



QUARTERLY SURVEY OF FOREIGN DIRECT INVESTMENT IN THE UNITED STATES Transactions of U.S. Affiliate with Foreign Parent

Table with 2 columns: BE-605 Identification Number, BEA USE ONLY

Mandatory and Confidential

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U.S. Department of Commerce, Bureau of Economic Analysis, Direct Investment Division, BE-49(Q), 4600 Silver Hill Rd, Washington, DC 20233

Deliver reports to:

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FAX reports to: (301) 278-9510

Copies of form: www.bea.gov/fdi

1 Is this report a submission of a past report?

302 1 Yes, 2 No

2 What is the date range and year within which the U.S. affiliate's quarter ends for this report? Mark (X) one and enter year.

300 1 2 3 4 2 0 Year

Name and mailing address of the consolidated U.S. affiliate

Large empty box for name and mailing address

Definitions: Underlined terms are defined on page 17.

Due date: 30 days after the close of each calendar or fiscal quarter end; 45 days if the report is for the final quarter of the financial reporting year.

Who must report: A Form BE-605 is required from every U.S. business enterprise in which a foreign entity owns, directly and/or indirectly, 10 percent or more of the voting securities of an incorporated U.S. business enterprise, or an equivalent interest of an unincorporated U.S. business enterprise, at any time during the quarter.

Basic requirement: A Form BE-605 must be filed for each 1) directly-owned U.S. affiliate for which total assets; annual sales or gross operating revenues, excluding sales taxes; or annual net income after provision for U.S. income taxes was greater than \$60 million (positive or negative) at any time during the affiliate's fiscal reporting year and each 2) indirectly-owned U.S. affiliate that met the \$60 million threshold and had an intercompany debt balance with the affiliated foreign group.

Exemption: A U.S. affiliate that does not meet the basic requirement above can claim exemption from filing a Form BE-605 by completing this page and the Claim for Exemption, Contact Information, and Certification sections on pages 15 and 16 of this form and returning them to BEA by the due date.

Monetary Values — Report in U.S. dollars rounded to thousands (omitting 000).

If an item is between + or - \$500.00, enter "0." Use parentheses () to indicate negative numbers.

EXAMPLE — If amount is \$1,334,891.00, report as .....

Table with columns: \$ Bil., Mil., Thous., Dols. and values: 1, 335, 000

Accounting methods and records: Report items according to U.S. Generally Accepted Accounting Principles (U.S. GAAP), unless otherwise specified.

- Reports for unincorporated businesses should be generated on an equivalent basis.
• References to Financial Accounting Standards Board Accounting Standards Codification topics are indicated with "FASB ASC" and a topic number (for example, FASB ASC 350).

Estimates: If actual amounts are not available, supply estimates and label them as such.

Faxing your report: When submitting this report via fax, send ONLY those pages on which information is reported, including the front page and the Claim for Exemption section (if completed). DO NOT send pages that only contain instructions.

3 Is this the first time the U.S. affiliate is filing a BE-605 report?

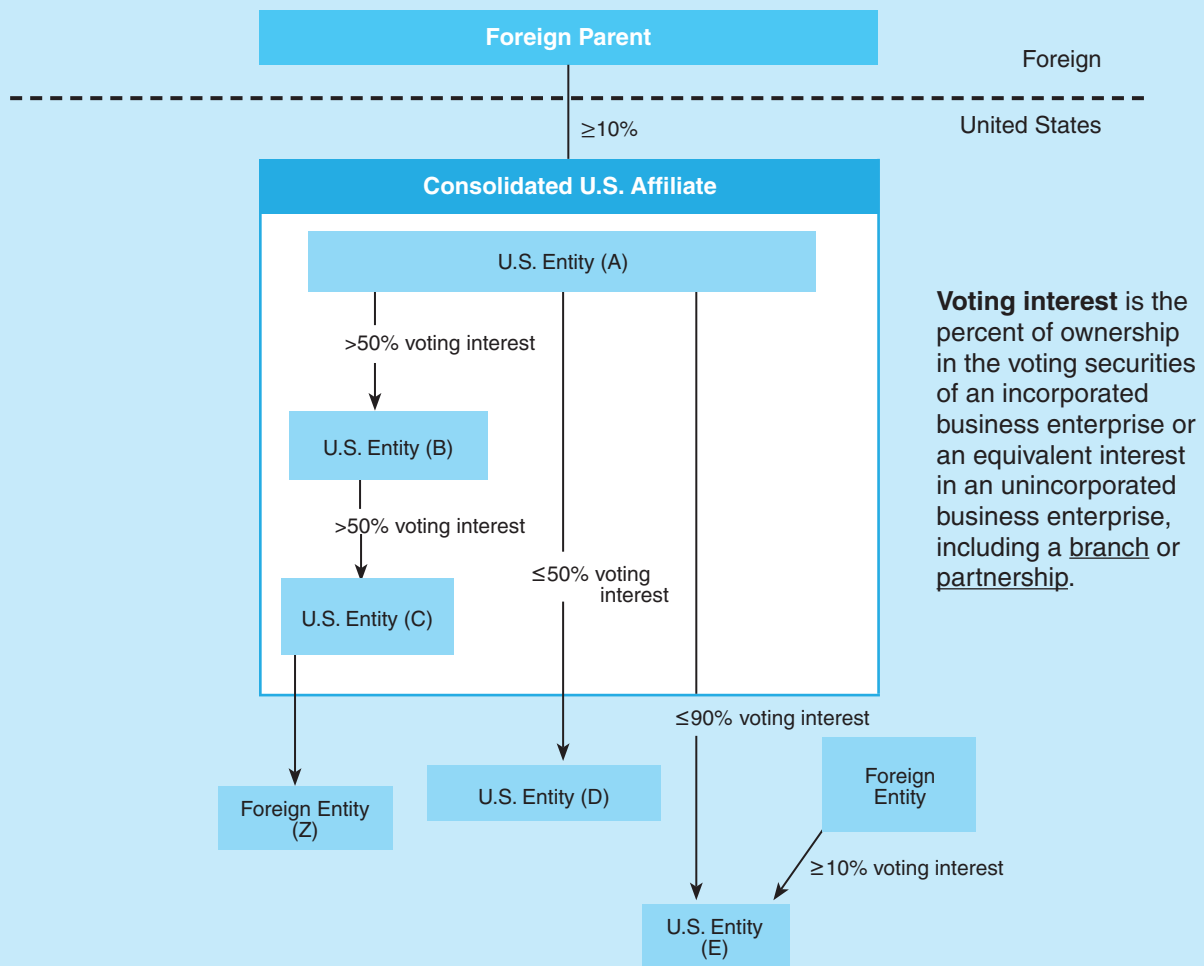
340 1 Yes - Enter the date the U.S. business enterprise became a U.S. affiliate, 2 No

Month Day Year

4 Is the U.S. affiliate planning to expand, or in the process of expanding, its operations to include a new facility where business is conducted?

343 1 Yes, 2 No

## Rules for Consolidating the U.S. Affiliate



**Voting interest** is the percent of ownership in the voting securities of an incorporated business enterprise or an equivalent interest in an unincorporated business enterprise, including a branch or partnership.

**U.S. Entity (A)** should file as the **consolidated U.S. affiliate** shown in the diagram above.

### INCLUDE in the consolidation

- The **U.S. Entity (A)** in which no other U.S. entity has more than 50 percent direct voting interest; and
- Every **U.S. Entity (B)** and **U.S. Entity (C)** in which the U.S. Entity (A), or another consolidated U.S. entity, has more than 50 percent direct voting interest AND in which **NO** foreign entity, other than this foreign parent, has 10 percent or more direct voting interest.

### EXCLUDE from the consolidation

- All **foreign entities**, including any **Foreign Entity (Z)** that is owned by a consolidated U.S. entity; and
- Any **U.S. Entity (D)** in which neither the U.S. Entity (A) nor any other consolidated U.S. entity has more than 50 percent direct voting interest; and
- Any **U.S. Entity (E)** in which a **DIFFERENT** foreign entity, other than this foreign parent, has 10 percent or more direct voting interest.

Hereinafter on this form the consolidated U.S. entities are collectively considered the **U.S. affiliate**.

Report the ownership interest in any **U.S. Entity (D)**, **U.S. Entity (E)**, and **Foreign Entity (Z)** on an equity basis, if the ownership is at least 20 percent. If less than 20 percent, report the ownership interest as trading securities or available-for-sale securities in accordance with FASB ASC 320 (formerly FAS 115).

Each **U.S. Entity (D)** and **U.S. Entity (E)** must file its own Form BE-605, unless it qualifies for exemption.

The U.S. affiliate must file a Form BE-577 for each **Foreign Entity (Z)** in which it has 10 percent or more voting interest, unless it qualifies for exemption. For more information, go to [www.bea.gov/dia](http://www.bea.gov/dia).

## Part I – Identifying the U.S. Affiliate

### 5 Which type of business organization best describes this U.S. affiliate?

- 003
- 1  A U.S. business enterprise incorporated in the United States
  - 2  An unincorporated U.S. business enterprise, such as a branch, partnership, real estate, etc.
  - 3  A U.S. limited liability company (LLC)

### 6 If the U.S. affiliate's industry classification, based on the largest source of sales or gross operating revenues, has changed, or if this is an initial filing, please enter the appropriate code.

See the Industry Code Guide on [www.bea.gov/NAICS2012](http://www.bea.gov/NAICS2012). . . . . 342

Current Industry Code	Revised
1	1
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### 7 Has the ownership structure of this U.S. affiliate changed since the previous quarter?

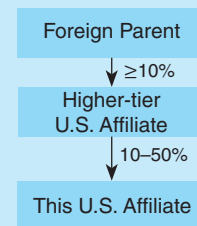
See page 2 for guidance in identifying the entities that comprise the U.S. affiliate.

- 303
- 1  Yes – Please provide a chart showing the new ownership structure, if available.
  - 2  No

### 8 What type of equity interest does the foreign parent hold in this U.S. affiliate? (Check one box)

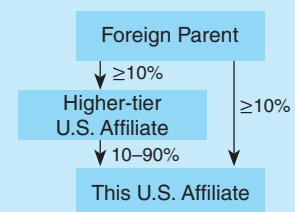
- 006
- 1  Only a direct equity interest – SKIP to **10**.
  - 2  Only an indirect equity interest through another U.S. affiliate – ONLY complete **9** and **Part IV, 15** through **24**. Amounts representing this U.S. affiliate's equity accounts are part of another higher-tier U.S. affiliate's BE-605 report and should not be duplicated here. See Diagram 1.

**Diagram 1**



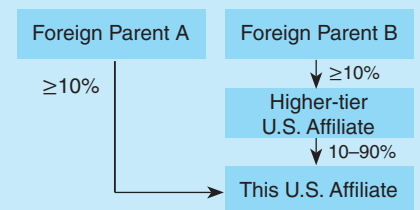
- 3  Both a direct equity interest AND an indirect equity interest through another U.S. affiliate –
  - If BOTH a direct and indirect equity interest are held by the SAME foreign parent, this U.S. affiliate should be fully consolidated into the BE-605 report filed by the higher-tier U.S. affiliate that owns it, and any minority interest not held by the foreign parent either directly or indirectly must be eliminated. In the example at the right, this U.S. affiliate should be fully consolidated into the BE-605 report filed by the higher-tier U.S. affiliate that owns it directly. See Diagram 2.

**Diagram 2**



- If a direct and an indirect equity interest are held by DIFFERENT foreign parents, this U.S. affiliate must file Form BE-605 for EACH foreign parent. In the example at the right, this U.S. affiliate may not be fully consolidated into the BE-605 report filed by the higher-tier U.S. affiliate because of the direct ownership held by foreign parent A. See Diagram 3.

**Diagram 3**



- 4  No equity interest (only voting interest) – ONLY complete **Part IV, 15** through **24**.

### 9 What is the name of each U.S. affiliate that has a direct equity interest in this U.S. affiliate?

309

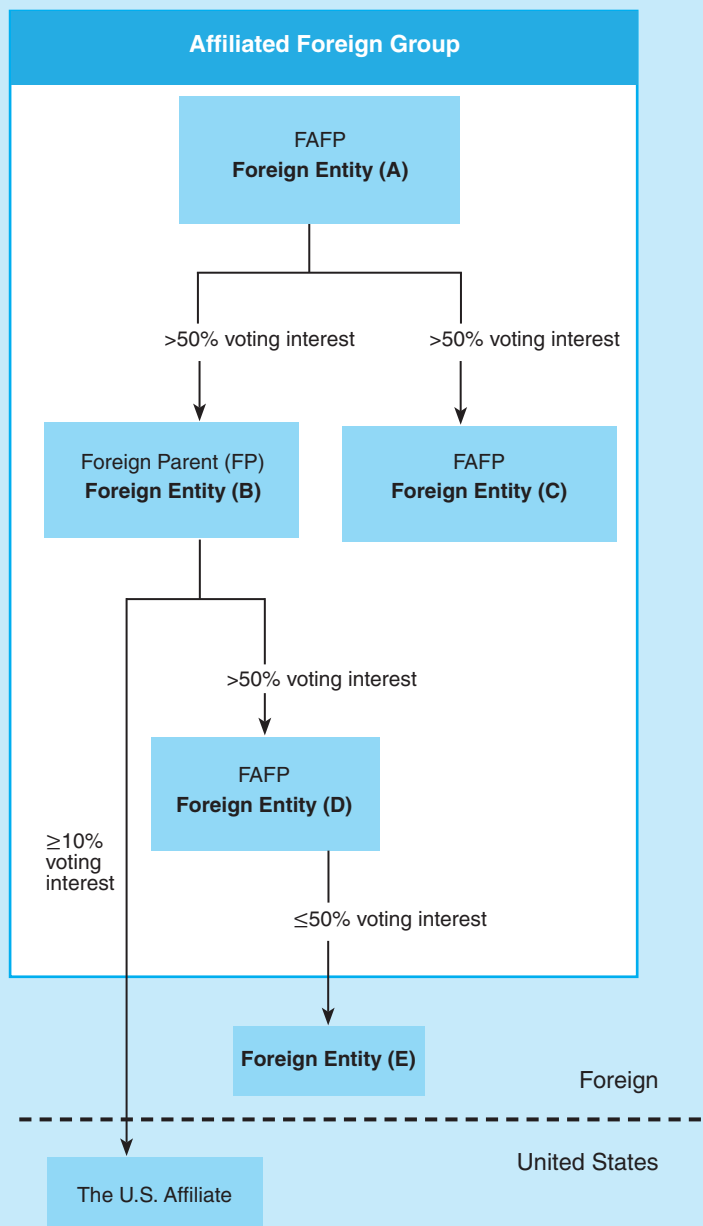
## Identifying the Affiliated Foreign Group

### The affiliated foreign group (AFG) consists of

- The *foreign parent (FP)*, which is the first **Foreign Entity (B)** outside the United States, proceeding up a chain of ownership, that has 10 percent or more voting interest in the U.S. affiliate, and
- Every *foreign affiliate of the foreign parent (FAFP)*, which includes
  - Any **Foreign Entity (A)**, proceeding up the foreign parent’s ownership chain, that has more than 50 percent direct voting interest in the entity below it, up to and including that entity in which no other foreign entity has more than 50 percent direct voting interest, and
  - Any **Foreign Entity (C)** and **Foreign Entity (D)**, in which the FP or any FAFP has more than 50 percent direct voting interest.

### The AFG does not include:

- Any **Foreign Entity (E)** in which neither the FP nor any FAFP has more than 50 percent direct voting interest, or
- Any **U.S. entity**.



## Identifying the Ultimate Beneficial Owner

The **ultimate beneficial owner (UBO)** is the entity, proceeding up the ownership chain beginning with and including the foreign parent, in which no other entity has more than 50 percent direct voting interest. If the UBO is the FP or an FAFP, then it is included in the AFG. In the diagram above, **Foreign Entity (A)** is the UBO of the U.S. affiliate.

NOTE that if the UBO is a U.S. entity it is not part of the AFG.

## Part II – Report changes in FP and UBO information

**10** Does more than one foreign parent (FP) have a direct or indirect voting interest of 10 percent or more in this U.S. affiliate?

307 <sup>1</sup>  Yes – File a separate BE-605 report for each foreign parent that has a direct or indirect voting interest of 10 percent or more in this U.S. affiliate.

<sup>1</sup>  No

**11** Has the foreign parent information changed or is this an initial filing?

308 <sup>1</sup>  Yes – Please note the changes or initial information below, and provide an organizational chart.

<sup>1</sup>  No – Continue to **12**.

A. FP Name

0

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B. Country of Incorporation? If the foreign parent is an individual or government, enter the country of residence.

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**12** Is the foreign parent named in **11** also the ultimate beneficial owner (UBO)?

312 <sup>1</sup>  Yes – SKIP to **14**.

<sup>1</sup>  No

**13** Has the UBO information changed or is this an initial filing?

314 <sup>1</sup>  Yes – Please provide the changes or initial information for the UBO of the foreign parent named in **11**.

<sup>1</sup>  No – Continue to **14**.

A. UBO Name

0

Revised

B. Country of Incorporation? If the UBO is an individual or government, enter the country of residence.

Revised

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Complete the remainder of this form with the transactions between this U.S. affiliate and the foreign parent identified in **11**.

## Part III – Foreign Parent’s Direct Equity Share in the U.S. Affiliate, as Consolidated

### Instructions

**14 A. Report** the amount that represents the foreign parent’s share, based on its directly held equity interest, in the U.S. affiliate’s net income (loss) for the quarter, before provision for all common and preferred dividends owed to foreign parent(s) and before any deduction for U.S. withholding taxes on dividends, but **AFTER** provision for U.S. federal, state, and local income taxes.

- U.S. affiliates in extractive industries should report net income **BEFORE** depletion charges, **EXCEPT** charges representing the amortization of the actual cost of capital assets.

Please read the following instructions carefully as they are keyed to economic accounting concepts and in some cases may deviate from what is normally required by U.S. Generally Accepted Accounting Principles.

**B1. Report** those gains (losses) that were included in the foreign parent’s share of net income (item A) resulting from:

- Extraordinary, unusual, or infrequently occurring items that are material. **Include** losses from accidental damage or disasters, after estimated insurance reimbursement; write-ups, write-downs, and write-offs of tangible and intangible assets; and gains (losses) from the sale or other disposition of capital assets. **Do not include** legal judgments.
- Sale or other dispositions of financial assets, including investment securities; gains (losses) related to fair value accounting; FASB ASC 320 (formerly FAS 115) holding gains (losses) on securities classified as trading securities; FASB ASC 320 impairment losses; and gains (losses) from derivative instruments. **Dealers in financial instruments and finance and insurance companies, see special instructions below.**
- Restructuring costs that reflect write-downs or write-offs of assets or liabilities. Do not include actual payments, or charges to establish reserves for future actual payments, such as for severance pay, and fees to accountants, lawyers, consultants, or other contractors.
- Sale or disposition of land, other property, plant and equipment, or other assets, and FASB ASC 360 (formerly FAS 144) impairment losses. Do not include gains (losses) from the sale of inventory assets in the ordinary course of trade or business. **Real estate companies, see special instructions below.**
- Goodwill impairment as defined by FASB ASC 350 (formerly FAS 142).
- Disposals of discontinued operations. **Do not include** income from the operations of a discontinued segment.
- Remeasurement of the U.S. affiliate’s foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the reporting period.
- The cumulative effect of a change in accounting principle.
- The cumulative effect of a change in the estimate of stock compensation forfeitures under FASB ASC 718 (formerly FAS 123(R)).

**B2. Include**, per FASB ASC 220 (formerly FAS 130), unrealized holding gains (losses) for available-for-sale securities (including those classified as current assets), less reclassification adjustments, and pension and postretirement benefit plans after provision for U.S. federal, state, and local income taxes. **Do not include** foreign currency translation adjustment; **report** translation adjustment in **14 C**.

**Special instructions for dealers in financial instruments** (including securities, currencies, derivatives, and other financial instruments), **finance companies, and insurance companies:**

**Include in item B1:**

- realized gains (losses) on trading or dealing;
- unrealized gains (losses) due to changes in the valuation of financial instruments that flow through the income statement;
- all other items described in the general instructions for **14 B1** (above).

**Include in item B2** unrealized gains (losses) due to changes in the valuation of financial instruments that are taken to other comprehensive income, and all other items described in the general instructions for **14 B2** (above).

**Do not include** income from fees and commissions in **14 B1** or **14 B2**; **report** fees and commissions in **14 A**.

**Special instructions for real estate companies – Report** gains (losses) from the sale, disposition, or revaluation of land, other property plant and equipment, or other assets as follows:

- **Include** gains (losses) from the sale of real estate in the ordinary course of trade or business in **14 A**. **Do not include** realized gains (losses) in **14 B1** or **14 B2**. *Unrealized* gains recognized due to the revaluation of real estate assets should also be reported in **14 B1**.
- **Include** impairment losses of long-lived assets, as defined by FASB ASC 360 (formerly FAS 144), and recognized during the period, in **14 A** and **14 B1**.
- All other items should be treated as described in the general instructions above.

## Part III – Foreign Parent’s Direct Equity Share in the U.S. Affiliate, as Consolidated

### Instructions (continued)

**C. Report** foreign parent’s share of the foreign currency translation adjustment resulting from the translation of the U.S. affiliate’s financial statements from the affiliate’s functional currency into U.S. dollars in accordance with FASB ASC 830 (formerly FAS 52) or other current standards of the Financial Accounting Standards Board.

**D. Report** dividends as of the date they were declared or paid, GROSS of any U.S. tax withheld. Any subsequent settlement of dividends declared but not paid SHOULD NOT be reported a second time, but should be reflected only as a reduction in **Part IV 19 A**.

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

- **Report** items **14 A–G** on a quarterly basis, NOT on a cumulative or year-to-date basis.
- Use the column headed Preceding Quarter (if revised) to correct data that were incorrect or not given in the preceding quarter.
- **DO NOT** delay filing because current quarter data are not available. Use estimates where necessary to file a timely report and submit revised data when available.
- **DO NOT** complete this section if the foreign parent only holds an INDIRECT equity interest in this U.S. affiliate or if the foreign parent only has a voting interest and NO equity interest. Amounts representing this U.S. affiliate’s equity accounts are part of another higher-tier U.S. affiliate’s consolidated report.

14 What is the foreign parent’s equity share of:	Current Quarter				Preceding Quarter (if revised)			
	\$ Bil.	Mil.	Thou.	Dols.	\$ Bil.	Mil.	Thou.	Dols.
A. The U.S. affiliate’s quarterly net income (loss), after provision for income taxes? .....011	1			000	2			000
B. Certain gains (losses), after provision for income taxes:	1			000	2			000
1. Included in net income in <b>14 A</b> ? .....012				000				000
2. Not included in net income in <b>14 A</b> but taken to other comprehensive income? .....013	1			000	2			000
C. The CHANGE in the translation adjustment account during the quarter? .....313	1			000	2			000
D. Dividends on common and preferred stock (gross of U.S. withholding taxes) <b>excluding</b> stock and liquidating dividends? <b>Report</b> liquidating dividends in <b>Part V 27 C</b> .....014	1			000	2			000
E. Earnings distributed by unincorporated U.S. affiliates? .....015	1			000	2			000
F. U.S. tax withheld on dividends ( <b>14 D</b> ) or on distributed earnings of unincorporated U.S. affiliate ( <b>14 E</b> )? .....016	1			000	2			000
G. The net amount of dividends/earnings distributed ( <b>14 D</b> or <b>14 E</b> less <b>14 F</b> )? .....017	1			000	2			000

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## Part IV – Payable and Receivable Balances, and Interest, Between Affiliated Foreign Group and U.S. Affiliate, as Consolidated

Questions **15** through **18** are intended to assist banks and other types of finance companies in determining how to complete the rest of **Part IV**. U.S. affiliates that also file Treasury International Capital (TIC) B Forms may not be required to complete **19** through **24**.

**15** Is the foreign parent listed in **11** a depository or non-depository bank (ISI codes 5221 or 5229), a securities broker or dealer (ISI codes 5231) or in the finance industry (ISI codes 5223, 5224, 5238, 5252)?

<sup>022</sup>  1 Yes

2 No – SKIP to **19**.

**16** Is the U.S. affiliate a “bank” (ISI codes 5221 or 5229) or primarily acting as a securities broker or dealer (ISI codes 5231)?

Note: A “bank” is a business engaged in deposit banking or closely related functions, including commercial banks, Edge Act corporations, U.S. branches and agencies of foreign banks, savings and loans, savings banks, bank holding companies and financial holding companies under the Gramm–Leach–Bliley Act.

<sup>021</sup>  1 Yes

2 No – SKIP to **18**.

**17** Do any of the U.S. business enterprises consolidated in this report have insurance (ISI codes 5242, 5243, or 5249), real estate (ISI code 5310), or leasing activities (ISI codes 5321, 5329, or 5331)?

<sup>023</sup>  1 Yes – Complete **19** thru **24** but ONLY report balances and interest between this U.S. affiliate and the affiliated foreign group that relate to insurance, real estate, and leasing activities.

2 No – SKIP to **Part V**.

**18** Do any of the U.S. business enterprises consolidated in this report have depository or non-depository banking activities (ISI codes 5221 or 5229) or securities broker or dealer activities (ISI codes 5231)?

<sup>020</sup>  1 Yes – Complete **19** thru **24** but ONLY report balances and interest between this U.S. affiliate and the affiliated foreign group NOT related to depository or non-depository banking activities or securities broker or dealer activities.

2 No – Continue to **19**.

### Finance Industry Classifications

- 5221 Depository credit intermediation (Banking)
- 5223 Activities related to credit intermediation
- 5224 Nondepository credit intermediation
- 5229 Nondepository branches and agencies
- 5231 Securities and commodity contracts intermediation and brokerage
- 5238 Other financial investment activities and exchanges
- 5252 Funds, trusts, and other finance vehicles

### Insurance Industry Classifications

- 5242 Agencies, brokerages, and other insurance related activities
- 5243 Insurance carriers, except life insurance carriers
- 5249 Life insurance carriers

### Real Estate and Rental and Leasing Industry Classifications

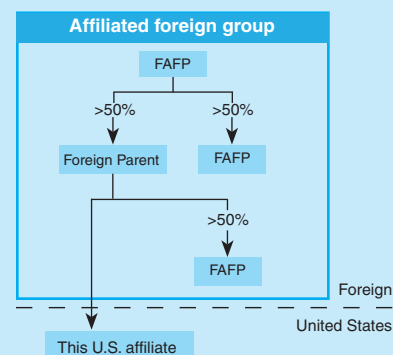
- 5310 Real estate
- 5321 Automotive equipment rental and leasing
- 5329 Other rental and leasing activities
- 5331 Lessors of nonfinancial intangible assets, except copyrighted works



## Part IV – Payable and Receivable Balances, and Interest, Between Affiliated Foreign Group and U.S. Affiliate, as Consolidated

Report all current and long-term intercompany accounts and interest between the U.S. affiliate and the affiliated foreign group. The current quarter's opening balance should be equal to the previous quarter's closing balance. If the closing balance on the preceding quarter's report was in error, note the correction.

- **Derivatives Contracts – Exclude** the value of outstanding financial derivatives contracts and any payments or receipts resulting from the settlement of those contracts. For example, the settlements of interest rate derivatives should NOT be reported as interest or as another type of transaction on this form. Derivatives contracts are covered by the Treasury International Capital (TIC) Form D, Report of Holdings of, and Transactions in, Financial Derivatives Contracts.
- **Leases** – If leases between the U.S. affiliate and the affiliated foreign group are capitalized, then the outstanding capitalized value should be reported as an intercompany balance. Lease payments should be disaggregated into the amounts that are (i) a reduction in an intercompany balance, and (ii) interest.
- **Insurance Technical Reserves** – Include these provisions (prepaid premiums, claims payable, etc.) when with related parties (e.g., a “captive” insurance affiliate).
- **DO NOT** net payables and receivables.
- **DO NOT** net interest expense against interest income.
  - Report quarterly gross interest expense and income (not year to date).
  - Interest expense and interest income should be reported on the accrual basis.



see page 4 for diagram description

Please see the diagrams above and on page 4 to identify the Foreign Parent and the Foreign Affiliates of the Foreign Parent (FAFP). Report payable and receivable balances as well as the current quarter interest expense and interest income, separately for each. Note: Country detail will be required for FAFP transactions in [23](#) and [24](#).

### 19 What were the total short- and long-term payable balances owed by the U.S. affiliate to the affiliated foreign group, and the related interest expense?

Payable/expensed to:	TOTAL short- and long-term payables					Interest expense									
	Beginning of quarter					End of quarter					Current quarter				
	\$ Bil.	Mil.	Thou.	Dols.		\$ Bil.	Mil.	Thou.	Dols.		\$ Bil.	Mil.	Thou.	Dols.	
A. Foreign parent	024.2				000	024.1				000	018.1				000
B. Foreign affiliates of the foreign parent (FAFP)	156.3				000	156.2				000	156.4				000
C. TOTAL for affiliated foreign group	270.3				000	270.2				000	270.4				000

### 20 For the end of quarter balance reported in 19 C, provide the amounts that are denominated in:

(Report in thousands of U.S. dollars)

	\$ Bil.	Mil.	Thou.	Dols.
A. U.S. Dollars			278	000
B. Euro			279	000
C. Yen			280	000
E. Other			281	000

## Part IV – Payable and Receivable Balances, and Interest, Between Affiliated Foreign Group and U.S. Affiliate, as Consolidated

**21** What were the total short- and long-term receivable balances owed to the U.S. affiliate by the affiliated foreign group, and the related interest income?

Receivable/income from:	TOTAL short- and long-term receivables				Interest income							
	Beginning of quarter				End of quarter				Current quarter			
	\$ Bil.	Mil.	Thou.	Dols.	\$ Bil.	Mil.	Thou.	Dols.	\$ Bil.	Mil.	Thou.	Dols.
A. Foreign parent	025.2			000	025.1			000	018.2			000
B. Foreign affiliates of the foreign parent (FAFP)	269.3			000	269.2			000	269.4			000
C. TOTAL for affiliated foreign group	271.3			000	271.2			000	271.4			000

**22** For the end of quarter balance reported in **21 C**, provide the amounts that are denominated in:

(Report in thousands of U.S. dollars)

	\$ Bil.	Mil.	Thou.	Dols.
A. U.S. Dollars			282	000
B. Euro			283	000
C. Yen			284	000
E. Other			285	000

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## Part IV – U.S. Affiliates' Payables and Interest Expense to FAFPs

**23** How are the amounts reported in **19 B** allocated by country?

			Short- and long-term payables				Interest expense							
			Beginning of quarter				End of quarter				Current quarter			
			\$ Bil.	Mil.	Thou.	Dols.	\$ Bil.	Mil.	Thou.	Dols.	\$ Bil.	Mil.	Thou.	Dols.
A. Australia	044	1	601	3	000	2	000	4	000	000				
B. Brazil	045	1	202	3	000	2	000	4	000	000				
C. Canada	046	1	100	3	000	2	000	4	000	000				
D. China	047	1	650	3	000	2	000	4	000	000				
E. France	048	1	307	3	000	2	000	4	000	000				
F. Germany	049	1	308	3	000	2	000	4	000	000				
G. Japan	050	1	614	3	000	2	000	4	000	000				
H. Mexico	051	1	213	3	000	2	000	4	000	000				
I. Netherlands	052	1	319	3	000	2	000	4	000	000				
J. Singapore	053	1	625	3	000	2	000	4	000	000				
K. Switzerland	054	1	325	3	000	2	000	4	000	000				
L. United Kingdom	055	1	327	3	000	2	000	4	000	000				
Other countries - Specify		1		3		2		4						
M.	056			3	000	2	000	4	000	000				
N.	057	1		3	000	2	000	4	000	000				
O.	058	1		3	000	2	000	4	000	000				
P.	059	1		3	000	2	000	4	000	000				
Q.	060	1		3	000	2	000	4	000	000				
R.	061	1		3	000	2	000	4	000	000				
S.	062	1		3	000	2	000	4	000	000				
T.	063	1		3	000	2	000	4	000	000				
U.	064	1		3	000	2	000	4	000	000				
V.	065	1		3	000	2	000	4	000	000				
W.	066	1		3	000	2	000	4	000	000				
X.	067	1		3	000	2	000	4	000	000				
Y.	068	1		3	000	2	000	4	000	000				
Z. Unallocated*	155	1	709	3	000	2	000	4	000	000				

Continue listing onto as many copied pages as needed.

\*Unallocated – Combine values for countries which individually amount to less than \$500 thousand.

Notes

## Part IV – U.S. Affiliates' Receivables and Interest Income from FAFPs

### 24 How are the amounts reported in 21 B allocated by country?

			Short- and long-term receivables				Interest income							
			Beginning of quarter				End of quarter				Current quarter			
			\$ Bil.	Mil.	Thou.	Dols.	\$ Bil.	Mil.	Thou.	Dols.	\$ Bil.	Mil.	Thou.	Dols.
A. Australia	157	1	601	3	000	2	000	4	000					
B. Brazil	158	1	202	3	000	2	000	4	000					
C. Canada	159	1	100	3	000	2	000	4	000					
D. China	160	1	650	3	000	2	000	4	000					
E. France	161	1	307	3	000	2	000	4	000					
F. Germany	162	1	308	3	000	2	000	4	000					
G. Japan	163	1	614	3	000	2	000	4	000					
H. Mexico	164	1	213	3	000	2	000	4	000					
I. Netherlands	165	1	319	3	000	2	000	4	000					
J. Singapore	166	1	625	3	000	2	000	4	000					
K. Switzerland	167	1	325	3	000	2	000	4	000					
L. United Kingdom	168	1	327	3	000	2	000	4	000					
Other countries - Specify		1		3		2		4						
M.	169	1		3	000	2	000	4	000					
N.	170	1		3	000	2	000	4	000					
O.	171	1		3	000	2	000	4	000					
P.	172	1		3	000	2	000	4	000					
Q.	173	1		3	000	2	000	4	000					
R.	174	1		3	000	2	000	4	000					
S.	175	1		3	000	2	000	4	000					
T.	176	1		3	000	2	000	4	000					
U.	177	1		3	000	2	000	4	000					
V.	178	1		3	000	2	000	4	000					
W.	179	1		3	000	2	000	4	000					
X.	180	1		3	000	2	000	4	000					
Y.	181	1		3	000	2	000	4	000					
Z. Unallocated*	268	1	709	3	000	2	000	4	000					

Continue listing onto as many copied pages as needed.

\*Unallocated – Combine values for countries which individually amount to less than \$500 thousand.

Notes

## Part V – Quarterly Change in the Foreign Parent’s Share of the U.S. Affiliate’s Capital Account (if Incorporated) or Equity (if Unincorporated)

**25** During the quarter indicated in **2**, was there a change in the foreign parent’s share of the U.S. affiliate’s capital account (if incorporated) or equity (if unincorporated)?

- 043 <sup>1</sup>  Yes  
<sup>1</sup>  No – SKIP to **Part VI**, **30**.

Report in **26** or **27** the transaction value (i.e., market value) of consideration given or received.

**Unincorporated** U.S. affiliates must report the foreign parent’s share of any increase (decrease) in the U.S. affiliate’s equity (or home office account), arising from its transactions with the foreign parent, excluding amounts reported in **Part III** or **Part IV**.

**Include in 26 and 27 changes caused by:**

- Treasury stock transactions with the foreign parent and liquidating dividends;
- Capitalization of intercompany debt (report the amount of debt converted to equity as the transaction value of the equity increase in **26 C**), and adjust the debt balance as appropriate in **Part IV**, **19 A**;
- Purchase or sale of capital stock by the foreign parent from or to the U.S. affiliate;
- Change in capital of the U.S. affiliate owned by the foreign parent that did not result from a change of stock issued.

**Exclude from 26 and 27 changes caused by:**

- Carrying net income (loss) to the equity account (i.e., retained earnings);
- Dividends/earnings distributed and stock dividends. Report in **Part III**, **14 D** or **14 E**;
- Balance sheet translation adjustments. Report in **Part III**, **14 C**;
- The effect of treasury stock transactions with persons other than the foreign parent;
- Reorganizations in capital structure that do not affect total equity;
- Investments that are written off. Report in **Part III**.

		Current Quarter			
		\$ Bil.	Mil.	Thou.	Dols.
<b>26</b>	<b>What is the increase in the foreign parent’s equity interest in the U.S. affiliate due to:</b>				
	A. Establishment of the U.S. affiliate or acquisition (partial or total) of an equity interest in this U.S. affiliate by the foreign parent from other foreign persons?..... <sup>029</sup>	1			000
	B. Acquisition (partial or total) of an equity interest in this U.S. affiliate by the foreign parent from other U.S. persons?..... <sup>028</sup>	1			000
	C. Capital contributions and other transactions by the foreign parent to the U.S. affiliate?..... <sup>026</sup>	1			000
<b>27</b>	<b>What is the decrease in the foreign parent’s equity interest in the U.S. affiliate due to:</b>				
	A. Liquidation or sale (partial or total) of an equity interest in this U.S. affiliate by the foreign parent to other foreign persons?..... <sup>031</sup>	1			000
	B. Sale (partial or total) of an equity interest in this U.S. affiliate by the foreign parent to other U.S. persons?..... <sup>030</sup>	1			000
	C. Return of capital and other transactions from the U.S. affiliate to the foreign parent?..... <sup>027</sup>	1			000
<b>28</b>	<b>What is the total change in the foreign parent’s equity interest in the U.S. affiliate from the prior quarter? Sum of (26 A + 26 B + 26 C) minus (27 A + 27 B + 27 C).....<sup>032</sup></b>	1			000

		For acquisition <b>26</b>				For liquidation or sale <b>27</b>			
		\$ Bil.	Mil.	Thou.	Dols.	\$ Bil.	Mil.	Thou.	Dols.
<b>29</b>	<b>For items 26 and 27, what are the amounts (e.g., good will) by which the transaction value:</b>								
	A. Exceeds the value carried on the books of the U.S. affiliate?..... <sup>903</sup>	2			000	4			000
	B. Is less than the value carried on the books of the U.S. affiliate?..... <sup>903</sup>	3			000	5			000



## Part VII – Claim for Exemption

**36** The U.S. affiliate, as consolidated, is exempt from filing a BE-605 report if ANY ONE of the conditions specified in statements A–E below applies. Check the statement that applies and complete ALL adjacent answer boxes.

- <sup>1</sup> **A.**  This U.S. affiliate is exempt because ALL of the items below (not just the foreign parent's share) were less than or equal to \$60 million (positive or negative) during the affiliate's last four fiscal quarters. If 12 months of data are not available, give full-year projections.

	\$	Bil.	Mil.	Thou.	Dols.	
Total assets – <b>DO NOT</b> net against liabilities .....					000	
Sales or gross operating revenues, excluding sales taxes.....					000	12-month period ended mm/dd/yyyy
Net income (loss) after provision for U.S. federal, state, and local income taxes.....					000	

- <sup>2</sup> **B.**  This U.S. affiliate was consolidated, merged into, or reorganized into the BE-605 report for another U.S. affiliate.

Company name and address:

A20

Date of change  
mm/dd/yyyy

BEA ID number of above named U.S. affiliate (or contact person name and telephone number):

A21  A22

- <sup>3</sup> **C.**  This U.S. affiliate is indirectly foreign owned through another U.S. affiliate AND has no **Part IV** transactions with the foreign parent(s) or any of its (their) foreign affiliates.

- <sup>4</sup> **D.**  The foreign parent's voting interest in this U.S. business enterprise was (check ANY ONE that applies and provide date):

- <sup>1</sup> **1.**  Sold to a U.S. entity that does not have foreign ownership of 10 percent or more.
- Acquiring company name:

A33

Date  
mm/dd/yyyy

	\$	Bil.	Mil.	Thou.	Dols.	
Approximate sale value: .....					000	A31 <input style="width: 100px; height: 25px;" type="text"/>

- <sup>2</sup> **2.**  Liquidated/dissolved.
- Date  
mm/dd/yyyy

A35

Date  
mm/dd/yyyy

Amount returned to the foreign parent? .....

	\$	Bil.	Mil.	Thou.	Dols.	
					000	A34 <input style="width: 100px; height: 25px;" type="text"/>

- <sup>3</sup> **3.**  Diluted. The foreign parent's total voting interest in this U.S. affiliate is below the 10 percent threshold required to file.
- Date  
mm/dd/yyyy

A39  %

Date  
mm/dd/yyyy

New percentage of ownership for foreign parent? .....

A38

- <sup>5</sup> **E.**  This U.S. business enterprise was identified by BEA as required to file a BE-605 survey form and ALL of the following 3 statements apply: 1) The U.S. business enterprise is a private fund, 2) the private fund does not own, directly or indirectly through another business enterprise, an "operating company"—i.e., a business enterprise that is not a private fund or a holding company—in which the foreign parent owns at least 10 percent of the voting interest, AND 3) if the foreign parent owns the private fund indirectly (through one or more other U.S. business enterprises), there are no U.S. "operating companies" between the foreign parent and the indirectly-owned U.S. private fund.

The foreign investment in the U.S. private fund may be required to be reported on Treasury International Capital (TIC) Surveys, review reporting requirements for TIC surveys at [www.treasury.gov/tic](http://www.treasury.gov/tic).

For more information regarding private funds visit [www.bea.gov/privatefunds](http://www.bea.gov/privatefunds).

## Survey Information

**Purpose** – Reports on this form are required to provide reliable and up-to-date information on foreign direct investment in the United States for inclusion in the U.S. international transactions accounts and the national income and product accounts.

**Authority** – 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), and the filing of reports is MANDATORY pursuant to Section 5(b)(2) of the Act (22 U.S.C. 3104). All persons contacted by BEA in writing must respond pursuant to section 801.3 of 15 C.F.R. pt. 801 and the survey instructions.

**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.

**Penalties** – Whoever fails to report may be subject to a civil penalty not less than \$2,500, and not more than \$32,500, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such violation, upon conviction, may be punished by a like fine, imprisonment, or both. (22 U.S.C. 3105). The civil penalties are subject to inflationary adjustments. Those adjustments are found in 15 CFR 6.4.

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.

**Respondent Burden** – Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to:

Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, 4600 Silver Hill Rd, Washington, DC 20233; and to the Office of Management and Budget, Paperwork Reduction Project 0608-0009, Washington, DC 20503.

**Retention of copies:** Retain a copy of filed reports for 3 years beyond the report's original due date.

## CONTACT INFORMATION

Provide information of person to consult about this report:

801	Name 0				
806	Street 1 0	Telephone Number 802_0 ( _ _ _ ) _ _ _ - _ _ _ _		Extension	
807	Street 2 0	Fax Number 803_0 ( _ _ _ ) _ _ _ - _ _ _ _			
808	City 0	State	Zip	E-mail Address 810_0	

**NOTE:** BEA uses a Secure Messaging System to correspond with you via encrypted message to discuss questions relating to this form. We may use your e-mail address for survey-related announcements and to inform you about secure messages. When communicating with BEA by e-mail, please do not include any confidential business or personal information.

## CERTIFICATION

The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate including estimates that may have been provided.

Signature of Authorized Official		Date	Telephone Number 804_0 ( _ _ _ ) _ _ _ - _ _ _ _	Extension
809	Name 0	Title	Fax Number 805_0 ( _ _ _ ) _ _ _ - _ _ _ _	



## Definitions

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

**Affiliated foreign group** means (i) the foreign parent, (ii) any foreign entity, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the entity below it up to and including that entity which is not owned more than 50 percent by another foreign entity, and (iii) any foreign entity, proceeding down the ownership chain(s) of each of these members, which is owned more than 50 percent by the entity above it.

**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. (U.S. branches of foreign banks are U.S. entities; conversely, foreign branches of U.S. banks are foreign entities.)

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

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

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

**Entity** (as used here, "entity" is synonymous with "person," as that term is used in the broad legal sense) means any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any state), and any government (including a foreign government, the United States Government, a state or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government-sponsored agency).

**Finance industry** is comprised of businesses engaged in financial transactions (transactions involving the creation, liquidation, or change in ownership of financial assets) and/or in facilitating financial transactions. Finance industry activities include the raising of funds by taking deposits and/or issuing securities, and in the process, incurring liabilities, and providing specialized services facilitating, or supporting, financial intermediation.

**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.

**Foreign affiliate of the foreign parent** means, with reference to a given U.S. affiliate, any member of the affiliated foreign group (see definition above) that is not a foreign parent of the affiliate.

**Foreign direct investment in the United States** means the ownership or control, directly or indirectly, by one foreign investor 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 or partnership.

**Foreign parent** is the FIRST entity incorporated outside the United States, proceeding up a chain of ownership, that has 10 percent or more voting interest (direct or indirect) in this U.S. affiliate.

**Partnerships** are either classified as general or limited. The determination of percentage of voting interest for either is based on who controls the partnership. A general partnership consists of at least two general partners who together control the partnership; unless a clause to the contrary is contained in the partnership agreement, a general partnership is presumed to be controlled equally by both partners. A limited partnership consists of at least one general and one limited partner. The general partner usually controls a limited partnership, and therefore, has 100 percent voting interest in the partnership. Limited partners do not normally exercise any control, and unless a clause to the contrary is contained in the partnership agreement, are presumed to have zero voting interest in the partnership.

**Ultimate beneficial owner** means the foreign entity proceeding up the ownership chain, beginning with and including the foreign parent, that is not more than 50 percent owned by another entity.

**United States**, when used in a geographic sense, means the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.

**U.S. affiliate** means a business enterprise located in the United States in which a foreign entity has a direct investment.

**Voting interest** is the percent of ownership in the voting securities of an incorporated business enterprise or an equivalent interest in an unincorporated business enterprise, including a branch or partnership.