by experience).	2403			Number (1)	
	2410	1			
	2410	BEA USE ONLY			

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

Section E – INSURANCE INDUSTRY ACTIVITIES

56. Of the total sales and gross operating revenues reported on page 7, line 34, column 2, were any of the sales or revenues generated by insurance-related activities (industry codes 5243 and 5249)?

1180 ¹ Yes – Answer items 57 and 58 ¹ ² No – Skip to item 59

<p>57. Premiums earned — Report premiums, gross of commissions, included in revenue during the reporting year. Calculate as direct premiums written (including renewals) net of cancellations, plus reinsurance premiums assumed, minus reinsurance premiums ceded, plus unearned premiums at the beginning of the year, minus unearned premiums at the end of the year. EXCLUDE all annuity premiums. Also EXCLUDE premiums and policy fees related to universal and adjustable life, variable and interest-sensitive life, and variable-universal life policies.</p>	1181	1	\$	000	
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<p>58. Losses incurred — Report losses incurred for the insurance products covered by question 57. 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.</p> <p><u>For property and casualty insurance</u>, 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.</p> <p><u>For life insurance</u>, 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.</p>	1182	1	\$	000	
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Section F — BALANCE SHEET

NOTE — Disaggregate all balance sheet items in the detail shown. Insurance companies see page 26, V.A., for special instructions.

ASSETS

<p>59. Inventories — Land development companies, exclude land held for resale (include in item 62); finance and insurance companies, exclude inventories of marketable securities (include in item 62).</p>	2104	Close FY 2008 (1)				Close FY 2007 (Unrestated) (2)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
		1			000	2			000
		\$				\$			

<p>60. Equity investment (or fair value per FAS 159) in unconsolidated U.S. and foreign affiliates — Include all consolidated U.S. and foreign affiliates that are to be reported on the equity, cost, or fair value methods. NOTE: Foreign affiliates in which you own an interest of 20 percent or more, including those in which you own a majority interest, are to be unconsolidated. Include all unconsolidated foreign affiliates, in which you own a majority interest, on the equity basis.</p>	2106	Close FY 2008 (1)				Close FY 2007 (Unrestated) (2)			
		1			000	2			000
		\$				\$			

<p>61. Property, plant, and equipment, net — Include land, timber, mineral rights, structures, machinery, equipment, special tools, deposit containers, construction in progress, and capitalized tangible and intangible exploration and development costs of the affiliate, at historical cost net of accumulated depreciation, depletion, and amortization. Include items on capital leases from others, per FAS 13 (Accounting for Leases), and property you own that you lease to others under operating leases. Exclude all other types of intangible assets, and land held for resale. (An unincorporated affiliate should include items owned by its foreign parent but which are in the affiliate's possession in the United States whether or not carried on the affiliate's own books or records.)</p>	2107	Close FY 2008 (1)				Close FY 2007 (Unrestated) (2)			
		1			000	2			000
		\$				\$			

<p>62. Other assets — Include all other assets not included above.</p>	2110	Close FY 2008 (1)				Close FY 2007 (Unrestated) (2)			
		1			000	2			000
		\$				\$			

<p>63. TOTAL ASSETS — Sum of items 59 through 62</p>	2109	Close FY 2008 (1)				Close FY 2007 (Unrestated) (2)			
		1			000	2			000
		\$				\$			

<p>LIABILITIES</p> <p>64. TOTAL LIABILITIES</p>	2114	Close FY 2008 (1)				Close FY 2007 (Unrestated) (2)			
		1			000	2			000
		\$				\$			

<p>64a. Has the FAS 159 (The Fair Value Option for Financial Assets and Financial Liabilities) fair value option been elected for any asset or liability items included in the amounts reported on the balance sheet above?</p> <p>1 <input type="checkbox"/> Yes – Report the total amount of the fair value assets and liabilities in the space provided below</p> <p>2 <input type="checkbox"/> No – Skip to 65.</p>	2112	Close FY 2008 (1)				Close FY 2007 (Unrestated) (2)			
<p>Assets: Total of all fair value asset amounts reported in the balance sheet above.</p>		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
		1			000	2			000
		\$				\$			
<p>Liabilities: Total of all fair value liability amounts reported in the balance sheet above.</p>	2115	Close FY 2008 (1)				Close FY 2007 (Unrestated) (2)			
		1			000	2			000
		\$				\$			

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

Section F — BALANCE SHEET — Continued

OWNERS' EQUITY	Close FY 2008 (1)				Close FY 2007 (Unrestated) (2)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
	65. Capital stock and additional paid-in capital — Common and preferred, voting and non-voting capital stock and additional paid-in capital.							
2116	\$			000	\$			000
66. Retained earnings (deficit)								
2117	\$			000	\$			000
67. Treasury stock								
2118	\$	()	000	\$	()	000
68. Accumulated other comprehensive income (loss)	Close FY 2008 (1)				Close FY 2007 (Unrestated) (2)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
68a. Translation adjustment	2122	\$			\$			
				000				000
68b. All other components	2128	\$			\$			
				000				000
68c. Total accumulated other comprehensive income (loss) — Equals sum of 68a and 68b	2129	\$			\$			
				000				000
69. Other — Specify major items ↘								
2119	\$				\$			
				000				000
70. TOTAL OWNERS' EQUITY — Sum of items 65, 66, 67, 68c and 69 for incorporated U.S. affiliates and those unincorporated U.S. affiliates for which this breakdown is available. For those unincorporated U.S. affiliates that cannot provide a breakdown for items 65 through 69, report total owners' equity in this item. For both incorporated and unincorporated U.S. affiliates, total owners' equity must equal item 63 (TOTAL ASSETS) minus item 64 (TOTAL LIABILITIES).	2120	\$			\$			
				000				000

Section G — CHANGE IN RETAINED EARNINGS (DEFICIT) — If retained earnings (deficit) is not shown as a separate account, show change in total owners' equity.

	Bil.	Mil.	Thous.	Dols.
71. Balance, close FY ended in 2007, before restatement due to a change in the entity (i.e., due to mergers, acquisitions, divestitures, etc.) or due to a change in accounting methods or principles, if any — Enter amount from item 66, column (2); if retained earnings (deficit) is not shown as a separate account, enter amount from item 70, column (2).				
2211	\$			000
72. Increase (decrease) due to restatement of FY 2007 closing balance. — Specify reason(s) for change ↘				
2212	\$			000
73. FY 2007 closing balance as restated — Item 71 plus item 72.	2213	\$		000
74. Net income (loss) — Enter amount from page 8, item 44.	2214	\$		000
75. Dividends or earnings distributed — Incorporated affiliates, enter amount of dividends declared, inclusive of taxes withheld, out of current- or prior-period income, on common and preferred stock, excluding stock dividends. Unincorporated affiliates, enter amount of current- or prior-period net income distributed to owners.	2215	\$		000
76. Other increases (decreases) in retained earnings (deficit), including stock or liquidating dividends, or in total owners' equity if retained earnings (deficit) are not shown as a separate account, including capital contributions (return of capital). — Specify ↘				
2217	\$			000
77. FY 2008 closing balance — Sum of items 73, 74, and 76 minus item 75; also must equal item 66, column (1), if retained earnings (deficit) is shown as a separate account, or item 70, column (1), if retained earnings (deficit) is NOT shown as a separate account.	2218	\$		000

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

Section H — LAND AND OTHER PROPERTY, PLANT, AND EQUIPMENT

Include all land and other property, plant, and equipment **carried anywhere on the U.S. affiliate's balance sheet**, whether or not with the intent of holding and actively using the asset in the operating activity of the business.

Land refers to any part of the earth's surface. Include land being leased from others under capital leases. **Other property, plant, and equipment includes:** Timber, mineral and like rights owned; all structures, machinery, equipment, special tools, and other depreciable property; construction in progress; capitalized tangible and intangible exploration and development costs; and the capitalized value of timber, mineral, and like rights leased by the affiliate from others under capital leases. On the balance sheet these items may be carried in property, plant, and equipment (item 61) or in other assets (item 62).

Exclude items that the affiliate has sold on a capital lease basis.

SCHEDULE OF CHANGE FROM FY 2007 CLOSING BALANCES TO FY 2008 CLOSING BALANCES		Bil.	Mil.	Thous.	Dols.
78. Net book value of all land and other property, plant, and equipment at close of FY 2007 wherever carried on the balance sheet, before restatement due to a change in entity.	2386	1			000
CHANGES DURING FY 2008					
79. Give amount by which the net book value in item 78 would be restated due to:					
• Change in entity (i.e., due to the acquisition of or merger with another company, or the divestiture of a subsidiary, etc.)					
• Change in accounting methods or principles		1			
If a decrease, put amount in parentheses.	2387	\$			000
Expenditures – Include all purchases by, or transfers to, the U.S. affiliate of land and other property, plant, and equipment. Exclude all changes caused by a change in the entity or by a change in accounting methods or principles during your FY 2008 (include such changes in item 79).					
Expenditures by the U.S. affiliate for, or transfers into the U.S. affiliate of,					
80. Land – Report expenditures for land except land held for resale. Report land held for resale in item 84.	2388	1			000
81. Mineral rights, including timber – Report capitalized expenditures to acquire mineral and timber rights. Exclude capitalized expenditures for the exploration and development of natural resources. Include those in item 82.	2389	1			000
82. Property, plant, and equipment other than land and mineral rights (Exclude changes due to mergers and acquisitions. Report them in item 79.)	2390	1			000
83. Depreciation and depletion	2392	1			000
84. Net book value of sales, retirements, impairments, or transfers out of assets defined for inclusion in this section, and other decreases (increases) — INCLUDE expenditures for land held for resale. EXCLUDE amounts relating to the divestiture of U.S. affiliates. Report such amounts in item 79.	2394	1			000
BALANCES AT CLOSE OF FY 2008					
85. Net book value of land and other property, plant, and equipment at close of FY 2008 — Sum of items 78 through 82, minus sum of items 83 and 84.	2395	1			000
86. Accumulated depreciation and depletion	2396	1			000
87. Gross book value of all land and other property, plant, and equipment at close of FY 2008 , wherever carried on the balance sheet — Sum of items 85 and 86.	2397	1			000
ADDENDUM					
88. Gross book value of land owned — The portion of item 87 that is the gross book value of land owned. Include undeveloped and agricultural land, and also the value of land you own that is located under developed properties such as office buildings, apartment buildings, retail buildings, etc. If your accounting and reporting systems do not separately account for land and building components when buildings sit upon land that you own, provide your best estimate of the gross book value of the land owned.	2356	1			000
89. Expensed petroleum and mining exploration and development expenditures — Include expensed expenditures to acquire or lease mineral rights. Exclude expenditures that are capitalized and expenditures made in prior years that are reclassified in the current year; such expenditures are considered to be expenditures only in the year when initially expensed.	2398	1			000

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

Section I — U.S. TRADE IN GOODS BY U.S. AFFILIATE ON A SHIPPED BASIS

Report the value of goods exported and imported by the U.S. affiliate during the fiscal year that ended in calendar year 2008.

- **Report on a SHIPPED basis, rather than a CHARGED basis.** The shipped basis looks at the physical movement of goods. However, U.S. affiliates normally keep their accounting records on a "charged basis," which may not reflect the physical movement of goods. The "charged" basis may be used if there is no material difference between it and the "shipped" basis. However, if there is a material difference, the "shipped" basis must be used or adjustments must be made to the "charged" basis data to approximate a "shipped" basis. Additional instructions regarding shipped basis are available on page 26.
- **Timing** — Only include goods actually shipped during FY 2008 regardless of when the goods were charged or consigned.
- **f.a.s. valuation** — Value goods f.a.s. (free alongside ship) at the port-of-exportation.
 - INCLUDE costs incurred up to the point of loading the goods aboard the export carrier at the port of exportation, including the selling price at the interior point of shipment (or cost if not sold), packaging cost, and inland freight and insurance.
 - EXCLUDE all subsequent costs such as loading costs, U.S. and foreign import duties, and freight and insurance from the port of exportation to the port of entry.

INCLUDE:

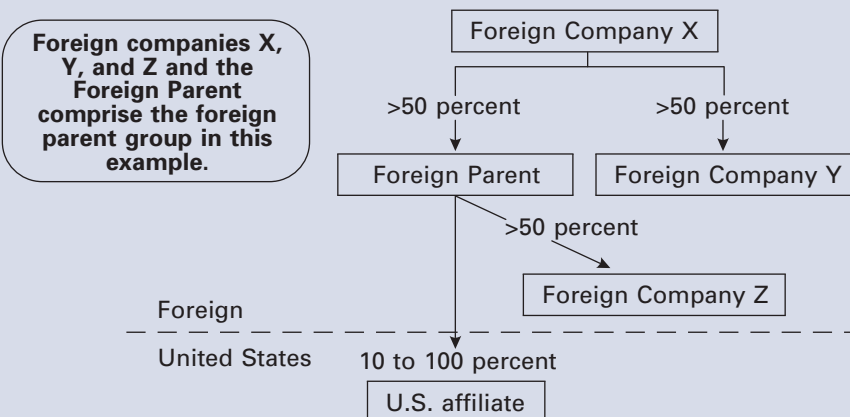
- **Capital goods** — (e.g., manufacturing equipment used to produce goods for sale).
- **Consigned goods** — Include when shipped or received even though they are not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned.
- **Electricity and water.** Report ONLY the value of the product (electricity, water, and natural gas). DO NOT report the service value (transmission and distribution).
- **General use computer software.** Include packaged general use computer software at full transaction value (including both the value of the media on which the software is recorded and the value of the information contained on the media).
- **Goods shipped by an independent carrier or a freight forwarder** to or from the United States at the expense of a U.S. affiliate are, respectively, imports or exports of the U.S. affiliate.

EXCLUDE:

- **Services**
- **In-transit goods** — These are goods that are en route from one foreign country to another via the United States (such as from Canada to Mexico via the United States), and goods en route from one part of the United States to another part via a foreign country (such as from Alaska to Washington State via Canada).
- **Ships, planes, railroad rolling stock, and trucks** — that were temporarily outside the United States transporting people or merchandise.
- **Customized software** — designed to meet the needs of a specific user. This type of software is considered a service and should not be reported as trade in goods.
- **Software transmitted electronically** — rather than physically shipped.
- **Negotiated licensing fees** — for software to use on networks.

		Bil.	Mil.	Thous.	Dols.
90. Exports by U.S. affiliate to foreign persons or entities					
Shipped by U.S. affiliate to foreign persons (valued f.a.s. U.S. port) — Sum of items 91 through 93	2502	1			000
		\$			
91. Shipped to foreign parent group(s) (see illustration below)	2514	1			000
		\$			
92. Shipped to foreign affiliates owned by this U.S. affiliate (see illustration for item 7 on page 3)	2526	1			000
		\$			
93. Shipped to all other foreign persons or entities	2527	1			000
		\$			
94. Imports by U.S. affiliate from foreign persons or entities					
Shipped to U.S. affiliate by foreign persons (valued f.a.s. foreign port) — Sum of items 95 through 97	2515	1			000
		\$			
95. Shipped by foreign parent group(s) (see illustration below)	2534	1			000
		\$			
96. Shipped by foreign affiliates owned by this U.S. affiliate (see illustration for item 7 on page 3)	2535	1			000
		\$			
97. Shipped by all other foreign persons or entities	2536	1			000
		\$			

EXAMPLE OF FOREIGN PARENT GROUP



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. ("Person" is used in the broad legal sense and includes companies.)

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

Section J — SCHEDULE OF EMPLOYMENT BY LOCATION

Include in this schedule only employees of those U.S. business enterprises that are fully consolidated into the reporting U.S. affiliate. Do not consolidate or include employees of foreign business enterprises or operations, whether incorporated or unincorporated.

Location of employees is the U.S. state, territory, or possession in which the person is permanently employed.

The total number of employees reported in item 98 **MUST** equal the total number of employees reported on page 7 item 34 column (3).

Item 152—U.S. offshore oil and gas sites: Use this line to report employment on offshore oil and gas sites located within U.S. claimed territorial waters but NOT located within the territorial waters of a specific state. Employment on offshore oil and gas sites located within the territorial waters of a specific state should be reported in that state. For offshore oil and gas sites located outside U.S. claimed territorial waters, see item 154c to the right.

Item 154—Foreign: Except as noted below, do not include employees located outside of the United States in item 154 or elsewhere on the Schedule of Employment By Location.

- a. Employees normally located in the United States who are on a temporary duty assignment outside of the country for one year or less should be reported in the U.S. state, territory, or possession where they are normally located.
- b. Employees normally located in the United States who are on a duty assignment outside of the country for more than one year and carried on the payroll of the domestic U.S. affiliate should be reported in item 154. Exclude these employees from the BE-15 report if they are carried on a foreign payroll.
- c. Use the "foreign" line to report employment at oil and gas sites that (1) are owned by the U.S. affiliate; (2) are located outside of U.S. claimed territorial waters; (3) are not incorporated in a foreign country; (4) are not organized as a branch; and (5) do not otherwise have a physical presence in a foreign country as evidenced by plant and equipment or employees located in a foreign country.

LOCATION	Number of employees at the end of FY 2008	LOCATION	Number of employees at the end of FY 2008
98. TOTAL	2700	130. New York	2732
99. Alabama	2701	131. North Carolina	2733
100. Alaska	2702	132. North Dakota	2734
101. Arizona	2703	133. Ohio	2735
102. Arkansas	2704	134. Oklahoma	2736
103. California	2705	135. Oregon	2737
104. Colorado	2706	136. Pennsylvania	2738
105. Connecticut	2707	137. Rhode Island	2739
106. Delaware	2708	138. South Carolina	2740
107. Florida	2709	139. South Dakota	2741
108. Georgia	2710	140. Tennessee	2742
109. Hawaii	2711	141. Texas	2743
110. Idaho	2712	142. Utah	2744
111. Illinois	2713	143. Vermont	2745
112. Indiana	2714	144. Virginia	2746
113. Iowa	2715	145. Washington	2747
114. Kansas	2716	146. West Virginia	2748
115. Kentucky	2717	147. Wisconsin	2749
116. Louisiana	2718	148. Wyoming	2750
117. Maine	2719	149. District of Columbia	2751
118. Maryland	2720	150. Puerto Rico	2752
119. Massachusetts	2721	151. Virgin Islands	2753
120. Michigan	2722	152. U.S. offshore oil and gas sites – See instruction 152 above.	2756
121. Minnesota	2723		
122. Mississippi	2724		
123. Missouri	2725	153. Other U.S. areas – includes Guam, American Samoa, and all other territories and possessions not separately listed	2754
124. Montana	2726		
125. Nebraska	2727		
126. Nevada	2728		
127. New Hampshire	2729	154. Foreign – See instruction 154 above.	2758
128. New Jersey	2730		
129. New Mexico	2731		

Name of U.S. affiliate as shown on page 1, of BE-15A

LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING U.S. AFFILIATE
 NOTE – If you filed a Supplement A or a computer printout of Supplement A with your 2007 BE-12 report, in lieu of completing a new Supplement A, you may substitute a copy of that Supplement A or computer printout that has been updated to show any additions, deletions, or other changes.

Supplement A must be completed by a reporting affiliate that consolidates financial and operating data of any other U.S. affiliate(s). The number of U.S. affiliates listed below plus the reporting U.S. affiliate must agree with item 8, Part I of Form BE-15A. Continue listing onto as many additional copied pages as necessary.

(1) BEA USE ONLY	(2) Name of each U.S. affiliate consolidated (as represented in item 8, Part I)	(3) Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes	(4) Name of U.S. affiliate which holds the direct ownership interest in the U.S. affiliate listed in column (2)	5110 Primary Employer Identification Number as shown in item 3, Part I of BE-15A	1 – Percentage of direct voting ownership that the U.S. affiliate named in column (4) holds in the U.S. affiliate named in column (2). – Enter <i>Percentage to nearest tenth.</i> (5)
5111	2	3	4	5	5 . %
5112	2	3	4	5	5 . %
5113	2	3	4	5	5 . %
5114	2	3	4	5	5 . %
5115	2	3	4	5	5 . %
5116	2	3	4	5	5 . %
5117	2	3	4	5	5 . %
5118	2	3	4	5	5 . %
5119	2	3	4	5	5 . %
5120	2	3	4	5	5 . %
5121	2	3	4	5	5 . %
5122	2	3	4	5	5 . %
5123	2	3	4	5	5 . %
5124	2	3	4	5	5 . %
5125	2	3	4	5	5 . %
5126	2	3	4	5	5 . %
5127	2	3	4	5	5 . %
5128	2	3	4	5	5 . %
5129	2	3	4	5	5 . %
5130	2	3	4	5	5 . %
5131	2	3	4	5	5 . %
5132	2	3	4	5	5 . %
5133	2	3	4	5	5 . %

BE-15A Supplement A (2008) - LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING U.S. AFFILIATE - Continued Page number

(1) BEA USE ONLY	(2) Name of each U.S. affiliate consolidated (as represented in item 8, 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 that the U.S. affiliate named in column (4) holds in the U.S. affiliate named in column (2). - Enter percentage to nearest tenth.
1	2	3	4	5
5134		-		. %
5135		-		. %
5136		-		. %
5137		-		. %
5138		-		. %
5139		-		. %
5140		-		. %
5141		-		. %
5142		-		. %
5143		-		. %
5144		-		. %
5145		-		. %
5146		-		. %
5147		-		. %
5148		-		. %
5149		-		. %
5150		-		. %
5151		-		. %
5152		-		. %
5153		-		. %
5154		-		. %
5155		-		. %
5156		-		. %
5157		-		. %
5158		-		. %
5159		-		. %

LIST OF ALL U.S. AFFILIATES IN WHICH THE REPORTING AFFILIATE (AS CONSOLIDATED) HAS A DIRECT OWNERSHIP INTEREST BUT WHICH ARE NOT FULLY CONSOLIDATED
 NOTE – If you filed a Supplement B or a computer printout of Supplement B with your 2007 BE-12 report, in lieu of completing a new Supplement B, you may substitute a copy of that Supplement B or computer printout that has been updated to show any additions, deletions, or other changes.

Supplement B must be completed by a reporting affiliate which files a BE-15A 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 9, Part I, of BE-15A. Continue listing onto as many additional copied pages as necessary.

(1) BEA USE ONLY	(2) Name of each U.S. affiliate in which a direct interest is held but that is not listed in Supplement A	(3) Address of each U.S. affiliate listed in column (2) <i>Give number, street, city, state, and ZIP Code</i>	(4) Has each affiliate been notified of obligation to file? <i>Mark (X) one</i>	(5) Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes	(6) Percentage of direct voting ownership interest that the fully consolidated U.S. affiliate named on page 1 of this Form BE-15A, holds in the U.S. affiliate named in column (2). – <i>Enter percentage to nearest tenth.</i>
6211	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6212	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6213	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6214	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6215	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6216	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6217	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6218	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6219	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6220	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6
6221	2	3	4 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	5	6

BE-15A Supplement B (2008) – LIST OF U.S. AFFILIATES – Continued

<p>BEA USE ONLY</p> <p>(1)</p>	<p>(2)</p> <p>Name of each U.S. affiliate in which a direct interest is held but that is not listed in Supplement A</p>	<p>(3)</p> <p>Address of each U.S. affiliate listed in column (2) Give number, street, city, state, and ZIP Code</p>	<p>(4)</p> <p>Has each affiliate been notified of obligation to file? Mark (X) one</p>	<p>(5)</p> <p>Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes</p>	<p>(6)</p> <p>Percentage of direct voting ownership interest that the fully consolidated U.S. affiliate named on page 1 of this Form BE-15A, holds in the U.S. affiliate named in column (2). – Enter percentage to nearest tenth.</p>
6222			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6223			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6224			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6225			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6226			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6227			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6228			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6229			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6230			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6231			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6232			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6233			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		
6234			<p>1 <input type="checkbox"/> Yes</p> <p>2 <input type="checkbox"/> No</p>		

**2008 ANNUAL SURVEY OF FOREIGN DIRECT INVESTMENT IN THE UNITED STATES
BE-15A INSTRUCTIONS**

NOTE: Instructions in section IV are cross referenced by number to the items located on pages 2 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 (in the broad sense, including companies) subject to the reporting requirements of the BE-15 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-15A, BE-15B, BE-15(EZ), or BE-15 Claim For Exemption, whichever is applicable, by **May 31, 2009**.

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 BE-15A form is estimated to vary from 3.5 to 470 hours per response, with an average of 42.5 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 0608-0034, Washington, DC 20503.

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

I. REPORTING REQUIREMENTS

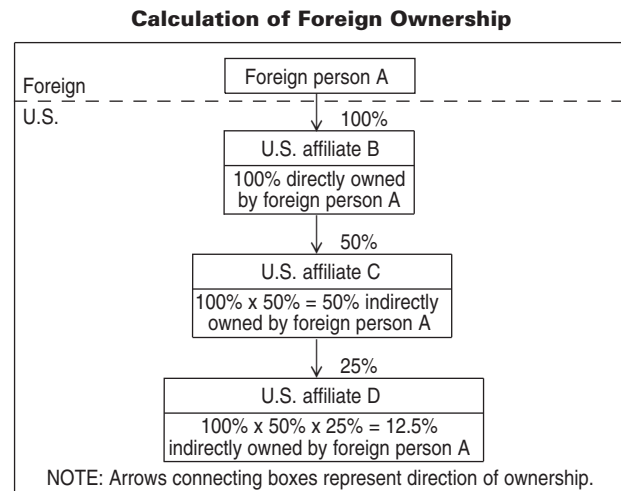
To determine which BE-15 report to file, read the following sections on this page and review the flow chart on page 20.

A. Who must report – A BE-15 report is required for each U.S. affiliate, i.e., for each U.S. business enterprise in which a foreign person or entity owned or controlled, directly or indirectly, 10 percent or more of the voting securities if an incorporated U.S. business enterprise, or an equivalent interest if an unincorporated U.S. business enterprise, at the end of the business enterprise's fiscal year that ended in calendar year 2008.

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

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

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



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

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

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

1. Which form to file – Please review the questions below and the flow chart on page 20 to determine if your U.S. business is required to file Form BE-15. Blank forms can be found at: www.bea.gov/fdi

a. Were at least 10 percent of the voting rights in your business directly or indirectly owned by a foreign person or entity at the end of your fiscal year that ended in calendar year 2008?

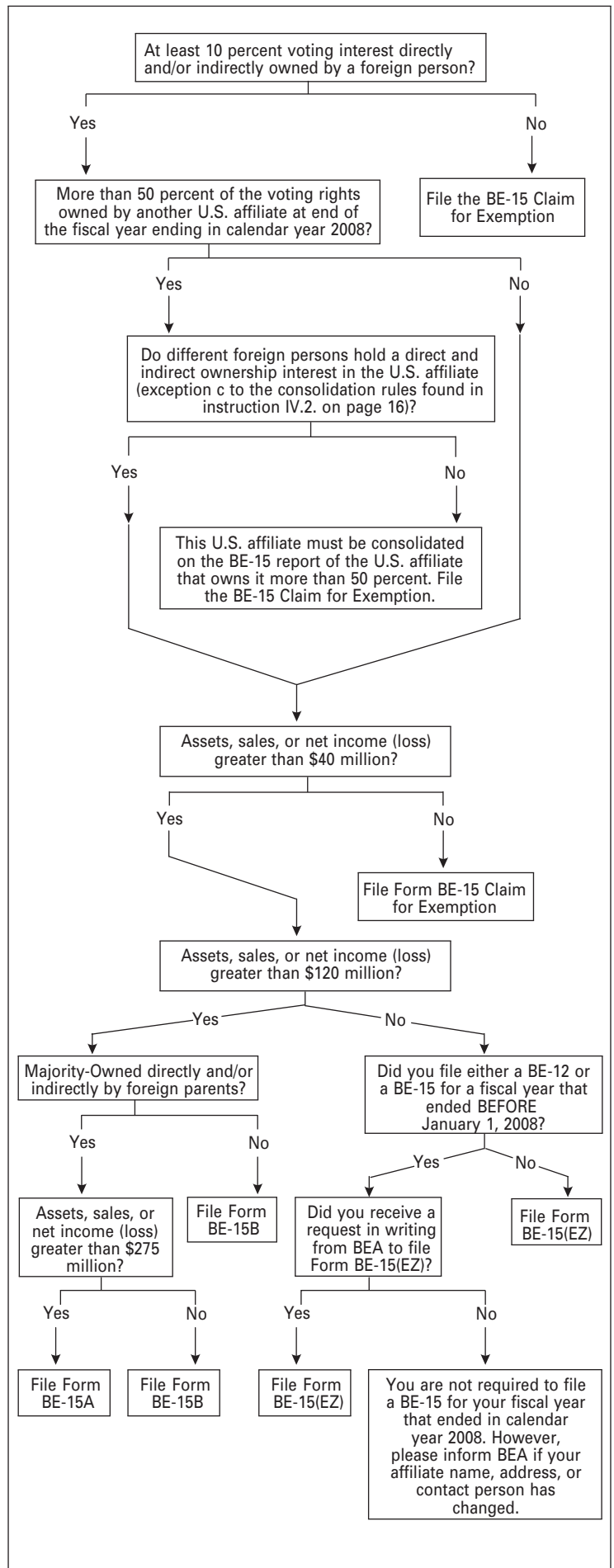
Yes – Continue with question b. **NOTE: Your business is hereinafter referred to as a "U.S. affiliate."**

No – You are not required to file Form BE-15A. File Form BE-15 Claim for Exemption by May 31, 2009.

I. REPORTING REQUIREMENTS – Continued

- b.** Were more than 50 percent of the voting rights in this U.S. affiliate owned by another U.S. affiliate at the end of this U.S. affiliate’s fiscal year that ended in calendar year 2008?
- Yes – Continue with question c.
- No – Skip to question d.
- c.** Do different foreign persons hold a direct and an indirect ownership interest in this U.S. affiliate (exception c to the consolidation rules)? (The consolidation rules are found in instruction IV.2. starting on page 22.)
- Yes – Continue with question d.
- No – This U.S. affiliate must be consolidated on the BE-15 report of the U.S. affiliate that owns it more than 50 percent. File the BE-15 Claim for Exemption with page 1 and item 2(d) on page 3 completed by May 31, 2009, 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.
- d.** 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 2008?
- Yes – Continue with question e.
- No – You are not required to file a Form BE-15A. File Form BE-15 Claim for Exemption by May 31, 2009.
- e.** Did **any one** of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent’s share) exceed \$120 million at the end of, or for, its fiscal year that ended in calendar year 2008?
- Yes – Skip to question h.
- No – Continue with question f.
- f.** Did you file either a BE-12 or a BE-15 for a fiscal year that ended BEFORE January 1, 2008?
- Yes – Continue with question g.
- No – File Form BE-15(EZ) by May 31, 2009.
- g.** Did you receive a request in writing from BEA to file Form BE-15(EZ) for the fiscal year that ended in calendar year 2008?
- Yes – File Form BE-15(EZ) by May 31, 2009.
- No – You are not required to file a BE-15 for your fiscal year that ended in calendar year 2008. However, please inform BEA if your affiliate name, address, or contract person has changed.
- h.** Was the U.S. affiliate **majority-owned** by its foreign parent(s) at the end of its fiscal year that ended in calendar year 2008? (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 i.
- No – File Form BE-15B by May 31, 2009.
- i.** 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 \$275 million at the end of, or for, its fiscal year that ended in calendar year 2008?
- Yes – File Form BE-15A by May 31, 2009.
- No – File Form BE-15B by May 31, 2009.

Which 2008 BE-15 Form to File?



I. REPORTING REQUIREMENTS – Continued

2. Who must file Form BE-15A – 2008 Annual Survey of Foreign Direct Investment in the United States?

A Form BE-15A must be completed and filed by May 31, 2009, by each U.S. business enterprise that was a U.S. affiliate of a foreign person at the end of its fiscal year that ended in calendar year 2008, if:

- a. The ownership or control (both direct and indirect) by **all** foreign parents in the **voting securities** of an incorporated U.S. business enterprise (or an equivalent interest of an unincorporated U.S. business enterprise) at the end of the fiscal year that ended in calendar year 2008, was **more than 50 percent** (i.e., the voting securities, or equivalent interest were **majority owned** by foreign parents), **and**
- b. **On a fully consolidated, or, in the case of real estate investments, an aggregated basis, any one** of the following three items – Total assets (do not net out liabilities), **or** Sales or gross operating revenues, excluding sales taxes, **or** Net income after provision for U.S. income taxes – for the U.S. affiliate (not just the foreign parent's share) exceeded \$275 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2008.

B. Aggregation of real estate investments – Aggregate all real estate investments of a foreign person for the purpose of applying the reporting criteria. Use a single report form to report the aggregate holdings, unless BEA has granted permission to do otherwise. Those holdings not aggregated must be reported separately. Real estate is discussed more fully in instruction V.C. starting on page 27.

II. DEFINITIONS

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

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

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

D. Associated group means two or more persons who, by the appearance of their actions, by agreement, or by an understanding, exercise their voting privileges in a concerted manner to influence the management of a business enterprise. The following are deemed to be associated groups:

1. Members of the same family.
2. A business enterprise and one or more of its officers or directors.
3. Members of a syndicate or joint venture.
4. A corporation and its domestic subsidiaries.

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

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

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

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

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

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

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

1. **Majority-owned U.S. affiliate** means a U.S. affiliate in which the combined direct and indirect voting interest of all foreign parents of the U.S. affiliate exceeds 50 percent.
2. **Minority-owned U.S. affiliate** means a U.S. affiliate in which the combined direct and indirect voting interest of all foreign parents of the U.S. affiliate is 50 percent or less.

L. Foreign parent means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.

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

N. Intermediary means any agent, nominee, manager, custodian, trust, or any person acting in a similar capacity.

O. Ultimate beneficial owner (UBO) is that person, proceeding up the ownership chain beginning with and including the foreign parent, that is not more than 50 percent owned or controlled by another person. Note: Stockholders of a closely or privately held corporation are normally considered to be an associated group and may be a UBO.

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 2007 balances for changes in the consolidated reporting entity that occurred during fiscal year 2008. The close fiscal year 2007 balances should represent the reporting entity as it existed at the close of fiscal year 2007.

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.

III. GENERAL INSTRUCTIONS – Continued

- 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-15A require data that may not normally be maintained in a company's customary accounting records. Precise answers for these items may present the respondent with a substantial burden beyond what is intended by BEA. This may be especially true for:

- **Part II, Items 21 thru 31** – Number of employees in each industry of sales;
- **Part II, Section C, items 45 thru 50** – Distribution of sales or gross operating revenues, by whether the sales were goods, investment income, or services, and the distribution of sales of services by transactor;
- **Part II, Section I, items 90 thru 97** – U.S. trade in goods by U.S. affiliate on a shipped basis, and
- **Part II, Section J, items 98 thru 154** – Employment by location.

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

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

IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM

NOTE: Instructions in section IV. are cross referenced by number to the items located on pages 2 to 18 of this form.

PART I – IDENTIFICATION OF U.S. AFFILIATE

2. Consolidation Rules

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

A foreign person holding real estate investments that are reportable on the BE-15 must aggregate all such holdings. See Instruction I.B. on page 21 and V.C. on page 26 for details.

Do not prepare your BE-15 report using the proportionate consolidation method. Except as noted in b. and c. below, consolidate all majority-owned U.S. affiliates into your BE-15 report.

Unless the exceptions discussed below apply, any deviation from these consolidation rules must be approved in writing each year by BEA. In accordance with FAS 94 (Consolidation of all Majority-Owned Subsidiaries), consolidation of majority-owned subsidiaries is required even if their operations are not homogeneous with those of the U.S. affiliate that owns them. If you file deconsolidated reports, you must file the same type of reports (i.e., BE-15A or BE-15B) that would have been required if a consolidated report was filed. Report majority-owned subsidiaries, if not consolidated, on Form BE-15A, 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-15 report, then it **must** be listed on the Supplement B of its parent's BE-15 report, unless the report is a BE-15(EZ) which does not have a Supplement B, and each U.S. affiliate not consolidated **must** file its own Form BE-15.

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

Include foreign holdings owned 20 percent or more using either the equity method of accounting or the **fair value option** per FAS 159 (The Fair Value Option for Financial Assets and Financial Liabilities). 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 or the **fair value option**.

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

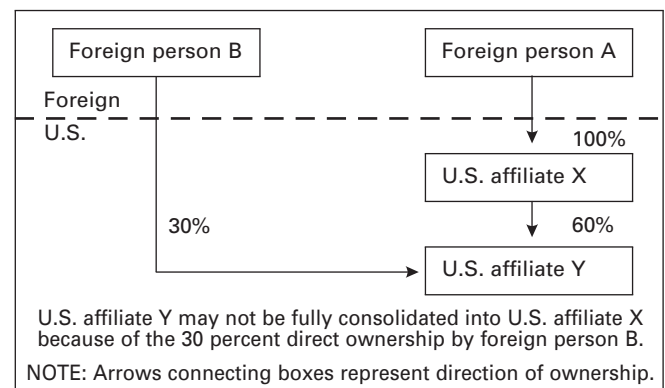
Oil and gas sites owned by U.S. affiliates and located outside of U.S. claimed territorial waters are to be treated as foreign subsidiaries of the U.S. affiliates if they meet one of the following criteria: (1) they are incorporated in a foreign country; (2) they are set up as a branch; or (3) they have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

Real estate located outside the United States that is owned by the U.S. affiliate and generates revenues for, or reimbursements to, the U.S. affiliate, or that facilitates the foreign operations of the U.S. affiliate is a foreign subsidiary and should not be consolidated on this BE-15 report.

b. Special consolidation rules apply to U.S. affiliates that are limited partnerships or that have an ownership interest in a U.S. limited partnership.

These rules can be found on our web site at: www.bea.gov/ltdpartner15. Also see instruction 6.b. on page 23 for additional information about partnerships.

- c.** 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-15 report. (See diagram below.)



If this exception applies, reflect the indirect ownership interest, even if more than 50 percent, on the balance sheet and income statement of the owning U.S. affiliate's BE-15 report on an equity basis. For example, using the situation shown in the diagram above, U.S. affiliate X must treat its 60 percent ownership interest in U.S. affiliate Y as an equity investment.

- 4. Reporting period** – The report covers the U.S. affiliate's 2008 fiscal year. The affiliate's 2008 fiscal year is defined as the affiliate's financial reporting year that had an ending date in calendar year 2008.

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

Special Circumstances:

a. 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 2008.

b. Change in fiscal year

(1) New fiscal year ends in calendar year 2008 – A U.S. affiliate that changed the ending date of its financial reporting year should file a 2008 BE-15 report that covers the 12 month period prior to the new fiscal year end date. The following example illustrates the reporting requirements.

Example 1: U.S. affiliate A had a June 30, 2007 fiscal year end date but changed its 2008 fiscal year end date to March 31. Affiliate A should file a 2008 BE-15 report covering the 12 month period from April 1, 2007 to March 31, 2008.

The ending balance sheet amounts reported in column (1) of items 59 through 70 must be the correct balances as of March 31, 2008. The beginning balance sheet amounts reported in column (2) must be the **unrestated ending balances as of June 30, 2007**.

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 72. To reconcile the beginning and ending net property, plant and equipment balances, affiliate A must include an adjusting entry in item 79.

(2) No fiscal year ending in calendar year 2008 –

If a change in fiscal year results in a U.S. affiliate not having a fiscal year that ended in calendar year 2008, the affiliate **should file a 2008 BE-15 report that covers 12 months**. The following example illustrates the reporting requirements.

Example 2: U.S. affiliate B had a December 31, 2007 fiscal year end date but changed its next fiscal year end date to March 31. Instead of having a short fiscal year ending in 2008, affiliate B decides to have a 15 month fiscal year running from January 1, 2008 to March 31, 2009. Affiliate B should file a 2008 BE-15 report covering a 12 month period ending in calendar year 2008, such as the period from April 1, 2007 to March 31, 2008.

In this example, the ending balance sheet amounts reported in column (1) of items 59 through 70 must be the correct balances as of March 31, 2008. The beginning balance sheet amounts reported in column (2) must be the **unrestated ending balances as of December 31, 2007**. 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 72. To reconcile the beginning and ending net property, plant and equipment balances, affiliate B must include an adjusting entry in item 79.

For 2009, assuming no further changes in the fiscal year end date occur, affiliate B should file a BE-15 report covering the 12 month period from April 1, 2008 to March 31, 2009.

5. Reporting for a U.S. business that became a U.S. affiliate during fiscal year 2008 —

a. A U.S. business enterprise that was newly established in fiscal year 2008 should file a report for the period starting with the establishment date up to and ending on the last day of its fiscal year that ended in calendar year 2008. DO NOT estimate amounts for a full year of operations if the first fiscal year is less than 12 months.

b. A U.S. business enterprise existing before fiscal year 2008 that became a U.S. affiliate in fiscal year 2008 should file a report covering a full 12 months of operations.

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

a. Directly owned vs. Indirectly owned

(1) Directly owned – Each unincorporated U.S. affiliate, including a branch, that is directly owned 10 percent or more by a foreign person should file a separate BE-15 report. Do not combine two or more directly owned U.S. affiliates on a single BE-15 report. The only exception is for U.S. affiliates that are real estate investments. See Instruction I.B. on page 21 and Instruction V.C. on page 26 for details on real estate.

(2) Indirectly owned – Except as noted in the exceptions to the consolidation rules on page 22, an indirectly owned unincorporated U.S. affiliate that is owned more than 50 percent (voting interest) by another U.S. affiliate should be fully consolidated on the report with the U.S. affiliate that holds the voting interest greater than 50 percent. An indirectly owned unincorporated U.S. affiliate owned 50 percent (voting interest) or less by another U.S. affiliate should file a separate BE-15 report if no other U.S. affiliate owns a voting interest of more than 50 percent.

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

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

(1) General Partnerships

Determination of voting interest – "Voting interest" is defined in instructions 12–16 on page 24. The determination of the percentage of voting interest of a general partner is based on who controls the partnership. The percentage of voting interest is not based on the percentage of ownership in the partnership's equity. The general partners are presumed to control a general partnership. Unless a clause to the contrary is contained in the partnership agreement, a general partnership is presumed to be controlled equally by each of the general partners. For example, if a partnership has two general partners, and nothing to the contrary is stated in the partnership agreement, each general partner is presumed to have a 50 percent voting interest. If there are three general partners, each general partner is presumed to have a one-third voting interest, etc.

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

(2) Limited Partnerships

(a) Determination of voting interest – "Voting interest" is defined in instructions 12-16 on page 24. The determination of the percentage of voting interest in a limited partnership is based on who controls the partnership. The percentage of voting interest is not based on the percentage of ownership in the partnership's equity. In most

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

cases, the general partner is presumed to control a limited partnership, and therefore, have a 100 percent voting interest in the limited partnership. If there is more than one general partner, the partnership is presumed to be controlled equally by each of the general partners, unless a clause to the contrary is contained in the partnership agreement. For example, if a limited partnership has two general partners, and nothing to the contrary is stated in the partnership agreement, then each general partner is presumed to have a 50 percent voting interest in the limited partnership.

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

Managing partners – See discussion under "General Partnerships" on page 23.

(b) Consolidation Rules

Special consolidation rules apply to U.S. affiliates that are limited partnerships or that have an ownership interest in a U.S. limited partnership. These rules can be found on our web site at: www.bea.gov/bea/ltdpartners15

c. Limited Liability Companies (LLCs)

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

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

9. U.S. affiliates NOT consolidated – Report investments in U.S. business enterprises that are owned 20 percent or more and not fully consolidated using either the equity method of accounting or the **fair value option** per FAS 159 (The Fair Value Option for Financial Assets and Financial Liabilities). DO NOT report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts for holdings reported using the equity method or the **fair value option**.

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-15A on the Supplement B.

12-16 – Ownership – Voting interest and Equity interest

- a. Voting interest** is the percent of ownership in the voting equity of the U.S. affiliate. Voting equity consists of ownership interests that have a say in the management of the company. Examples of voting equity include capital stock that has voting rights, and a general partner's interest in a partnership. See instruction 6b(1) and 6b(2)(a) on page 23 for information about determining the voting interest for partnerships. See instruction 6c on page 23 for information about determining the voting interest for Limited Liability Companies.
- b. Equity interest** is the percent of ownership in the total equity (voting and nonvoting) of the U.S. affiliate. Nonvoting equity consists of ownership interests that do not have a say in the management of the company. An example of nonvoting equity is preferred stock that has no voting rights.

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

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

Part II – FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE

Section A – INDUSTRY CLASSIFICATION, TOTAL SALES, AND EMPLOYEES OF FULLY CONSOLIDATED U.S. AFFILIATE

21-34

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

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

Repos and Reverse Repos – On the sales schedule (lines 21-34), interest income and interest expense associated with repos and reverse repos should be offset against one another and reported at the net amount. This net amount should also be reported on line 47 (investment income included in gross operating revenues). However, on lines 51 (interest income from all sources) and 52 (interest expense plus interest capitalized) interest income and interest expense associated with repos and reverse repos should be reported at the gross amounts.

On the balance sheet, reverse repos should be reported as assets and included on line 62 (other assets) while repos should be reported as liabilities and included on line 64 (total liabilities).

Section B – INCOME STATEMENT

37. Certain gains (losses) –

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

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

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

Section B – INCOME STATEMENT – Continued

(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 (losses) on trading or dealing,
- (c) unrealized gains (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 (losses), due to changes in the valuation of financial instruments that are taken to other comprehensive income. Reflect such gains in items 68b and 68c (total 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 reported on page 7.

(2) Real estate companies – Include in item 37:

- (a) Impairment losses as defined by FAS 144, and
- (b) Goodwill impairment as defined by FAS 142.

EXCLUDE the revenues earned and expenses incurred from the sale of real estate you own. Such revenues should be reported as operating income in item 34 column 2, items 35 and 45 and as sales of goods in item 46. Such expenses, including the net book value of the real estate sold, should be reported as costs of goods sold in item 40. Do not net the expenses against the revenues.

Section C – DISTRIBUTION OF SALES OR GROSS OPERATING REVENUES

45–50

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

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

- Mass produced media, including exposed film, video tapes, DVD's, audio tapes, and CD's.
- Books. NOTE: Book publishers – To the extent feasible, report as sales of services all revenues associated with the design, editing, and marketing activities necessary for producing and distributing books that you both publish and sell. If you cannot unbundle (i.e., separate) these revenues from the value of the books you sell, then report your total sales as sales of goods or services based on the activity that accounts for a majority of the value.
- Energy trading activities where you take title to the goods. NOTE: If you act in the capacity of a broker or agent to facilitate the sale of goods and you do not take title to the goods, report your revenue (i.e., commissions) as sales of services in item 48.
- Magazines and periodicals sold in retail stores. NOTE: Report subscription sales as sales of services in item 48.
- Packaged general use computer software.
- Structures sold by businesses in real estate.
- Revenues earned from building structures by businesses in construction.
- Electricity, Natural gas, and Water. NOTE: Revenues derived from transmitting and/or distributing these goods, as opposed to revenues derived from the sale of the actual product, should, to the extent feasible, be reported as sales of services in item 48.

47. Investment income – Report ALL interest and dividends generated by finance and insurance activities as investment income. NOTE: Report commissions and fees as sales of services in item 48.

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

- Advertising revenue.
- Commissions and fees earned by companies engaged in finance and real estate activities.
- Premiums earned by companies engaged in insurance activities. NOTE: Calculate as direct premiums written (including renewals) net of cancellations, plus reinsurance premiums assumed, minus reinsurance premiums ceded, plus unearned premiums at the beginning of the year, minus unearned premiums at the end of the year.
- Commissions earned by agents or brokers (i.e., wholesalers) who act on behalf of buyers and sellers in the wholesale distribution of goods. NOTE: Agents or brokers do not take title to the goods being sold.
- Magazines and periodicals sold through subscriptions. NOTE: Report magazines and periodicals sold through retail stores, as sales of goods in item 46.
- Newspapers.
- Pipeline transportation.
- Software downloaded from the Internet, electronic mail, an Extranet, Electronic Data Interchange network, or some other online system.
- Computer systems design and related services.
- Negotiated licensing fees for software to be used on networks.
- Electricity transmission and distribution, Natural gas distribution, and Water distribution.

Section D – OTHER FINANCIAL AND OPERATING DATA

54. TOTAL EMPLOYEE COMPENSATION

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

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

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

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.

55a – EXPENDITURES FOR R&D PERFORMED BY THE U.S. AFFILIATE

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

Section D – OTHER FINANCIAL AND OPERATING DATA – Continued

55a. EXPENDITURES FOR R&D PERFORMED BY THE U.S. AFFILIATE – Continued

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

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

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

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

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

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

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

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

Section I – U.S. TRADE IN GOODS BY U.S. AFFILIATE ON A SHIPPED BASIS

90-97

"U.S. Trade in goods" is the physical movement of goods between the customs area of the United States and the customs area of a foreign country. Goods shipped by, or to, the U.S. affiliate whether or not they were actually charged or consigned by, or to, the U.S. affiliate, are considered to be trade of the U.S. affiliate. To adjust "charged" basis data to a "shipped" basis it may be necessary to look at export and import declarations filed with U.S. customs or shipping and receiving documents to determine the physical movement of goods.

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

V. SPECIAL INSTRUCTIONS

- A. Insurance companies** – Reporting should be in accordance with U.S. Generally Accepted Accounting Principles not Statutory Accounting Practices (SAP). For example, the BE-15 report should include the following assets even though they are not acceptable under SAP: **1.** non-trusted or free account assets, and **2.** nonadmitted assets such as furniture and equipment, agents' debit balances, and all receivables deemed to be collectible.

Item on Form BE-15A:

- 34 SALES OR GROSS OPERATING REVENUES, EXCLUDING SALES TAXES** – Include items such as earned premiums, annuity considerations, gross interest and dividend income, and items of a similar nature. Exclude income from unconsolidated affiliates that is to be reported in item 36, and certain gains (losses) that are to be reported in item 37.

- 37 CERTAIN GAINS (LOSSES)** – See special instructions for item 37 starting on page 24 of this form.

- 40 COST OF GOODS SOLD OR SERVICES RENDERED, AND SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES** – Include costs relating to sales or gross operating revenues, item 35, such as policy losses incurred, death benefits, matured endowments, other policy benefits, increases in liabilities for future policy benefits, other underwriting expenses, and investment expenses.

- 47 INVESTMENT INCOME** – Report that portion of sales or gross operating revenues, items 34 column (2), 35 and 45, that is investment income (e.g., interest and dividends). However, report gains (losses) on investments in accordance with the special instructions for item 37 starting on page 24 of this form.

- 48 SALES OF SERVICES** – Include premium income and income from actuarial, claims adjustment, and other services, if any.

- B. Railroad transportation companies** – Railroad transportation companies should include only the net annual balances for interline settlement items (car hire, car repair, freight revenues, switching revenues, and loss and damage settlements) in items 62 and 64.

- C. Real Estate** – The ownership of real estate is defined to be a business enterprise, and if the real estate is foreign owned, it is a U.S. affiliate of a foreign person. A BE-15 report is required unless the enterprise is otherwise exempt.

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

V. SPECIAL INSTRUCTIONS – Continued

Aggregation of real estate investments – A foreign person holding real estate investments that are reportable on the BE-15 must aggregate all such holdings for the purpose of applying the reporting criteria (see instruction I.B. on page 21 of this form). File a single BE-15 report covering the aggregated holdings. If on an aggregated basis any one of the following three items – total assets (do not net out liabilities), or sales or gross operating revenues, excluding sales taxes, or net income after provision for U.S. income taxes – exceeds \$275 million (positive or negative), file Form BE-15A. If permission has been received in writing from BEA to file on a non-aggregated basis, you must report each real estate investment on a Form BE-15A if a Form BE-15A would have been required on an aggregated basis. Non-aggregated reports should be filed as a group and you should inform BEA that they are all for one owner.

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

Thus, on page 1 of the BE-15 survey forms the "name and address" of the U.S. affiliate might be:

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

If the investment property has a name, such as Sunrise Apartments, the name and address on page 1 of the BE-15 survey forms might be:

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

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

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

1. If the foreign interest in the U.S. affiliate is directly held by the foreign person then a BE-15 report must be filed by the affiliate (subject to the aggregation rules discussed above).
2. If a voting interest of more than 50 percent in the U.S. affiliate is owned by another U.S. affiliate, the owned affiliate must be fully consolidated in the BE-15 report of the owning affiliate.
3. If a voting interest of 50 percent or less in the U.S. affiliate is owned by another U.S. affiliate, and no U.S. affiliate owns a voting interest of more than 50 percent, then a separate BE-15 report must be filed by the owned affiliate. The BE-15 report(s) of the owning affiliate(s) must show an equity investment in the owned affiliate.

D. Farms – For farms that are not operated by their foreign owners, the income statements and related items should be prepared based on the extent to which the income from the farm accrues to, and the expenses of the farm are borne by, the owner. Generally this means that income, expenses, and gain (loss) assignable to the owner should reflect the extent to which the risk of the operation falls on the owner. For example, even though the operator and other workers on the farm are hired by a management firm, if their wages

and salaries are assigned to, and borne by, the farm operation being reported, then the operator and other workers should be reported as employees of that farm operation and the wages and salaries should be included as an expense in the income statement.

EXAMPLES:

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

E. Estates, trusts, and intermediaries

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

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

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

FOR AN INTERMEDIARY:

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

V. SPECIAL INSTRUCTIONS – Continued

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

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

VI. FILING THE BE-15

- A. Due date** – File a fully completed and certified Form BE-15A, BE-15B, or BE-15(EZ) no later than May 31, 2009. If the U.S. affiliate is exempt from filing Form BE-15A, BE-15B, and BE-15(EZ), complete and file the BE-15 Claim for Exemption by May 31, 2009.
- 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 for details about this option. To obtain forms online go to: 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. 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, or send email to be12/15@bea.gov. Forms can be obtained from BEA's web site at: www.bea.gov/fdi

E. Annual stockholders' report or other financial statements – Please furnish a copy of your FY 2008 annual stockholders' report or Form 10K when filing the BE-15 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.)