

FORM **BE-15(LF)**  
(REV. 2/2004)

U.S. DEPARTMENT OF COMMERCE  
BUREAU OF ECONOMIC ANALYSIS

**ANNUAL SURVEY  
OF FOREIGN DIRECT  
INVESTMENT IN THE  
UNITED STATES - 2003  
(LONG FORM)**

**BEA USE ONLY** Control number

Public reporting burden for this long form is estimated to vary from 4 to 550 hours per response, with an average of 49 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.

**DUE DATE: MAY 31, 2004**

**ELECTRONIC FILING** See our web site at [www.bea.gov/astar/](http://www.bea.gov/astar/) for details.

**OR**

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

**OR**

**DELIVER REPORTS TO** U.S. Department of Commerce  
Bureau of Economic Analysis, BE-49(A)  
Shipping and Receiving  
Section, M100  
1441 L Street, NW  
Washington, DC 20005

**PENALTIES** — Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. See additional information on page 17.

**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.

**Part I IDENTIFICATION OF U.S. AFFILIATE**

**1. Name and address of U.S. affiliate** — If there are any changes in the name or address, make the changes directly on the label. If no label has been affixed, enter the name and address in full.

Name of U.S. Affiliate  
1002 0

c/o (care of)  
1010 0

Street or P.O. Box  
1003 0

City and State  
1004 0

ZIP Code Foreign Postal Code  
1005 0 OR 0

**2. Consolidated reporting by the U.S. affiliate** — The consolidation rules are found on pages 19 and 20.

**Is more than 50 percent of the voting interest in this U.S. affiliate owned by another U.S. affiliate of your foreign parent?**

1400 1  Yes  
1 2  No

**If the answer is "Yes"** — Do not complete this report unless exception 2d or 2e described in the consolidation rules on page 20 applies. If neither of these exceptions applies, 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 Form **BE-15 Supplement C** with item **2(b)** completed.

**If the answer is "No"** — Complete this report in accordance with the consolidation rules on page 19 and 20.

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

Primary Other  
1006 1 - 2 -

**4. REPORTING PERIOD** — Reporting period instructions are found on page 20.

This U.S. affiliate's 2003 fiscal year ended in calendar year 2003 on

Month	Day	Year
1		

**Example** — If the fiscal year ends on March 31, report for the 12 month period ended March 31, **2003**.

**5. Did the U.S. business enterprise become a U.S. affiliate during its fiscal year that ended in calendar year 2003?**

1008 1  Yes  
1 2  No

**If "Yes"** — Enter date U.S. business enterprise became a U.S. affiliate and see instruction 5 on page 20.

Month	Day	Year
1		

**NOTE** — For a U.S. business enterprise that became a U.S. affiliate during its 2003 fiscal year, leave the close FY 2002 data columns blank.

**Important**

Read the **Instructions** starting on page 17 before completing this form. The instructions below are only a brief summary. Definitions of key terms used in this report are found on page 19.

**Insurance and real estate companies** — See special instructions on page 23.

**Additional instructions** by line item are at the back of this form starting with section IV of the instructions on page 19.

**A. WHO MUST REPORT** — See **Instruction I.A.** on page 17.

**B. U.S. AFFILIATE'S 2003 FISCAL YEAR** — The affiliate's financial reporting year that had an ending date in calendar year 2003.

**C. CONSOLIDATED REPORTING** — A U.S. affiliate must file on a fully consolidated **domestic U.S.** basis, including in the consolidation all non-bank **U.S. affiliates** in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The consolidation rules are found on pages 19 and 20.

**D. ASSISTANCE** — E-mail: [be12/15@bea.gov](mailto:be12/15@bea.gov); Telephone (202) 606-5577; FAX (202) 606-5319.

**E. GENERAL NOTES**

**1.** 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 **\$1,334,615.00**, report as

Bil.	Mil.	Thous.	Dols.
	1	335	

**2.** References in the instructions to Financial Accounting Standards Board statements are referred to as "FAS."

**MANDATORY** — This survey is being conducted pursuant to the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended — hereinafter "the Act"), and the filing of reports is mandatory pursuant to Section 5(b)(2) of the Act (22 U.S.C. 3104).

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

Name 1000 0  
Address

TELEPHONE NUMBER 1001 0 Area code Number Extension

FAX NUMBER 0999 0 Area code Number

**CERTIFICATION** — The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with III.D. on page 19, estimates may have been provided.

Authorized official's signature Date

Print or type name and title

Telephone number FAX number

May we use e-mail to correspond with you to discuss questions relating to this Form BE-15(LF), including questions that may contain information about your company that you may consider confidential? (Note that electronic mail is not inherently confidential; we will treat information we receive as confidential, but your e-mail is not necessarily secure against interception by a third party.)

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

E-mail address

0  
1028

**Part I IDENTIFICATION OF U.S. AFFILIATE — Continued**

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

- 1011 <sup>1</sup>  Incorporated in U.S. <sup>1</sup>  Real property not in 1-4 above — Reporting rules for real estate are found in instruction V.C. on page 23.
- Reporting rules for unincorporated affiliates are found in instruction 6 starting on page 20.
- <sup>1</sup>  U.S. partnership — Reporting rules for partnerships are found in instruction 6b starting on page 20. <sup>1</sup>  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
- <sup>1</sup>  U.S. branch of a foreign person <sup>1</sup>  Other — Specify
- <sup>1</sup>  Limited Liability Company (LLC) — Reporting rules for LLCs are found in instruction 6c on page 21.

**7. U.S. affiliates fully consolidated in this report — The consolidation rules are found starting on page 19.**

If this report is for a single unconsolidated U.S. affiliate, enter "1" in the box below. If more than one U.S. affiliate is consolidated in this report, enter the number of U.S. affiliates consolidated. Hereinafter they are considered to be one U.S. affiliate. **Exclude from the consolidation all minority-owned U.S. business enterprises, and all foreign business enterprises owned by this U.S. affiliate.** Include unconsolidated businesses on the equity basis, or cost basis if less than 20 percent owned. Except as noted in the consolidation rules, more-than-50-percent-owned U.S. affiliates must be fully consolidated in this report unless permission has been received in writing from BEA to do otherwise; those not consolidated should file a separate Form BE-15(LF), BE-15(SF), or BE-15 Supplement C.

1012 <sup>1</sup>  **Number — If number is greater than one, complete the Supplement A.**

**8. U.S. affiliates NOT fully consolidated — See instruction 8 on page 21.**

1013 <sup>1</sup>  **Number — If number is not zero, complete Supplement B. The U.S. affiliate named in item 1 must include data for unconsolidated U.S. affiliates in this report on an equity basis, or cost basis if less than 20 percent owned, and must notify the unconsolidated U.S. affiliates of their obligation to file a Form BE-15(LF), BE-15(SF), or BE-15 Supplement C in their own names.**

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

1014 <sup>1</sup>  Yes If "Yes" — Do not consolidate foreign operations in this report; report foreign operations on an equity basis, or cost basis if less than 20 percent owned. Reporting rules for foreign operations are found in instruction 2a starting on page 19.

<sup>1</sup>  No

**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 <sup>1</sup>  Yes If "Yes" — File a Form BE-13 to reflect each acquisition if you have not done so already. Forms can be found at: [www.bea.gov/bea/surveys/fdiusurv.htm](http://www.bea.gov/bea/surveys/fdiusurv.htm)

<sup>1</sup>  No

**11. Did this U.S. affiliate sell or otherwise transfer ownership of any of its U.S. subsidiaries, operating divisions, segments, etc., during its fiscal year that ended in calendar year 2003?**

1016 <sup>1</sup>  Yes <sup>1</sup>  No

**IMPORTANT NOTE — Complete columns 3 and 4 ONLY if the percentage of direct voting ownership given in columns 1 and 2 DOES NOT equal the equity interest. "Voting interest" and "equity interest" are defined in instructions 12-16 on page 21.**

**Ownership — Enter percent of ownership, in this U.S. affiliate, to a tenth of one percent, based on voting stock and equity interest if an incorporated affiliate or an equivalent interest if an unincorporated affiliate.**

**Ownership held directly by all foreign parents of this affiliate — Give name of each foreign parent (if more than 2, continue on a separate sheet).**

	Country of incorporation or organization, if a business enterprise, or residence, if an individual. For individuals, see instruction V.F. on page 24.	REPORTING PERIOD				BEA USE ONLY (5)
		Voting stock		Equity interest		
		Close FY 2003 (1)	Close FY 2002 (2)	Close FY 2003 (3)	Close FY 2002 (4)	
12. 3011	1017	1 . %	2 . %	3 . %	4 . %	5
13.	1018	1 . %	2 . %	3 . %	4 . %	5
<b>Ownership held indirectly by all foreign parents of this U.S. affiliate through another U.S. affiliate — Give name of each higher tier U.S. affiliate that owns this U.S. affiliate (if more than 2, continue on a separate sheet).</b>						
14.	1063	1 . %	2 . %	3 . %	4 . %	5
15.	1064	1 . %	2 . %	3 . %	4 . %	5
16a. All other U.S. persons	1061	1 . %	2 . %	3 . %	4 . %	
16b. All other foreign persons	1062	1 . %	2 . %	3 . %	4 . %	
<b>TOTAL of directly held ownership interests — Sum of items 12 through 16b. —&gt;</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	

**17. Enter the name and industry code of the foreign parent. Obtain the industry code from the list on page 11. If more than one foreign parent, list each and its industry code on a separate sheet. The foreign parent industry code is based on the primary activity of the single entity named as the foreign parent. DO NOT base the code on a world-wide consolidation.**

Enter name of foreign parent if not already entered in item 12 above. Foreign parent industry code.

3011 <sup>0</sup>  3018 <sup>1</sup>

**18. For each foreign parent, furnish the name, country and industry code of the ultimate beneficial owner (UBO). (See instruction II.Q. on page 19 for the definition of UBO.) If the UBO is an individual, a name need not be given in 18b, but the country of residence of the UBO must be given 18c. 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.**

**18a. Is each foreign parent also the UBO?**

3019 <sup>1</sup>  Yes — Skip to 18d. <sup>1</sup>  No — Continue with 18b.

**18b. Enter name of UBO of foreign parent if foreign parent is not also the UBO. Identifying the UBO as "bearer shares" is not an acceptable response.**

3021 <sup>0</sup>

**18c. Enter country of UBO if foreign parent is not also the UBO. For individuals, see instruction V.F. on page 24.**

**BEA USE ONLY**

3022 <sup>1</sup>

**18d. Enter the industry code of the UBO from the list of codes on page 11. NOTE — UBO industry code is based on UBO's world-wide consolidated sales. Code "14" (holding company) is normally NOT a valid UBO industry code.**

3023 <sup>1</sup>

1070	<sup>1</sup> <input type="text"/>	<sup>2</sup> <input type="text"/>	<sup>3</sup> <input type="text"/>	<sup>4</sup> <input type="text"/>	<sup>5</sup> <input type="text"/>
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**Part I IDENTIFICATION OF U.S. AFFILIATE — Continued**

**19. Major activity of fully consolidated U.S. affiliate — Mark (X) one**

Select the one activity below that best describes the major activity of the fully consolidated U.S. affiliate. For an inactive affiliate, select the activity based on its last active period; for "start-ups," select the intended activity.

- 1072 <sup>1</sup>  1 Producer of goods <sup>1</sup>  5 Real estate  
<sup>1</sup>  2 Seller of goods you do not produce <sup>1</sup>  6 Other — Specify   
<sup>1</sup>  3 Producer or distributor of information  
<sup>1</sup>  4 Provider of services

**20. What is (are) the major product(s) and/or service(s) involved in this activity?** 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

**Industry classification of fully consolidated U.S. affiliate** (based on sales or gross operating revenues) — Enter the 4-digit International Surveys Industry (ISI) code(s) and the sales (as defined in item 55 on page 6) and employment associated with each code. For a full explanation of each code, see the *Guide to industry and Foreign Trade Classifications for International Surveys, 2002*. If you use fewer than ten codes, you must account for total sales in items 21 through 29. For an inactive affiliate, show the industry classification(s) based on its last active period; for "start-ups" with no sales, show the intended activity(ies).

Holding companies (ISI code 5512) must show total income as reported in item 59 on page 6. **Note** — A U.S. affiliate that is a conglomerate must determine its industry code based on the activities of the fully consolidated U.S. business enterprise. The "holding company" classification, therefore, is often an invalid industry classification for a conglomerate.

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

Employment — Include in column (3) all employees, including part-time employees, on the payroll at the end of FY 2003, associated with each code. (For employees engaged in manufacturing activities, also see the instructions for column (4) of the state schedule located at the top of page 10). A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of the number on the payroll at the end of the fiscal year that ended in calendar year 2003. Reporting employment (including how to report when employment is subject to unusual variations) is discussed in more detail under the instructions for items 107–164 starting on page 22.

**NOTES** → 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 engaged in activities encompassed in each industry code in column (1) (3)
		Bil.	Mil.	Thous. Dols.	
<b>21.</b> Enter code with largest sales	1164	2			3
<b>22.</b> Enter code with 2nd largest sales	1165	2			3
<b>23.</b> Enter code with 3rd largest sales	1166	2			3
<b>24.</b> Enter code with 4th largest sales	1167	2			3
<b>25.</b> Enter code with 5th largest sales	1168	2			3
<b>26.</b> Enter code with 6th largest sales	1169	2			3
<b>27.</b> Enter code with 7th largest sales	1170	2			3
<b>28.</b> Enter code with 8th largest sales	1171	2			3
<b>29.</b> Enter code with 9th largest sales	1176	2			3
<b>30.</b> Enter code with 10th largest sales	1177	2			3
<b>31. Number of employees of administrative offices and other auxiliary units —</b> Include employees at corporate headquarters, central administrative, and regional offices located in the U.S. that provide administration and management or support services for the consolidated U.S. affiliate. Support services include accounting, data processing, legal, research and development and testing, and warehousing. Also include employees located at a U.S. operating unit that provide administration and management or support services to more than one U.S. operating unit. Exclude employees located at a U.S. operating unit that provide administration and management or support services for only that unit. Instead, report such employees in column (3) of items 21 through 30 in the industry(ies) of the operating unit(s).	1178				3
<b>32.</b> Sales and employees accounted for — Sum of items 21 through 31	1172	2			3
<b>33.</b> Sales and employees not accounted for above — Item 30 must have an entry if amounts are entered on this line.	1173	2			3
<b>34. TOTAL sales and employees — Sum of items 32 and 33, columns (2) and (3) (Total sales must equal item 55 and also item 72.)</b>	1174	2			3
<b>35. Percentage of e-commerce sales</b> — Of the total sales reported on line 34 column 2, approximately what percentage (rounded to the nearest whole number from 0 to 100) represents e-commerce sales? E-commerce sales consist of orders placed over the Internet, or through an Extranet, an Electronic Data Interchange network, electronic mail, or some other online system. Payment may or may not be made online. DO NOT INCLUDE e-commerce sales to domestic U.S. establishments consolidated into this report. However, INCLUDE sales to foreign and domestic U.S. affiliates NOT consolidated into this report. If none enter zero.	1179				1 <input type="text" value="1"/> %
	1179				<sup>1</sup> <input type="checkbox"/> 2

Please check box if percentage of e-commerce sales are zero.

**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 I IDENTIFICATION OF U.S. AFFILIATE — CONTINUED**

**INSURANCE INDUSTRY ACTIVITIES — Premiums earned and losses incurred**

Insurance related activities are covered by industry codes 5242 (agencies, brokerages, and other insurance related activities), 5243 (Insurance carriers, except life insurance carriers), and 5249 (life insurance carriers).

**36a. Of the total sales and gross operating revenues reported on line 34, column 2, were any of the sales or revenues generated by insurance related activities?**

- 1180 <sup>1</sup>  Yes — Answer items 36b and 36c  
<sup>1</sup>  No — Skip to item 37a

**NOTE: Complete items 36b and 36c ONLY if item 36a is answered "Yes."**

**36b. Premiums earned** — Calculate as premiums written during the year, plus unearned premiums at the beginning of the year, minus unearned premiums at the end of the year.

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
1181	\$		

**36c. Losses incurred** — For property and casualty insurance, calculate as losses paid during the year, plus the net increase (or minus the net decrease) during the year in case reserves and in losses incurred but not reported. For life insurance, losses reflect policy claims on reinsurance assumed or ceded, or on primary insurance sold, adjusted for changes in claims due, unpaid, and in course of collection. For both types of insurance, do not include loss adjustment expenses.

1			
1182	\$		

**WHOLESALE AND RETAIL TRADE INDUSTRY ACTIVITIES — Goods purchased for resale without further processing**

Wholesale trade industry activities include the wholesale trade of durable goods and nondurable goods. These activities are covered by industry codes 4231 through 4251.

Retail trade industry activities are covered by industry codes 4410 through 4540.

**37a. Of the total sales and gross operating revenues reported on line 34, column 2, were any of the sales or revenues generated by wholesale or retail trade activities?**

- 1183 <sup>1</sup>  Yes — Answer items 37b and 37c  
<sup>1</sup>  No — Skip to item 38

**NOTE: Complete items 37b and 37c ONLY if item 37a is answered "Yes."**

**37b. Enter the cost of goods purchased for resale without further processing during the fiscal year that ended in calendar year 2003** →

Amount (1)			
Bil.	Mil.	Thous.	Dols.
1			
1184	\$		

BALANCES							
CLOSE FY 2003 (1)				Close FY 2002 (Unrestated) (2)			
Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
1				2			
1185	\$				\$		

**37c. Enter the closing balances at the end of fiscal years 2003 and 2002 of the inventory of goods purchased for resale without further processing.**

Remarks

**Part II FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE**  
**Report all amounts in thousands of U.S. dollars.**

**Section A — BALANCE SHEET**

NOTE — Disaggregate all asset and liability items in the detail shown; in particular, show receivables and payables between the affiliate and the foreign parent(s) and foreign affiliates of the foreign parent(s) in the proper asset and liability accounts of the affiliate rather than as a net amount. Insurance companies see page 23, instruction V.A., for special instructions.

• ASSETS

**38. Cash items** — Deposits in financial institutions and other cash items. *Do NOT include overdrafts as negative cash. Note* — Although including certificates of deposit (CDs) in CASH is permitted by generally accepted accounting principles, **exclude** CDs and other deposits of the U.S. affiliate held by the foreign parent(s) or foreign affiliates of the foreign parent(s). Include them in item 39a, current receivables, below.

**39a. Current receivables** — Trade accounts, trade notes, and other current receivables. Report at **gross** amount **before** allowance for doubtful accounts. Include CDs and other deposits held by the foreign parent(s) or foreign affiliates of the foreign parent(s). (*See note in item 38 above.*)

**39b. Allowance for Doubtful Accounts**

**40. Inventories** — Land development companies, exclude land held for resale (include in item 41); finance and insurance companies, exclude inventories of marketable securities (include in item 41 or item 44, as appropriate).

**41. Other current assets, including land held for resale and current marketable securities.**

**42. Equity investment in unconsolidated U.S. affiliates and all foreign operations** — For U.S. affiliates and foreign business enterprises owned 20 percent or more (including those that are majority-owned), report on the equity basis to include equity in undistributed earnings since acquisition; **for U.S. affiliates and foreign business enterprises owned less than 20 percent, report at cost.**

**43. 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, 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.)

**44. Other noncurrent assets** — Include other investments; intangible assets not included in item 43 above, net of amortization; and all noncurrent assets not included in items 42 or 43 above. — *Specify major items* ↗

**45. TOTAL ASSETS — Sum of items 38 through 44** →

• LIABILITIES

**46. Current liabilities and long-term debt** — Trade accounts, trade notes, other current liabilities, long-term debt, and securities that are debt per FAS 150.

**47. Other noncurrent liabilities** — Items other than those identifiable as long-term debt, such as deferred taxes and underlying minority interest in consolidated U.S. subsidiaries. — *Specify* ↗

**48. TOTAL LIABILITIES — Sum of items 46 and 47** →

• OWNERS' EQUITY

**49. Capital stock and additional paid-in capital** — Common and preferred, voting and non-voting capital stock and additional paid-in capital.

**50. Retained earnings (deficit)** .

**51. Treasury stock**

**52. Accumulated other comprehensive income (loss)**

**52a. Translation adjustment**

**52b. All other components**

**52c. Total accumulated other comprehensive income (loss) — Equals sum of 52a. and 52b.** →

**53. Other — Specify major items** ↗

**54. TOTAL OWNERS' EQUITY (INCORPORATED OR UNINCORPORATED U.S. AFFILIATE) — Sum of items 49, 50, 51, 52c and 53 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 49 through 53, report total owners' equity in this item. For both incorporated and unincorporated U.S. affiliates, total owners' equity must equal item 45 minus item 48.** →

		BALANCES							
		Close FY 2003 (1)				Close FY 2002 (Unrestated) (2)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
	2101	1				2			
		\$				\$			
	2102	1				2			
	2103	(		)		(		)	
	2104	1				2			
	2105	1				2			
	2106	1				2			
	2107	1				2			
	2108	1				2			
	2109	1				2			
		\$				\$			
	2111	1				2			
		\$				\$			
	2113	1				2			
	2114	1				2			
		\$				\$			
	2116	1				2			
		\$				\$			
	2117	1				2			
	2118	1				2			
		(		)		(		)	
	2122	1				2			
		\$				\$			
	2128	1				2			
		\$				\$			
	2129	1				2			
	2119	1				2			
	2120	1				2			
		\$				\$			

**Part II FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued**  
 Report all amounts in thousands of U.S. dollars.

**Section B — INCOME STATEMENT**

Insurance companies see instruction V.A. on page 23 for special instructions.

• INCOME

**55. Sales or gross operating revenues, excluding sales taxes** — Gross sales minus returns, allowances, and discounts; or gross operating revenues. Exclude sales or consumption taxes levied directly on the consumer and excise taxes levied directly on manufacturers, wholesales, and retailers. Include revenues generated during the year from the operations of a discontinued business segment. However, EXCLUDE gains or losses on DISPOSALS of discontinued operations. Report such gains and losses on line 57 below. Item 55 must equal item 34, column 2 and also item 72.

**56. Income from equity investments in unconsolidated business enterprises (domestic and foreign)** — For those owned 20 percent or more (including those that are majority-owned), report equity in earnings during reporting period; for those owned less than 20 percent, report dividends received. Do not include interest income.

**57. Certain realized and unrealized gains (losses)** — **Note:** 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.

**Report at gross amount before** income tax effect. Include tax effect in item 61 below. Report gains (losses) resulting from:

- a. Sales or disposition of investment securities, and FAS 115 impairment losses. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies, see special instructions starting on page 21;
- b. Sales or disposition of land, other property, plant and equipment, or other assets, and FAS 144 impairment losses. EXCLUDE include gains or losses from the sale of inventory assets in the ordinary course of trade or business. Real estate companies, see special instructions on page 21;
- c. Goodwill impairment as defined by FAS 142;
- d. Restructuring. Include restructuring costs that reflect write downs or writeoffs of assets or liabilities. EXCLUDE actual payments, or charges to establish reserves for future actual payments, such as for severance pay, and fees to accountants, lawyers, consultants, or other contractors. Include actual payments, and charges to establish reserves for future actual payments, on line 60;
- e. 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;
- f. Remeasurement of the U.S. affiliate's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the reporting period;
- g. 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, writeoffs of tangible and intangible assets; gains (losses) from the sale or other disposition of capital assets; and gains (losses) from the sale or other disposition of financial assets, including securities, to the extent not included above. EXCLUDE legal judgments. Include legal judgments on line 60.
- h. The cumulative effect of a change in accounting principle.

**58. Other income** — Nonoperating and other income not included above. — *Specify major items*

**59. TOTAL INCOME** — *Sum of items 55 through 58* →

• COSTS AND EXPENSES

**60. Cost of goods sold or services rendered, and selling, general, and administrative expenses** — Operating expenses that relate to sales or gross operating revenues, item 55, and selling, general, and administrative expenses. Include production royalty payments to governments, their subdivisions and agencies, and to other persons. Include legal judgments. 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. Report such impairment losses on line 57 above. For guidance on restructuring costs, see item 57d above.

**61. Income taxes** — Provision for U.S. Federal, State, and local incomes taxes. Include the income tax effect of certain realized and unrealized gains (losses) reported on line 57. Exclude production royalty payments.

**62. Other costs and expenses not included above, including underlying minority interest in profits and losses that arise out of consolidation.** — *Specify major items*

**63. TOTAL COSTS AND EXPENSES** — *Sum of items 60 through 62* →

• NET INCOME

**64. Net income (loss) after provision for U.S. Federal, State, and local income taxes** — *Item 59 minus item 63*

**Section C — CHANGE IN RETAINED EARNINGS** — If retained earnings are not shown as a separate account, show change in total owners' equity.

**65. Balance, close FY ended in 2002 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 50, column (2); if retained earnings are not shown as a separate account, enter amount from item 54, column (2).

**66. Increase (decrease) due to restatement of FY 2002 closing balance.** — *Specify reason(s) for change*

**67. FY 2002 closing balance as restated** — *Item 65 plus item 66.*

**68. Net income (loss)** — *Enter amount from item 64.*

**69. Dividends or remitted earnings** — Incorporated affiliate, enter amount of dividends declared, inclusive of withholding taxes, out of current- or prior-period income, on common and preferred stock, **excluding stock dividends**. Unincorporated affiliate, enter amount of current- or prior-period net income distributed to owners.

**70. Other increases (decrease) in retained earnings, including stock or liquidating dividends, or in total owners' equity if retained earnings are not shown as a separate account, including capital contributions (return of capital).**  *Specify*

**71. FY 2003 closing balance** — *Sum of items 67, 68, and 70 minus item 69; also must equal item 50 column (1) if retained earnings is shown as a separate account, or item 54, column (1) if retained earnings are NOT shown as a separate account.*

Amount (1)		
Bil.	Mil.	Thous. Dols.
1		
2149	\$	
1		
2150		
1		
2151	\$	
1		
2152	\$	
1		
2153	\$	
1		
2154	\$	
1		
2156		
1		
2157		
1		
2158	\$	
1		
2159	\$	
1		
2211	\$	
1		
2212		
1		
2213	\$	
1		
2214		
1		
2215		
1		
2217		
1		
2218	\$	

**Part II FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued**  
 Report all amounts in thousands of U.S. dollars.

**Section D — 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 72 THROUGH 79 STARTING ON PAGE 21.** Insurance companies also see instruction V.A. on page 23 for special instructions.

		Amount (1)			
		Bil.	Mil.	Thous.	Dols.
<b>72. TOTAL SALES OR GROSS OPERATING REVENUES, EXCLUDING SALES TAXES —</b> <i>Equals item 55, and also sum of items 73 through 75</i>	2243	\$			
<b>73. Sales of goods</b>	2244	\$			
<b>74. Investment income included in gross operating revenues (e.g., dividends and interest generated by finance and insurance subsidiaries or units)</b>	2245	\$			
<b>75. SALES OF SERVICES, TOTAL —</b> <i>Sum of items 76 through 79</i>	2246	\$			
<b>76. To U.S. persons</b>	2247				
<b>77. To foreign parent(s) and foreign affiliates of the foreign parent(s) of this U.S. affiliate</b>	2248				
<b>78. To foreign affiliates owned by this U.S. affiliate</b>	2249				
<b>79. To other foreign persons</b>	2250				

**Section E — EMPLOYEE COMPENSATION**

**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. EXCLUDE compensation related to activities of a prior period, such as compensation capitalized or charged to inventories in prior periods. See instructions 80–82 on page 22 for more detailed definitions of wages and salaries and employee benefit plans.

		Amount for all employees (1)			
		Bil.	Mil.	Thous.	Dols.
<b>80. Wages and salaries</b> — Employees' gross earnings (before payroll deductions), and all direct and in-kind payments by the employer to employees.	2251	\$			
<b>81. Employee benefit plans</b> — Employer expenditures for all employee benefit plans, including those required by government statute, such as employer's Social Security taxes, those resulting from collective bargaining contracts, and those that are voluntary.	2252				
<b>82. TOTAL EMPLOYEE COMPENSATION —</b> <i>Sum of items 80 and 81</i>	2253	\$			

**Section F - COMPOSITION OF EXTERNAL FINANCES OF U.S. AFFILIATE**

**CLOSE FY 2003**

	Total <i>Equals sum of columns (2)–(4)</i> (1)	With foreign parent(s) and foreign affiliates of the foreign parent(s) (2)				With other foreign persons, including foreign affiliates owned by this U.S. affiliate (3)				With U.S. persons (4)			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
<b>83. Current liabilities and long-term debt —</b> <i>Column (1) must equal item 46, column (1).</i>	2254	\$			\$			\$		\$			
<b>84. Current and noncurrent receivables</b> — <i>Column (1) must equal item 39a, column (1), and that part of item 44, column (1), that is noncurrent receivables.</i>  <b>NOTE</b> — Include certificates of deposit and other deposits held by the foreign parent(s) or foreign affiliates of the foreign parent(s) that would otherwise be included in cash, item 38. (See Note in item 38.)	2256	\$			\$			\$		\$			
<b>BEA USE ONLY</b>	2259												

**Section G — LAND AND OTHER PROPERTY, PLANT, AND EQUIPMENT**

Land and other property, plant, and equipment includes 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. These items may be carried in property, plant, and equipment (item 43), in other noncurrent assets (item 44), or in other current assets (item 41).

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

		Gross book value of all land and other property, plant, and equipment at historical cost (Include mineral rights) (2)			
		Bil.	Mil.	Thous.	Dols.
<b>85. TOTAL LAND AND OTHER PROPERTY, PLANT, AND EQUIPMENT AT CLOSE OF FY 2003 —</b> <i>Must equal item 97 and item 107 column (5)</i>	2354	\$			

		Amount (1)			
		Bil.	Mil.	Thous.	Dols.
<b>86. Gross book value of land owned</b> — The portion of item 85, 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	\$			

**Part II FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE – Continued**  
 Report all amounts in thousands of U.S. dollars.

**Section G – LAND AND OTHER PROPERTY, PLANT, AND EQUIPMENT – Continued**

Amount  
(1)  
Bil. Mil. Thous. Dols.

**SCHEDULE OF CHANGE FROM FY 2002 CLOSING BALANCES TO FY 2003 CLOSING BALANCES**

• BALANCES AT CLOSE FY 2002, BEFORE RESTATEMENT DUE TO A CHANGE IN THE ENTITY

<b>87. Net book value of all land and other property, plant, and equipment, wherever carried on the balance sheet</b>	2386	\$	1		
• CHANGES DURING FY 2003					
<b>88. Give amount by which the net book value in item 87 would be restated due to a change in the entity (i.e., due to mergers, acquisitions, divestitures, etc.), if the answer to item 5, 10, or 11 was "Yes," or due to a change in accounting methods or principles. If a decrease, put amount in parentheses. Report in item 57 any gains (losses) resulting from the sale or disposition of U.S. affiliates, and from asset impairments as defined in FAS 144.</b>	2387		1		
<b>Expenditures</b> – Expenditures cover all acquisitions by, or transfers to, the U.S. affiliate of land and other property, plant, and equipment. <b>Exclude</b> all changes in land and other property, plant, and equipment caused by a change in the entity (i.e., due to mergers, acquisitions, divestiture, etc.) or by a change in accounting methods or principles during your 2003 fiscal year; include such changes in item 88 above.					
<b>Expenditures by the U.S. affiliate for, or transfers into the U.S. affiliate of,</b>					
<b>89. Land</b> – Report expenditures for land except land held for resale. Report land held for resale in item 92.	2388		1		
<b>90. Mineral rights, including timber</b> – Report capitalized expenditures to acquire mineral and timber rights. Exclude capitalized expenditures for the exploration and development of natural resources. Include those items in 91 or 92.	2389		1		
<b>91. Plant, equipment, and property other than land and mineral rights</b> (Exclude changes due to mergers and acquisitions. Report them in item 88.) <i>If it is burdensome to report separate amounts for new and used plant and equipment, etc., then report material amounts for used items in 92 and amounts for new items and immaterial used items in 91.</i>	<b>91. New</b>	2390	1		
	<b>92. Used</b>	2391	1		
<b>93. Depreciation and depletion</b>	2392		1		
<b>94. Net book value of sales, retirements, or transfers out of assets defined for inclusion in this section, and other decreases (increases)</b> – Report amounts relating to the divestiture of U.S. affiliates in item 88. Include in item 57 any gains (losses) resulting from the sale or disposition of property, plant, and equipment. — <i>Specify major items</i> ↗	2394		1		
• BALANCES AT CLOSE FY 2003					
<b>95. Net book value</b> — Sum of items 87 through 92, minus sum of items 93 and 94.	2395		1		
<b>96. Accumulated depreciation and depletion.</b>	2396		1		
<b>97. Gross book value of all land and other property, plant, and equipment, wherever carried on the balance sheet</b> — Sum of items 95 and 96; must also equal item 85 and item 107, column (5).	2397	\$	1		
• ADDENDUM					
<b>98. Expensed petroleum and mining exploration and development expenditures</b> — 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 expended.	2398	\$	1		

**Section H — INTEREST AND TAXES**

Amount  
(1)  
Bil. Mil. Thous. Dols.

<b>99. Interest income from all sources (including foreign parents and affiliates), after deduction of taxes withheld at the source.</b> Do not net against interest expense (item 100.)	2400	\$	1		
<b>100. 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.</b> Do not net against interest income (item 99.)	2401	\$	1		
<b>101. Taxes and non-tax payments (EXCLUDING income and payroll taxes)</b> — Amount paid or accrued for the year, net of refunds or credits, to U.S. Federal, State, and local governments, their subdivisions and agencies for —					
• Sales, consumption, and excise taxes <b>collected by you on goods and services you sold</b>					
• 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 —					
• Import and export duties					
• Production royalties for natural resources					
• License fees, fines, penalties, and similar items					
	2402	\$	1		

**Section I — TECHNOLOGY**

**Research and development (R&D) expenditures** – 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. See instructions 102–103 on page 22 for more details of what to include on this line.

<b>102. R&amp;D performed BY the U.S. affiliate</b> — Exclude the cost of R&D funded by the U.S. affiliate but performed by others.	2403	\$	1		
<b>103. Research and development employees</b> — All employees engaged in R&D, including managers, scientists, engineers, and other professional and technical employees. <i>See instructions 102–103 on page 22 for details of what to include on this line.</i>	2409		1		

**BEA USE ONLY**

2404	1	2	3	4	5
2410	1	2	3	4	5



**Part II FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued**  
**Report all amounts in thousands of U.S. dollars.**

**Section J — EXPORTS AND IMPORTS OF U.S. AFFILIATE — GOODS ONLY, DO NOT INCLUDE SERVICES (software publishers see discussion below under packaged general use computer software)**

**IMPORTANT NOTES** — Report U.S. trade in goods during the fiscal year that ended in calendar year 2003. Report exports and imports of all goods that physically left or entered the U.S. customs area. Report amounts on a "shipped" basis, i.e., on the basis of when, where, and to (or by) whom the goods were shipped. This is the same basis as official U.S. Trade statistics to which these amounts will be compared. Do **not** record a U.S. import or U.S. export if the goods did not physically enter or leave (i.e., were not physically shipped to or from) the United States, even if they were charged to the U.S. affiliate by, or charged by the U.S. affiliate to, a foreign person.

U.S. affiliates normally keep their accounting records on a "charged" basis, i.e., on the basis of when, where, and to (or by) whom the goods were charged. 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 made to the amounts on a "charged" basis to approximate a "shipped" basis.

**Consigned goods** — Include consigned goods in the trade figures when shipped or received, even though they are not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned.

**Capital goods** — Include capital goods but exclude the value of ships, planes, railroad rolling stock, and trucks that were temporarily outside the United States transporting people or merchandise.

**In-transit goods** — Exclude from exports and imports the value of any in-transit goods. In-transit goods are goods that are not processed or

consumed by residents in the intermediate country(ies) through which they transit; the in-transit goods enter those countries only because those countries are along the shipping lines between the exporting and importing countries. In-transit goods 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).

**Packaged general use computer software** — Include exports and imports of packaged general use computer software. Value such exports and imports at the full transaction value, i.e., including both the value of the media on which the software is recorded and the value of the information contained on the media. Exclude receipts or payments for 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. Also exclude receipts or payments for software that is transmitted electronically rather than physically shipped.

**Natural gas distribution** — Include the value of natural gas that is exported or imported as trade in goods. However, **exclude** natural gas that you do not produce or sell at wholesale, but simply transmit for others via a pipeline.

**Electricity and water** — Report the value of electricity and water exports and imports if the product value can be separated out from the service value. Report **ONLY** the product value (electricity and water). DO NOT report the service value (transmission and distribution).

**Additional instructions for exports and imports are on page 22.**

	<b>TOTAL</b>				Shipped to (by) foreign parent(s) and its (their) foreign affiliates				Shipped to (by) foreign affiliates owned by this U.S. affiliate				Shipped to (by) all other foreign persons			
	(1)				(2)				(3)				(4)			
	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
<b>104. Exports of U.S. affiliate to foreign persons</b> — Shipped by U.S. affiliate to foreign persons (valued f.a.s. U.S. port). 2502	1				2				3				4			
	\$				\$				\$				\$			
<b>105. Imports of U.S. affiliate from foreign persons</b> — Shipped to U.S. affiliate by foreign persons (valued f.a.s. foreign port). 2515	1				2				3				4			
	\$				\$				\$				\$			
<b>BY INTENDED USE:</b>	1															
<b>106. The portion of item 105, column 1, that is imports of goods intended for further processing, assembly, or manufacture by this U.S. affiliate before resale to others.</b> 2530	1															
	\$															

Please check box if item 106 above, "goods intended for further processing assembly, or manufacture" is zero. 2530

Remarks

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

**Section K — SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION**

**In column (3),** include all employees on the payroll at the end of the fiscal year that ended in calendar year 2003, including part-time employees. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of the number on the payroll at the end of the fiscal year. Reporting employment (including how to report when employment is subject to unusual variations) is discussed in more detail under the instructions for items 107-164 starting on page 22.

**In column (4),** include all employees on the payrolls of operating manufacturing plants in the State. **Include** administrative office and other auxiliary employees located at an operating plant and serve only that plant. **Exclude** employees on the payrolls of administrative offices or other auxiliary units reported on page 3, line 31, column 3.

**In column (5),** include land and other property, plant, and equipment, whether carried as investments, in fixed asset accounts, or in other balance sheet accounts. Include land held for resale, held for investment purposes, and all other land owned. Include land and other property, plant, and equipment on capital leases from others, but exclude that on capital leases to others. Include property you own that you lease to others under operating leases.

Value land and other property, plant, and equipment at historical cost before allowances for depreciation or depletion.

**In column (6),** include the gross book value of commercial property you own, and commercial property you use or operate that is leased from others under a capital lease. Commercial property **includes** ALL buildings and associated land you lease or rent to others under operating leases. Commercial property **includes** apartment buildings; office buildings; hotels; motels; and buildings used for wholesale, retail, and services trades, such as shopping centers, recreational facilities, department stores, bank buildings, restaurants, public garages, and automobile service stations and the value of land associated with these buildings. Also **include** office buildings and associated land owned by industrial companies but **NOT** located at industrial sites. **Exclude** property you use for agricultural, mining, manufacturing, or other industrial purposes, property you use to support these activities, such as research labs and warehouses, and office buildings located at industrial sites. Also **exclude** educational buildings, hospital and institutional buildings, and all undeveloped land.

LOCATION Location is defined on page 22.	State code	Number of employees at the end of FY 2003 — Total must equal item 34, column (3).		The portion of employees in column (3) that are manufacturing employees	Gross book value (historical cost) of all land and other property, plant, and equipment wherever carried on balance sheet, FY 2003 closing balance. Must equal item 85 and item 97 (5)			The portion of column (5) that is commercial property			
		(2)	(3)		(4)	Bil.	Mil.	Thous.	Bil.	Mil.	Thous.
<b>107. TOTAL for each column must equal sum of items 108 through 164</b>	2700		3	4	5	\$	6	\$			
108. Alabama	2701	2 01	3	4	5		6				
109. Alaska	2702	2 02	3	4	5		6				
110. Arizona	2703	2 04	3	4	5		6				
111. Arkansas	2704	2 05	3	4	5		6				
112. California	2705	2 06	3	4	5		6				
113. Colorado	2706	2 08	3	4	5		6				
114. Connecticut	2707	2 09	3	4	5		6				
115. Delaware	2708	2 10	3	4	5		6				
116. Florida	2709	2 12	3	4	5		6				
117. Georgia	2710	2 13	3	4	5		6				
118. Hawaii	2711	2 15	3	4	5		6				
119. Idaho	2712	2 16	3	4	5		6				
120. Illinois	2713	2 17	3	4	5		6				
121. Indiana	2714	2 18	3	4	5		6				
122. Iowa	2715	2 19	3	4	5		6				
123. Kansas	2716	2 20	3	4	5		6				
124. Kentucky	2717	2 21	3	4	5		6				
125. Louisiana	2718	2 22	3	4	5		6				
126. Maine	2719	2 23	3	4	5		6				
127. Maryland	2720	2 24	3	4	5		6				
128. Massachusetts	2721	2 25	3	4	5		6				
129. Michigan	2722	2 26	3	4	5		6				
130. Minnesota	2723	2 27	3	4	5		6				
131. Mississippi	2724	2 28	3	4	5		6				
132. Missouri	2725	2 29	3	4	5		6				
133. Montana	2726	2 30	3	4	5		6				
134. Nebraska	2727	2 31	3	4	5		6				
135. Nevada	2728	2 32	3	4	5		6				
136. New Hampshire	2729	2 33	3	4	5		6				
137. New Jersey	2730	2 34	3	4	5		6				
138. New Mexico	2731	2 35	3	4	5		6				
139. New York	2732	2 36	3	4	5		6				
140. North Carolina	2733	2 37	3	4	5		6				
141. North Dakota	2734	2 38	3	4	5		6				
142. Ohio	2735	2 39	3	4	5		6				
143. Oklahoma	2736	2 40	3	4	5		6				
144. Oregon	2737	2 41	3	4	5		6				
145. Pennsylvania	2738	2 42	3	4	5		6				
146. Rhode Island	2739	2 44	3	4	5		6				
147. South Carolina	2740	2 45	3	4	5		6				
148. South Dakota	2741	2 46	3	4	5		6				
149. Tennessee	2742	2 47	3	4	5		6				
150. Texas	2743	2 48	3	4	5		6				
151. Utah	2744	2 49	3	4	5		6				
152. Vermont	2745	2 50	3	4	5		6				
153. Virginia	2746	2 51	3	4	5		6				
154. Washington	2747	2 53	3	4	5		6				
155. West Virginia	2748	2 54	3	4	5		6				
156. Wisconsin	2749	2 55	3	4	5		6				
157. Wyoming	2750	2 56	3	4	5		6				
158. District of Columbia	2751	2 11	3	4	5		6				
159. Puerto Rico	2752	2 43	3	4	5		6				
160. Virgin Islands	2753	2 52	3	4	5		6				
161. U.S. offshore oil and gas sites — See instruction 161 on page 23.	2756	65	3	4	5		6				
162. Other U.S. areas — includes Guam, American Samoa, and all other territories and possessions not separately listed	2754	60	3	4	5		6				
163. Foreign — See instruction 163 on page 23.	2758	70	3	4	5		6				
164. Other property, plant and equipment — See instruction 164 on page 23.	2759	71			5						

## FOREIGN PARENT AND UBO INDUSTRY CODES

**Note:** "ISI codes" are International Survey Industry codes, as given in the *Guide to Industry and Foreign Trade Classification for International Surveys, 2002*.

- 01** Government and government-owned or -sponsored enterprise, or quasi-government organization or agency
- 02** Pension fund — Government run
- 03** Pension fund — Privately run
- 04** Estate, trust, or nonprofit organization (that part of ISI code 5252 that is estates and trusts)
- 05** Individual

Private business enterprise, investment organization, or group engaged in:

- 06** Insurance (ISI codes 5242, 5243, 5249)
- 07** Agriculture, forestry, fishing and hunting (ISI codes 1110–1140)
- 08** Mining (ISI codes 2111–2127)
- 09** Construction (ISI codes 2360–2380)
- 10** Transportation and warehousing (ISI codes 4810–4939)
- 11** Utilities (ISI codes 2211–2213)
- 12** Wholesale and retail trade (ISI codes 4231–4251 and 4410–4540)
- 13** Banking, including bank holding companies (ISI codes 5221 and 5229)
- 14** Holding companies, excluding bank holding companies (ISI codes 5512 and 5513)
- 15** Other finance (ISI codes 5223, 5224, 5231, 5238, that part of ISI code 5252 that is not estates and trusts, and 5331)
- 16** Real estate (ISI code 5310)
- 17** Information (ISI codes 5111–5191)
- 18** Professional, scientific, and technical services (ISI codes 5411–5419)
- 19** Other services (ISI codes 1150, 2132, 2133, 5321, 5329, and 5611–8130)

Manufacturing, including fabricating, assembling, and processing of goods:

- 20** Food (ISI codes 3111–3119)
- 21** Beverages and tobacco products (ISI codes 3121 and 3122)
- 22** Pharmaceuticals and medicine (ISI code 3254)
- 23** Other chemicals (ISI codes 3251–3259, except 3254)
- 24** Nonmetallic mineral products (ISI codes 3271–3279)
- 25** Primary and fabricated metal products (ISI codes 3311–3329)
- 26** Computer and electronic products (ISI codes 3341–3346)
- 27** Machinery manufacturing (ISI codes 3331–3339)
- 28** Electrical equipment, appliances and components (ISI codes 3351–3359)
- 29** Motor vehicles and parts (ISI codes 3361–3363)
- 30** Other transportation equipment (ISI codes 3364–3369)
- 31** Other manufacturing (ISI codes 3130–3231, 3261, 3262, 3370–3399)
- 32** Petroleum manufacturing, including integrated petroleum and petroleum refining without extraction (ISI codes 3242–3244)

**REMARKS** – Please use this space for any explanation that may be essential in understanding your reported data.

This historical survey form is no longer valid  
and is for information purposes only.  
Current survey forms are at  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).

FORM **BE-15(LF) Supplement A (2003)**  
(REV. 2/2004)

U.S. DEPARTMENT OF COMMERCE  
BUREAU OF ECONOMIC ANALYSIS

BEA USE ONLY

Page number

**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 2002 BE-12 report, in lieu of completing a new Supplement A, you may substitute a copy of that Supplement A or computer printout 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 7, Part I of BE-15(LF). Continue listing onto as many additional copied pages as necessary.

Name of U.S. affiliate as shown in item 1, Part I of BE-15(LF)

Primary Employer Identification Number as shown in item 3, Part I of BE-15(LF)

5110 1

BEA USE ONLY (1)	Name of each U.S. affiliate consolidated (as represented in item 7, Part I) (2)	Employer Identification Number used by U.S. affiliate named in column (2) to file income and payroll taxes (3)	Name of U.S. affiliate which holds the direct ownership interest in the U.S. affiliate named in column (2) (4)	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. (5)
5111		-		. %
5112		-		. %
5113		-		. %
5114		-		. %
5115		-		. %
5116		-		. %
5117		-		. %
5118		-		. %
5119		-		. %
5120		-		. %
5121		-		. %
5122		-		. %
5123		-		. %
5124		-		. %
5125		-		. %
5126		-		. %
5127		-		. %
5128		-		. %
5129		-		. %
5130		-		. %
5131		-		. %
5132		-		. %
5133		-		. %

This historical survey form is no longer valid and is for information purposes only. Current survey forms are at [www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).

BE-15(LF) Supplement A (2003) – LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING U.S. AFFILIATE – Continued

BEA USE ONLY  (1)	Name of each U.S. affiliate consolidated (as represented in item 7, Part I)  (2)	Employer Identification Number used by U.S. affiliate named in column (2) to file income and payroll taxes  (3)	Name of U.S. affiliate which holds the direct ownership interest in the U.S. affiliate named in column (2)  (4)	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.  (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		-		. %

This historical survey form is no longer valid  
 and is for information purposes only.  
 Current survey forms are at  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents)

**FORM BE-15(LF) Supplement B (2003)**  
(REV. 2/2004)

U.S. DEPARTMENT OF COMMERCE  
BUREAU OF ECONOMIC ANALYSIS

**BEA USE ONLY**

Page number

**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 2002 BE-12 report, in lieu of completing a new Supplement B, you may substitute a copy of that Supplement B or computer printout which has been updated to show any additions, deletions, or other changes.

Supplement B must be completed by a reporting affiliate that files a Form BE-15(LF) and has a direct ownership interest in a U.S. affiliate(s) that is (are) not fully consolidated. The number of U.S. affiliates listed below must agree with item 8, Part I, of Form BE-15(LF). Continue listing onto as many additional copied pages as necessary.

Name of U.S. affiliate as shown in item 1, Part I of BE-15(LF)

Primary Employer Identification Number as shown in item 3, Part I of BE-15(LF)

6210 1

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

This historical survey form is no longer valid  
 and is for information purposes only.  
 Current survey forms are at  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents)

**Form BE-15(LF) Supplement B (2003) - LIST OF U.S. AFFILIATES - Continued**

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

This historical survey form is no longer valid and is for information purposes only. Current survey forms are at [www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).



**ANNUAL SURVEY OF FOREIGN DIRECT INVESTMENT IN THE UNITED STATES — 2003  
FORM BE-15(LF) INSTRUCTIONS**

**NOTE:** Instructions in section IV. are cross referenced by number to the items located on pages 1 to 16 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).

**The publication in the Federal Register** of the notice implementing this survey is considered legal notice to covered U.S. business enterprises of their obligation to report. Therefore, a response is required from persons subject to the reporting requirements of the BE-15 survey, whether or not they are contacted by BEA. Also, a person contacted by BEA concerning their being subject to reporting, either by sending them a report form or by written inquiry, must respond in writing pursuant to section 806.4 of 15 CFR, Chapter VIII, or must respond electronically using BEA's Automated Survey Transmission and Retrieval (ASTAR) system. This may be accomplished by completing and submitting Form BE-15(LF), BE-15(SF), BE-15(EZ), or BE-15 Supplement C, whichever is applicable, by **May 31, 2004**.

**Penalties** – In addition to the penalties cited on page 1, any officer, director, employee, or agent of any corporation who knowingly participates in such violations upon conviction, may be punished by a 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 the form.

**I. REPORTING REQUIREMENTS**

To determine which BE-15 form to file, read the following section and section A.1. on this page and review the flow chart on page 18, OR read the following section and sections A.2. through A.5. starting on page 18.

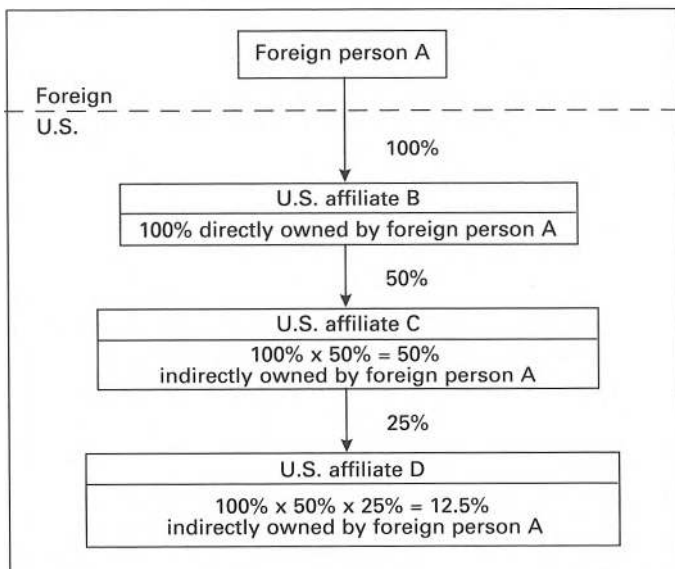
**A. Who must report** – A BE-15 report is required for each nonbank U.S. affiliate, i.e., for each U.S. business enterprise in which a foreign person owned or controlled, directly or indirectly, 10 percent or more of the voting securities if an incorporated U.S. business enterprise, or an equivalent interest if an unincorporated U.S. business enterprise, at the end of the business enterprise's fiscal year that ended in calendar year 2003. Small U.S. affiliates are exempt from filing a Form BE-15(LF), BE-15(SF), or BE-15(EZ). To determine if you are exempt, see I.B. on page 18. Exempt affiliates must file Form BE-15 Supplement C. Following an initial filing, the BE-15 Supplement C is not required annually from those nonbank U.S. affiliates that meet the stated exemption criteria from year to year.

**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.

**Calculation of Foreign Ownership**



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.

**Real estate** – See instruction V.C. on page 23 for special reporting requirements.

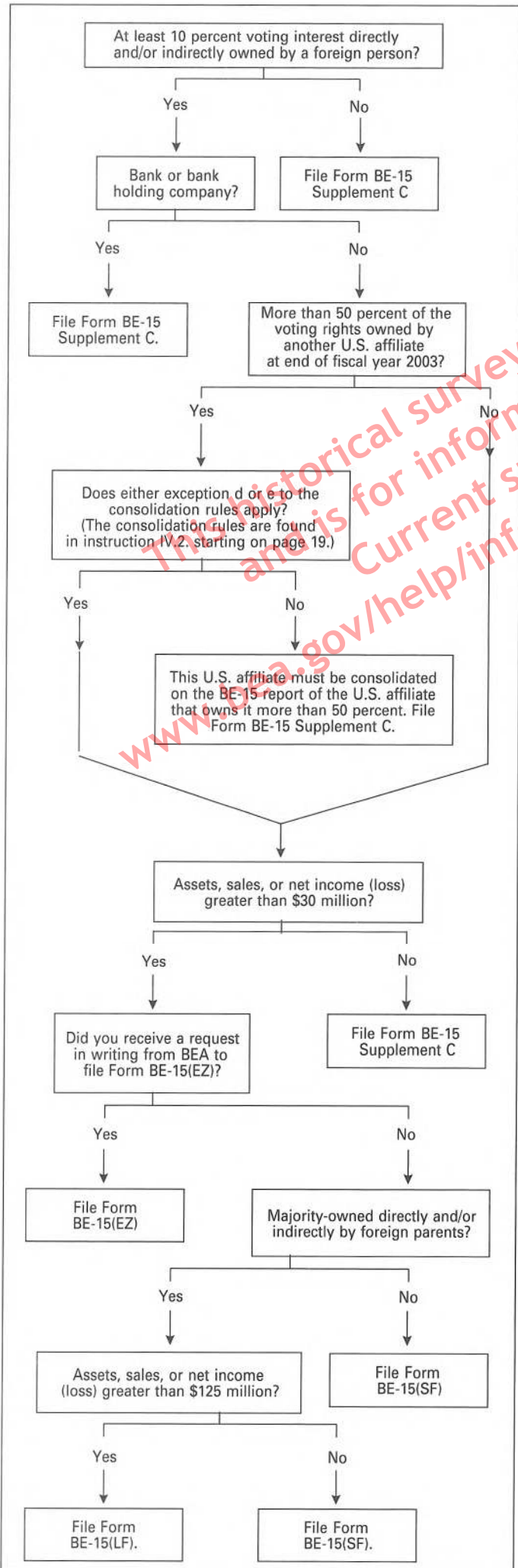
**Airlines and ship operators** – U.S. stations, ticket offices, and terminal and port facilities of foreign airlines and ship operators that provide services ONLY to the foreign airlines' and ship operators' own operation are not required to report. Reports are required when such enterprises produce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

**1. Please review the questions and flow chart below to determine if your U.S. business is required to file Form BE-15(LF).**

- a. Were at least 10 percent of the voting rights in your business directly or indirectly owned by a foreign person at the end of your 2003 fiscal year? (See II.T. on page 19 for fiscal year 2003 definition).
  - 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-15(LF). File Form BE-15 Supplement C by May 31, 2004.
- b. Is this U.S. affiliate a bank or bank holding company?
  - Yes – You are not required to file Form BE-15(LF). File Form BE-15 Supplement C by May 31, 2004.
  - No – Continue with question c.
- c. 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 2003 fiscal year.
  - Yes – Continue with question d.
  - No – Skip to question e.
- d. Does either exception d or e to the consolidation rules apply to you? (The consolidation rules are found in instruction IV.2. starting on page 19.)
  - Yes – Continue with question e.
  - 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 Form BE-15 Supplement C by May 31, 2004, 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.
- 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 \$30 million at the end of, or for, its 2003 fiscal year?
  - Yes – Continue with question f.
  - No – You are not required to file a Form BE-15(LF). File Form BE-15 Supplement C by May 31, 2004.
- f. Did you receive a request in writing from BEA to file Form BE-15(EZ)?
  - Yes – File Form BE-15(EZ) by May 31, 2004.
  - No – Continue with question g.
- g. Was the U.S. affiliate **majority-owned** by its foreign parents at the end of its 2003 fiscal year? (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 h.
  - No – File Form BE-15(SF) by May 31, 2004.
- h. 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 \$125 million at the end of, or for, its 2003 fiscal year?
  - Yes – File Form BE-15(LF) by May 31, 2004.
  - No – File Form BE-15(SF) by May 31, 2004.

**I. REPORTING REQUIREMENTS – Continued**

**Which Form to File?**



**2. Form BE-15(LF) – Annual Survey of Foreign Direct Investment in the United States – 2003 (Long Form)**

A Form BE-15(LF) must be completed and filed by May 31, 2004, 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 2003, if:

- a. It is not a bank (Banks and Bank Holding Companies are exempt from filing), **and**

- b. 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 2003, **exceeded 50 percent** (i.e., the voting securities or equivalent interest were **majority owned** by foreign parents), **and**

- c. 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 \$125 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2003.

**3. Form BE-15(SF) – Annual Survey of Foreign Direct Investment in the United States – 2003 (Short Form)**

A Form BE-15(SF) must be completed and filed by May 31, 2004, 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 2003, if:

- a. It is not a bank (Banks and Bank Holding Companies are exempt from filing), **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 \$30 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2003, **and EITHER c. OR d.** below is applicable.

- c. 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 in an unincorporated U.S. business enterprise) at the end of the fiscal year that ended in calendar year 2003, was **50 percent or less** (i.e., the voting securities, or equivalent interest were **not majority owned** by foreign parents), **or**

- d. 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 2003, **exceeded 50 percent** (i.e., the voting securities or equivalent interest were **majority owned** by foreign parents), **and** on a fully consolidated, or, in the case of real estate investments, on an aggregated basis, **no 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 \$125 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2003.

**4. Form BE-15 Supplement C – Annual Survey of Foreign Direct Investment in the United States 2003, Claim for Exemption from Filing Form BE-15(LF), BE-15(SF), or BE-15(EZ).**

A Form BE-15 Supplement C must be completed and filed no later than May 31, 2004 by

- a. 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 2003 (whether or not the U.S. affiliate is contacted by BEA concerning its being subject to reporting in the 2003 annual survey), but is exempt from filing Form BE-15(LF), BE-15(SF), and BE-15(EZ) (see I.B., below); and
- b. Each U.S. business enterprise that is contacted in writing by BEA concerning its being subject to reporting in the 2003 annual survey but that is not required to file the Form BE-15(LF), BE-15(SF), or BE-15(EZ).

**5. Form BE-15(EZ) – Annual Survey of Foreign Direct Investment in the United States – 2003 (EZ Form).**

Complete Form BE-15(EZ) ONLY if you have been instructed to do so by BEA.

- B. Exemption** – A U.S. affiliate as consolidated, or aggregated in the case of real estate investments (see I.C. below and V.C. on page 23), is not required to file a Form BE-15(LF), BE-15(SF), or BE-15(EZ) if each of the following three items – **Total assets** (do not net out liabilities), **and Sales or gross operating revenues**, excluding sales taxes, **and Net income** after provision for U.S. income taxes – for the U.S. affiliate (not just the foreign parent's share) did not exceed \$30 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2003.

If a U.S. business enterprise is a U.S. affiliate but is not required to file a Form BE-15(LF), BE-15(SF), or BE-15(EZ), because it falls below the exemption level, then it must file a Form BE-15 Supplement C, Claim for Exemption from Filing Form BE-15(LF), BE-15(SF), or BE-15(EZ), with item 1 marked and the information requested in item 1 filled in.

- C. 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. on page 23.

## 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 per centum 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 per centum or more of the voting securities of an incorporated U.S. business enterprise or an equivalent interest in an unincorporated U.S. business enterprise, including a branch.
- 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 per centum 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. Affiliated foreign group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 per centum of the person below it up to and including that person which is not owned more than 50 per centum 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 per centum by the person above it.
- N. Foreign affiliate of a foreign parent** means, with reference to a given U.S. affiliate, any member of the affiliated foreign group owning the U.S. affiliate that is not a foreign parent of the U.S. affiliate.
- O. U.S. corporation** means a business enterprise incorporated in the United States.
- P. Intermediary** means any agent, nominee, manager, custodian, trust, or any person acting in a similar capacity.
- Q. 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. (A person who creates a trust, proxy, power of attorney, arrangement, or device with the purpose or effect of divesting such owner of the ownership of an equity interest as part of a plan or scheme to avoid reporting information, is deemed to be the owner of the equity interest.) Note: Stockholders of a closely or privately held corporation are normally considered to be an associated group and may be a UBO.
- R. 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, and bank holding companies.

**S. 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.

**T. U.S. affiliate's 2003 fiscal year** is the affiliate's financial reporting year that had an ending date in calendar year 2003.

## III. GENERAL INSTRUCTIONS

**A. Accounting methods and records** – Unless otherwise specified in the instructions, follow generally accepted U.S. accounting principles when preparing the BE-15 report. Corporations should generally use the same methods and records that are used to generate reports to stockholders except where the instructions state otherwise. Prepare reports for unincorporated U.S. business enterprises on an equivalent basis.

**B. Changes in the reporting entity** – DO NOT restate close fiscal year 2002 balances for changes in the consolidated reporting entity that occurred during fiscal year 2003. The close fiscal year 2002 balances represent the reporting entity as it existed at the close of fiscal year 2002.

**C. 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.

**D. 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-15(LF) 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 I, Items 21 thru 31** – Number of employees in each industry of sales;

• **Part II, Section D** – 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 J** – Exports and imports of U.S. affiliate on a shipped basis, and

• **Part II, Section K** – Data disaggregated by State.

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.

**E. Specify** – When "specify" is stated for certain items, provide the type and dollar amount of the major items included in the data provided.

**F. Space on form insufficient** – When space on a form is insufficient to permit a full answer to any item, provide the required information on supplementary sheets, appropriately labeled and referenced to the item number on the form.

## IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM

NOTE: Instructions in section IV. are cross referenced by number to the items located on pages 1 to 16 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 nonbank **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.C. on page 18 and V.C. on page 23 for details.

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

**Unless the exceptions discussed in a, b, c, or e below apply, any deviation from these consolidation rules must be approved in writing each year by BEA.**

**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 and must file its own Form BE-15(LF), BE-15(SF), or BE-15 Supplement C.

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

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 plant and equipment or employees located in that country.

**IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM — Continued**

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.

Include foreign holdings owned 20 percent or more (including those that are majority-owned) using the equity method of accounting. Do not report employment, land, and other property, plant and equipment and DO NOT eliminate intercompany accounts for holdings reported using the equity method. You may report immaterial foreign holdings using the cost method of accounting if this treatment is consistent with your normal reporting practice.

Report foreign holdings owned less than 20 percent using the cost method of accounting.

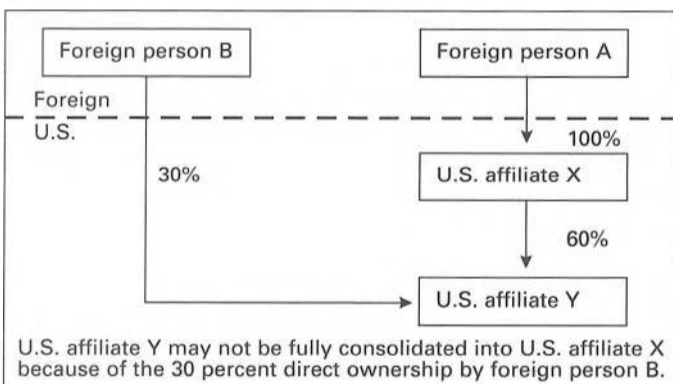
DO NOT list any foreign holdings on the Supplement B.

- b. Do not consolidate banking activities.** If the nonbank U.S. affiliate reporting on the Form BE-15(LF) has a direct or indirect ownership interest in a bank, bank holding company (BHC), or any other banking activity, such as a U.S. wholesale or limited purpose bank, DO NOT consolidate those banking activities into the Form BE-15(LF). Banks are not required to file a separate BE-15 report.

Include on Form BE-15(LF) any banking operations owned 20 percent or more (including those that are majority-owned) using the equity method of accounting. Do not report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts for banking operations. Report immaterial banking operations and any banking operations owned less than 20 percent using the cost method of accounting if this treatment is consistent with your normal reporting practice.

For BE-15 reporting purposes, treat Financial Holding Companies in the same manner as you would treat a BHC.

- c. 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/surveys/fdiusfaq.htm#1](http://www.bea.gov/bea/surveys/fdiusfaq.htm#1). Scroll to the heading "BE-15 – Annual Survey Report" and click on the question "How do I report if I am a limited partnership or have an ownership interest in a limited partnership?" Also see instruction 6.b. below for additional information about partnerships.
- d.** You may file a separate BE-15 report for a U.S. affiliate that is owned more than 50 percent by another U.S. affiliate if the "owned" U.S. affiliate is not normally fully consolidated because control by the "owning" U.S. affiliate is temporary. **You must submit a request in writing EACH YEAR to BEA in order to receive permission to file separately for any U.S. affiliate that should otherwise be consolidated.** Report such affiliates, if not consolidated, on Form BE-15(LF) using the equity method of accounting. DO NOT eliminate intercompany accounts for affiliates not consolidated. In accordance with FAS 94, consolidation of majority-owned subsidiaries is required even if their operations are not homogeneous with those of the U.S. affiliate that owns them.
- e.** 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(LF) or BE-15(SF). (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 2003 fiscal year. The affiliate's 2003 fiscal year is defined as the affiliate's financial reporting year that had an ending date in calendar year 2003.

**Special Circumstances:**

- a. 52/53 week fiscal year** – Affiliates having a "52/53 week" fiscal year that ends within the first week of January 2004 are considered to have a 2003 fiscal year and should report December 31, 2003 as their 2003 fiscal year end.
- b. U.S. affiliates without a financial reporting year** – If a U.S. affiliate does not have a financial reporting year, its fiscal year is deemed to be the same as calendar year 2003.
- c. Change in fiscal year**

- (1) New fiscal year ends in calendar year 2003** – A U.S. affiliate that changed the ending date of its financial reporting year **should file a 2003 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, 2002 fiscal year end date but changed its 2003 fiscal year end date to March 31. Affiliate A should file a 2003 BE-15 report covering the 12 month period from April 1, 2002 to March 31, 2003.

The ending balance sheet amounts reported in column (1) of items 38 through 54 must be the correct balances as of March 31, 2003. The beginning balance sheet amounts reported in column (2) must be the **unrestated ending balances as of June 30, 2002.** 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 66. To reconcile the beginning and ending net property, plant and equipment balances, affiliate A must include an adjusting entry in item 88.

- (2) No fiscal year ending in calendar year 2003** – If a change in fiscal year results in a U.S. affiliate not having a fiscal year that ended in calendar year 2003, the affiliate **should file a 2003 BE-15 report that covers 12 months.** The following example illustrates the reporting requirements.

**Example 2:** U.S. affiliate B had a December 31, 2002 fiscal year end date but changed its next fiscal year end date to March 31. Instead of having a short fiscal year ending in 2003, affiliate B decides to have a 15 month fiscal year running from January 1, 2003 to March 31, 2004. Affiliate B should file a 2003 BE-15 report covering a 12 month period ending in calendar year 2003, such as the period from April 1, 2002 to March 31, 2003.

In this example, the ending balance sheet amounts reported in column (1) of items 38 through 54 must be the correct balances as of March 31, 2003. The beginning balance sheet amounts reported in column (2) must be the **unrestated ending balances as of December 31, 2002.** 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 66. To reconcile the beginning and ending net property, plant and equipment balances, affiliate B must include an adjusting entry in item 88.

For 2004, 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, 2003 to March 31, 2004.

- 5. Reporting for a U.S. business that became a U.S. affiliate during fiscal year 2003** –

- a. A U.S. business enterprise that was newly established in fiscal year 2003** 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 2003. 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 2003 that became a U.S. affiliate in fiscal year 2003** 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.C. on page 18 and V.C. on page 23 for details.

**(2) INDIRECTLY OWNED** – Except as noted in the exceptions to the consolidation rules starting on page 19, an indirectly owned unincorporated U.S. affiliate that is owned more than 50 percent by another U.S. affiliate should be fully consolidated on the report with the U.S. affiliate that holds the ownership interest in it. An indirectly owned unincorporated U.S. affiliate owned 50 percent or less by another U.S. affiliate should file a separate BE-15 report.

- 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 21. 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.

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

**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 below. 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 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 persons are presumed to have no voting interest, and, therefore, no direct investment in the limited partnership.

**Managing partners** – See discussion under "General Partnerships" above.

##### (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.** See [www.bea.gov/bea/surveys/fdiusfaq.htm#1](http://www.bea.gov/bea/surveys/fdiusfaq.htm#1) for details. Scroll to the heading "BE-15 – Annual Survey Report" and click on the question "How do I report if I am a limited partnership or have an ownership interest in a limited partnership?"

##### 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.

**8. U.S. affiliates NOT fully consolidated** – Report equity investments in U.S. business enterprises that are not fully consolidated and owned 20 percent or more (including those that are majority owned) using the equity method of accounting. Do not report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts for holdings reported using the equity method.

You may report immaterial investments using the cost method of accounting if this treatment is consistent with your normal reporting practice. Report equity investments owned less than 20 percent using the cost method 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-15(LF) 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 instructions 6.b.(1) and 6.b.(2)(a) above for information about determining the voting interest for partnerships. See instruction 6.c. above 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. Another example is a limited partner's interest in a limited partnership. See instruction 6.b.(2) above for information about limited partnerships.

**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 stock and preferred stock. 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 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.

##### 21-34

##### Industry classification of fully consolidated U.S. affiliate

**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)** – REITs should allocate their sales based on the activities of their fully consolidated domestic U.S. holdings. For example, a REIT that owns a shopping center, should classify rents generated by the shopping center in international surveys industry (ISI) code 5310 (real estate). A REIT that holds a limited partner's interest in a limited partnership and thus has no vote in the management of the partnership must classify revenues generated by that activity in ISI code 5252 (Funds, trusts and other financial vehicles). A REIT that lends money for mortgages to owners of real estate should classify revenues generated by that activity in ISI code 5224 (nondepository credit intermediation). A REIT that holds only minority voting interests in one or more properties should report revenues generated by those minority interests as "income from equity investments in unconsolidated affiliates" (item 56) and the REIT should be classified in ISI code 5512 (holding companies, except bank holding companies).

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

##### Section B – INCOME STATEMENT

##### 57. Certain realized and unrealized gains (losses) –

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

**(1) Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies** – Include in item 57:

- (a) impairment losses as defined by FAS 115,
- (b) realized gains and losses on trading or dealing,
- (c) unrealized gains or losses, due to changes in the valuation of financial instruments, that flow through the income statement, and
- (d) goodwill impairment as defined by FAS 142.

**EXCLUDE** unrealized gains or losses due to changes in the valuation of financial instruments that are taken to other comprehensive income. Reflect such changes in items 52b and 52c (total accumulated other comprehensive income (loss)).

**EXCLUDE** income from explicit fees and commissions from item 57. Include income from these fees and commissions as part of your income from operations on lines 21 through 34.

**(2) Real estate companies** – Include in item 57:

- (a) impairment losses, as defined by FAS 144,
- (b) goodwill impairment as defined by FAS 142, and
- (c) gains recognized due to the revaluation of real estate assets.

**EXCLUDE** the revenues earned and expenses incurred from the sale of real estate you own. Such revenues should be reported as operating income in items 34 column 2, 55, and 72 and as sales of goods in item 73. Such expenses, including the net book value of the real estate sold, should be reported as costs of goods sold in item 60. Do not net the expenses against the revenues.

##### Section D – DISTRIBUTION OF SALES OR GROSS OPERATING REVENUES

##### 72-79

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

**73. 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.

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

- 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 on line 75.
- Magazines and periodicals sold in retail stores. NOTE: Report subscription sales as sales of services on line 75.
- 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 on line 75.

#### 74. Investment income –

Report dividends and interest generated by finance and insurance activities as investment income. NOTE: Report commissions and fees as sales of services on line 75.

#### 75. 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 premiums written during the year, 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 on line 73.
- 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.
- Electricity transmission and distribution, Natural gas distribution, and Water distribution.

#### Section E – TOTAL EMPLOYEE COMPENSATION

##### 80–82

#### 80. 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.

#### 81. 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.

#### Section I – TECHNOLOGY

##### 102–103

**Research and development** – 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.

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

- Pursue a planned search for **new knowledge**, whether or not the search has reference to a specific application (Basic research);
- Apply **existing knowledge** to problems involved in the **creation of a new product or process**, including work required to evaluate possible uses (Applied research); or
- Apply **existing knowledge** to problems involved in the **improvement of a present product or process**. (Development).

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 an R&D organization.

#### 102. Research and development expenditures – Report all research and development (R&D) performed BY the U.S. affiliate for its own account or for others, including the foreign parent and foreign affiliates of the foreign parent.

#### 103. Research and development employees are scientists, engineers, and other professional and technical employees, including managers, who spend all or a majority of their time engaged in scientific or engineering R&D work, at a level that requires knowledge of physical or life sciences, engineering, or mathematics 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).

#### Section J – EXPORTS AND IMPORTS OF U.S. AFFILIATE

##### 104–106

**U.S. trade in goods (exports and imports)** – Report amounts on U.S. trade in goods between U.S. affiliates and foreign persons on a "shipped" basis, not the "charged" basis. See **"IMPORTANT NOTES"** at the top of page 9 for more details. 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.

If a material difference exists between the "charged" and "shipped" basis, trade must be reported on the "shipped" basis. To do this, the U.S. affiliate may have to derive the data from export and import declarations filed with U.S. Customs or from shipping and receiving documents, rather than from accounting records, or may have to otherwise adjust its data from a "charged" to a "shipped" basis.

**a. Definition of U.S. trade in goods** – The phrases "U.S. trade in goods," "U.S. goods exports," and "U.S. goods imports" refer to physical movements of goods between the customs area of the United States and the customs area of a foreign country.

**b. Timing** – Only include goods actually shipped between the United States and a foreign country during FY 2003 regardless of when the goods were charged or consigned. For example, include goods shipped by the U.S. affiliate in FY 2003 that were charged or consigned in FY 2004, but exclude goods shipped in FY 2002 that were charged or consigned in FY 2003.

**c. Trade of the U.S. affiliate** – 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.

**d. By (or to) whom the goods were shipped** – Shipment by, or to, an entity refers to the physical movement of merchandise to or from the U.S. customs area by, or to, that entity regardless of by, or to, whom the goods were charged or consigned. For example, if the U.S. affiliate charges goods to a foreign parent but ships the goods to an unaffiliated foreign person, record the goods as U.S. goods exports by the U.S. affiliate to the unaffiliated foreign person.

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 shipments by the U.S. affiliate.

**e. Valuation of exports and imports** – Value U.S. goods exports and imports f.a.s. (free alongside ship) at the port-of-exportation. This includes all costs incurred up to the point of loading the goods aboard the export carrier at the U.S. or foreign 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. It excludes 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.

#### Section K – SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION

##### 107–164

The Schedule of Employment and Property, Plant, and Equipment, by Location covers the 50 States, the District of Columbia, and all territories and possessions of the United States. Include in this schedule only amounts pertaining to those U.S. business enterprises that are fully consolidated into the reporting U.S. affiliate. Do not consolidate or include amounts for foreign business enterprises or operations, whether incorporated or unincorporated.

**Column (3) Number of employees** – Employment is the number of full-time and part-time employees on the payroll at the end of FY 2003, excluding contract workers and other workers not carried on the payroll of this U.S. affiliate. If employment at the end of FY 2003, or the count taken at some other time during FY 2003, 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 2003. If given, the average should be the average for FY 2003 of the number of persons on the payroll at the end of each payroll period, month, or quarter. If precise figures are not available, give your best estimate.

**Location** of employees or of an asset is the U.S. State, territory, or possession in which the person is permanently employed, or in which the land or other property, plant, and equipment is physically located and to which property taxes, if any, on such assets are paid.

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

**Example:** An employee carried on the payroll of a company located in California who is on a duty assignment for one year or less in Texas should be shown as being located in California, not Texas.

**Exception:** If the duty assignment is for more than one year, show the employee as being located in Texas, not California.

- 161. U.S. offshore oil and gas sites** – Report offshore oil and gas sites located within U.S. claimed territorial waters. For offshore oil and gas sites located outside U.S. claimed territorial waters, see item 163e below.
- 163. Foreign** – Except as noted below, do not include employees, land, and other property, plant, and equipment, located outside of the United States on line 163 or elsewhere on the Schedule of Employment and Property, Plant, and Equipment, By Location.
- 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.
  - 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 on line 163. Exclude these employees from the BE-15 report if they are carried on a foreign payroll.
  - Real estate located outside the United States that is owned by the U.S. affiliate and carried on its books but which generates no revenues for, or reimbursements to, the U.S. affiliate should be reported on line 163. Real estate that 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.
  - Machinery and similar equipment located outside the United States that are owned by the U.S. affiliate and carried on its books should be reported on line 163. However, machinery or equipment that frequently switches locations, such as aircraft, railroad rolling stock, ships of U.S. registry, or vehicles should be reported as "Other property, plant, and equipment" on line 164.
  - Use the "foreign" line to report oil and gas sites that (1) are owned by U.S. affiliates; (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.
- 164. Other property, plant, and equipment** – Use this line to report (1) items that frequently switch locations such as aircraft, railroad rolling stock, ships of U.S. registry, and vehicles engaged in interstate transportation, (2) items such as pipelines, fiber optic cable, power lines, etc., located in more than one state, (3) satellites, and undersea cable, and (4) property leased to others, except land or buildings, under operating leases. Also, include here machinery and equipment that frequently switch locations, located outside the United States, that are owned by the U.S. affiliate, and carried on its books.

#### V. SPECIAL INSTRUCTIONS

- A. Insurance companies** – When there is a difference between the financial and operating data reported to stockholders and the data reported in the annual statement to an insurance department, prepare the BE-15 report on the same basis as the annual report to the stockholders. Valuation should be according to normal commercial accounting procedures, not at the rates promulgated by the National Association of Insurance Commissioners, i.e., the BE-15 report should include the following assets even though they are not acceptable for inclusion in the annual statement to an insurance department: **1.** nontrustered 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-15(LF):

- 39a. CURRENT RECEIVABLES** – Include current items such as agents' balances, uncollected premiums, amounts recoverable from reinsurers, and other current notes and accounts receivable (gross of allowances for doubtful items) arising from the ordinary course of business.
- 46. CURRENT LIABILITIES AND LONG-TERM DEBT** – Include current items such as loss liabilities, policy claims, commissions due, other current liabilities arising from the ordinary course of business, and long-term debt. Include policy reserves in "Other non-current liabilities," item 47, unless they are clearly current liabilities. Exclude mandatory securities valuation reserves that are appropriations of retained earnings. Include them in the owners' equity section of the balance sheet.
- 55. SALES OR GROSS OPERATING REVENUES, EXCLUDING SALES TAXES** – Include items such as earned premiums, annuity considerations, gross investment income, and items of a similar nature. Exclude income from unconsolidated affiliates that is to be reported in item 56, and certain gains or losses that are to be reported in item 57.
- 57. CERTAIN REALIZED AND UNREALIZED GAINS (LOSSES)** – See special instructions for item 57 on page 21 of this form.

- 60. COST OF GOODS SOLD OR SERVICES RENDERED, AND SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES** – Include costs relating to sales or gross operating revenues, item 55, 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.

- 74. INVESTMENT INCOME** – Report that portion of sales or gross operating revenues, items 55 and 72, that is investment income (e.g., interest and dividends). However, report gains and (losses) on investments in accordance with the special instructions for item 57 on page 21 of this form.

- 75. 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 39a, 44, and 46 of Form BE-15(LF).

- 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.

**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.C. on page 18 of this form). If the aggregate of such holdings exceeds one or more of the exemption levels, then the holdings must be reported even if individually they would be exempt. In such a case, 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 \$125 million (positive or negative), file Form BE-15(LF). If permission has been received in writing from BEA to file on a nonaggregated basis, you must report each real estate investment on a Form BE-15(LF) if a Form BE-15(LF) would have been required on an aggregated basis. Nonaggregated reports should be filed as a group and you should inform BEA that they are all for one owner.

In part I, Identification of U.S. Affiliate, 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, in item 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 in item 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-15(LF) 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:

- If the foreign interest in the U.S. affiliate is directly held by the foreign person, then a Form BE-15(LF) or BE-15(SF) must be filed by the affiliate (subject to the exemption criteria and aggregation rules discussed above).
- 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 Form BE-15(LF) or BE-15(SF) of the owning affiliate.
- 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 Form BE-15(LF) or BE-15(SF) 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.

## V. SPECIAL INSTRUCTIONS – Continued

**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 "sales or gross operating revenue," and should report the nonoperating 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.

## 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 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.

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 the 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-15(LF), BE-15(SF), or BE-15(EZ) no later than May 31, 2004. If the U.S. affiliate is exempt from filing Form BE-15(LF), BE-15(SF), or BE-15(EZ) based on the criteria in instruction I.B. on page 18, complete and file Form BE-15 Supplement C by May 31, 2004.
- 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/astar/](http://www.bea.gov/astar/) for details about this option. To obtain forms go to: [www.bea.gov/bea/surveys/fdiusurv.htm](http://www.bea.gov/bea/surveys/fdiusurv.htm).
- C. Extensions** – For the efficient processing of the survey and timely dissemination of the results, it is important that your report be filed by the due date. Nevertheless, reasonable requests for extension of the filing deadline will be granted. Requests for extensions of more than 30 days **MUST be in writing** and should explain the basis for the request. You may request an extension via email at [be12/15@bea.gov](mailto:be12/15@bea.gov). For extension requests of 30 days or less, you may call BEA at (202) 606-5577. All requests for extensions must be received BEFORE the due date of the report.
- D. Assistance** – For assistance, telephone (202) 606-5577, FAX (202) 606-5319, or send e-mail to [be12/15@bea.gov](mailto:be12/15@bea.gov). Forms can be obtained from BEA's web site at: [www.bea.gov/bea/surveys/fdiusurv.htm](http://www.bea.gov/bea/surveys/fdiusurv.htm).
- E. Annual stockholders' report or other financial statements** – Please furnish a copy of your FY 2003 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. 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 in Part 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 in paragraph VI.H., below.)
- G. Where to send the report** – To file electronically, see our web site at [www.bea.gov/astar/](http://www.bea.gov/astar/). Send reports filed by mail through the U.S. Postal Service to:  
U.S. Department of Commerce  
Bureau of Economic Analysis  
BE-49(A)  
Washington, DC 20230  
  
Direct reports filed by private delivery service 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
- H. Confidentiality** – The information filed in this report may be used only for analytical and statistical purposes and access to the information shall be available only to officials and employees (including consultants and contractors and their employees) of agencies designated by the President to perform functions under the Act. The President may authorize the exchange of the information between agencies or officials designated to perform functions under the Act, but only for analytical and statistical purposes. No official or employee (including consultants and contractors and their employees) shall publish or make available any information collected under the Act in such a manner that the person to whom the information relates can be specifically identified. Reports and copies of reports prepared pursuant to the Act are confidential and their submission or disclosure shall not be compelled by any person without the prior written permission of the person filing the report and the customer of such person where the information supplied is identifiable as being derived from the records of such customer (22 U.S.C. 3104).



FORM **BE-15(EZ)**  
(REV. 1/2004)

U.S. DEPARTMENT OF COMMERCE  
BUREAU OF ECONOMIC ANALYSIS

**ANNUAL SURVEY OF  
FOREIGN DIRECT INVESTMENT IN  
THE UNITED STATES - 2003  
(EZ FORM)**

**BEA USE ONLY**

**Control number**

Public reporting burden for this EZ form is estimated to vary from 1 to 3 hours per response, with an average of 1.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230, and to the Office of Management and Budget, Paperwork Reduction Project 0608-0034, Washington, DC 20503.

**DUE DATE: MAY 31, 2004**

**ELECTRONIC FILING** See our web site at [www.bea.gov/astar/](http://www.bea.gov/astar/) for details

**OR**

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

**OR**

**DELIVER REPORTS TO** U.S. Department of Commerce  
Bureau of Economic Analysis, BE-49(A)  
Shipping and Receiving Section, M100  
1441 L Street, NW  
Washington, DC 20005

**PENALTIES** - Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. See additional information on page 4.

**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.

**Part I IDENTIFICATION OF U.S. AFFILIATE**

**1. Name and address of U.S. affiliate** - If there are any changes in the name or address, make the changes directly on the label. If no label has been affixed, enter the name and address in full.

Name of U.S. affiliate  
1002 0 \_\_\_\_\_

c/o (care of)  
1010 0 \_\_\_\_\_

Street or P.O. Box  
1003 0 \_\_\_\_\_

City and State  
1004 0 \_\_\_\_\_

ZIP Code Foreign Postal Code  
1005 0 \_\_\_\_\_ OR 0 \_\_\_\_\_

**2. Consolidated reporting by the U.S. affiliate** - The consolidation rules are found in instruction 2 on page 5.  
**Is more than 50 percent of the voting interest in this U.S. affiliate owned by another U.S. affiliate of your foreign parent?**

1400 <sup>1</sup>  Yes - **If "Yes"** - Contact BEA for guidance.  
<sup>1</sup>  No - **If "No"** - Complete this report in accordance with the consolidation rules in instruction 2 on page 5.

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

Primary Other  
1006 <sup>1</sup> \_\_\_\_\_ <sup>2</sup> \_\_\_\_\_

**4. REPORTING PERIOD** - Reporting period instructions are found in instruction 4 starting on page 5.

This U.S. affiliate's 2003 fiscal year ended in calendar year 2003 on <sup>1007</sup>

Month	Day	Year
1		

**Example** - If the fiscal year ended on March 31, report for the 12 month period ended March 31, 2003.

**5. Did the U.S. business enterprise become a U.S. affiliate during its fiscal year that ended in calendar year 2003?**

1008 <sup>1</sup>  Yes If "Yes" - Enter date U.S. business enterprise became a U.S. affiliate and see instruction 5 on page 6. <sup>1009</sup>

Month	Day	Year
1		

  
<sup>1</sup>  No

**IMPORTANT**

**Complete Form BE-15(EZ) ONLY if you have been instructed in writing to do so by BEA. See reporting requirements on page 4.**

Read the **Instructions**, starting on page 4, before completing this form. The instructions below are only a brief summary.

Definitions of key terms used in this report are found starting on page 4.

**Insurance and real estate companies** - See Special Instructions on page 7.

**Additional instructions** by line item are at the back of this form starting with Section IV of the instructions on page 5.

**A. U.S. AFFILIATE'S 2003 FISCAL YEAR** - The affiliate's financial reporting year that had an ending date in calendar year 2003.

**B. CONSOLIDATED REPORTING** - A U.S. affiliate must file on a fully consolidated **domestic U.S. basis**, including in the consolidation all non-bank **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 2 on page 5.

**C. ASSISTANCE** - Email: [be12/15@bea.gov](mailto:be12/15@bea.gov); Telephone: (202) 606-5577; FAX: (202) 606-5319

**D. ROUNDING** - Report currency amounts in U.S. dollars rounded to thousands (omitting 000). **Do not enter amounts in the shaded portions of each line.**

**Example** - If amount is \$1,334,891.00 report as

Bil.	Mil.	Thous.	Dols.
	1	335	

**MANDATORY** - 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).

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

Name 1000 0 \_\_\_\_\_  
Address \_\_\_\_\_  
TELEPHONE NUMBER 1001 0 Area code Number Extension  
FAX NUMBER 0999 0 Area code Number

**CERTIFICATION** - The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with instruction III.D. on page 5, estimates may have been provided.

Authorized official's signature \_\_\_\_\_ Date \_\_\_\_\_  
Print or type name and title \_\_\_\_\_  
Telephone number \_\_\_\_\_ FAX number \_\_\_\_\_

May we use e-mail to correspond with you to discuss questions relating to this Form BE-15(EZ), including questions that may contain information about your company that you may consider confidential? (Note that electronic mail is not inherently confidential; we will treat information we receive as confidential, but your e-mail is not necessarily secure against interception by a third party.) <sup>1027</sup> <sup>1</sup>  Yes - If yes, please provide your e-mail address. → <sup>1028</sup> \_\_\_\_\_  
<sup>1</sup>  No

E-mail address 0 \_\_\_\_\_  
<sup>1028</sup> \_\_\_\_\_

**Part I IDENTIFICATION OF U.S. AFFILIATE - Continued**

**Ownership -** Enter percent of ownership in this U.S. affiliate, to a tenth of one percent, based on voting stock if an incorporated affiliate or an equivalent interest if an unincorporated affiliate. "Voting interest" is defined in instruction 6a on page 6.

**Ownership held directly by all foreign parents of this affiliate -** Give name of foreign parent (if more than 1, continue on a separate sheet).

3011 0

Country of incorporation or organization, if a business enterprise, or residence, if an individual. For individuals, see instruction 6b on page 6.	REPORTING PERIOD		BEA USE ONLY
	Close FY 2003 (1)	Close FY 2002 (2)	
	1	2	3
1017	%	%	
	1	2	3
1063	%	%	

**Ownership held indirectly by all foreign parents of this U.S. affiliate through another U.S. affiliate -** Give name of higher tier U.S. affiliate that owns this U.S. affiliate (if more than 1, continue on a separate sheet).

7.

**8. Enter the name and industry code of the foreign parent.** Obtain the industry code from the list on page 3. If more than one foreign parent, list each and its industry code on a separate sheet. The foreign parent industry code is based on the primary activity of the single entity named as the foreign parent. DO NOT base the code on a world-wide consolidation.

Enter name of Foreign parent if not already entered in item 6 above.

Enter foreign parent industry code

3011 0

3018 1

**9. For each foreign parent,** furnish the name, country, and industry code of the ultimate beneficial owner (UBO). (See instruction II.Q. on page 5 for the definition of UBO.) If the UBO is an individual, a name need not be given in 9b, but the country of residence of the UBO must be given in 9c. 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.

**9a. Is each foreign parent also the ultimate beneficial owner?**

3019 1  Yes - Skip to 9d.  
2  No - Continue with 9b.

**9b. Enter name of UBO of foreign parent if foreign parent is not also the UBO.** Identifying the UBO as "bearer shares" is not an acceptable response.

3021 0

**9c. Enter country of UBO if foreign parent is not also the UBO.** For individuals, see instruction 6b on page 6.

BEA USE ONLY

3022 1

**9d. Enter the industry code of the (UBO) from the list of codes on page 3.** Note - UBO industry code is based on UBO's world-wide consolidated sales. Code "14" (holding company) is normally NOT a valid UBO industry code.

3023 1

**Part II SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE**

	Amount (1)	Amount (1)			
		Bil.	Mil.	Thous.	Dols.
<b>10. Total assets</b>	2109	\$			
<b>11. Total liabilities</b>	2114	\$			
Please check box if total liabilities are zero. <input type="checkbox"/>					
<b>12. Total Sales -</b> Gross sales minus returns, allowances, and discounts; or gross operating revenues. Exclude sales or consumption taxes levied directly on the consumer and excise taxes levied directly on manufacturers, wholesalers, and retailers. Include revenues generated during the year from the operations of a discontinued business segment. However, EXCLUDE gains or losses on DISPOSALS of discontinued operations.	1174	\$			
<b>13a. Major product(s) or service(s) of fully consolidated domestic U.S. affiliate -</b> Briefly describe the major product(s) and/or service(s) of the U.S. affiliate. 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			
<b>13b. Industry of this affiliate - Enter the 4-digit international surveys industry (ISI) code of the industry with the largest sales or gross operating revenues.</b> For a full explanation of each code see the <i>Guide to Industry and Foreign Trade Classifications for International Surveys, 2002</i> .	1164				
<b>14. Net income (loss) -</b> After provision for U.S. Federal, State, and local income taxes.	2159	\$			
<b>15a. Number of employees at close of FY 2003 -</b> Reporting employment (including how to report when employment is subject to unusual variations) is discussed in instruction 15a on page 6.	2700				
<b>15b. Total employee compensation for FY 2003 -</b> Employee compensation is defined in instruction 15b on page 6.	2253	\$			
<b>16. Gross book value (at historical cost) of all land and other property, plant, and equipment, at the close of the fiscal year that ended in calendar year 2003.</b>	2799	\$			
<b>17. Research and development (R&amp;D) expenditures for R&amp;D performed BY the U.S. affiliate -</b> R&D is defined in instruction 17 on page 6.	2403	\$			
<b>BEA USE ONLY</b>					
	1299				

## FOREIGN PARENT AND UBO INDUSTRY CODES

**Note:** "ISI codes" are International Surveys Industry codes, as given in the *Guide to Industry and Foreign Trade Classifications for International Surveys, 2002*.

- 01** Government and government-owned or -sponsored enterprise, or quasi-government organization or agency
- 02** Pension fund — Government run
- 03** Pension fund — Privately run
- 04** Estate, trust, or nonprofit organization (that part of ISI code 5252 that is estates and trusts)
- 05** Individual

Private business enterprise, investment organization, or group engaged in:

- 06** Insurance (ISI codes 5242, 5243, 5249)
- 07** Agriculture, forestry, fishing and hunting (ISI codes 1110–1140)
- 08** Mining (ISI codes 2111–2127)
- 09** Construction (ISI codes 2360–2380)
- 10** Transportation and warehousing (ISI codes 4810–4939)
- 11** Utilities (ISI codes 2211–2213)
- 12** Wholesale and retail trade (ISI codes 4231–4251 and 4410–4540)
- 13** Banking, including bank holding companies (ISI codes 5221 and 5229)
- 14** Holding companies, excluding bank holding companies (ISI codes 5512 and 5513)
- 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)
- 16** Real estate (ISI code 5310)
- 17** Information (ISI codes 5111–5191)
- 18** Professional, scientific, and technical services (ISI codes 5411–5419)
- 19** Other services (ISI codes 1150, 2132, 2133, 5321, 5329, and 5611–8130)

Manufacturing, including fabricating, assembling, and processing of goods:

- 20** Food (ISI codes 3111–3119)
- 21** Beverages and tobacco products (ISI codes 3121 and 3122)
- 22** Pharmaceuticals and medicine (ISI code 3254)
- 23** Other chemicals (ISI codes 3251–3259, except 3254)
- 24** Nonmetallic mineral products (ISI codes 3271–3279)
- 25** Primary and fabricated metal products (ISI codes 3311–3329)
- 26** Computer and electronic products (ISI codes 3341–3346)
- 27** Machinery manufacturing (ISI codes 3331–3339)
- 28** Electrical equipment, appliances and components (ISI codes 3351–3359)
- 29** Motor vehicles and parts (ISI codes 3361–3363)
- 30** Other transportation equipment (ISI codes 3364–3369)
- 31** Other manufacturing (ISI codes 3130–3231, 3261, 3262, 3370–3399)
- 32** Petroleum manufacturing, including integrated petroleum and petroleum refining without extraction (ISI codes 3242–3244)

### BEA USE ONLY

1200	1	2	3	4	5
	1	2	3	4	5
1201	1	2	3	4	5
1202	1	2	3	4	5
1203	1	2	3	4	5

**ANNUAL SURVEY OF  
FOREIGN DIRECT INVESTMENT IN THE UNITED STATES – 2003  
BE-15(EZ) INSTRUCTIONS**

**NOTE:** Instructions in section IV are cross referenced by number to the items located on pages 1 and 2 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).

The publication in the **Federal Register** of the notice implementing this survey is considered legal notice to covered U.S. business enterprises of their obligation to report. Therefore, a response is required from persons subject to the reporting requirements of the BE-15 survey, whether or not they are contacted by BEA. Also, a person contacted by BEA concerning their being subject to reporting, either by sending them a report form or by written inquiry, must respond in writing pursuant to section 806.4 of 15 CFR, Chapter VIII, or must respond electronically using BEA's Automated Survey Transmission and Retrieval (ASTAR) system. This may be accomplished by completing and submitting Form BE-15(EZ), BE-15(LF), BE-15(SF), or BE-15 Supplement C by **May 31, 2004**, whichever is applicable.

**Penalties** — In addition to the penalties cited on page 1, any officer, director, employee, or agent of any corporation who knowingly participates in such violations upon conviction, may be punished by a 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 the form.

**I. REPORTING REQUIREMENTS**

**Who must report — Complete Form BE-15(EZ) ONLY if you have been instructed in writing to do so by BEA.** If none 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 \$30 million at the end of, or for, its 2003 fiscal year, complete Form BE-15 Supplement C. Following an initial filing, the BE-15 Supplement C is not required annually from those nonbank U.S. affiliates that meet the stated exemption criteria from year to year.

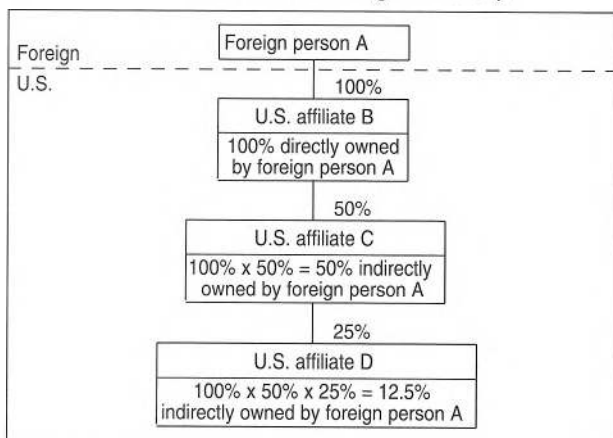
A BE-15 report is required for each nonbank U.S. affiliate, i.e., for each nonbank U.S. business enterprise in which a foreign person owned or controlled, directly or indirectly, 10 percent or more of the voting securities if an incorporated U.S. business enterprise, or an equivalent interest if an unincorporated U.S. business enterprise, at the end of the business enterprise's fiscal year that ended in calendar year 2003.

**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.

Calculation of Foreign Ownership



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.

**Real Estate** — See instruction V.C on page 7 for special reporting requirements.

**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.

**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 per centum 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 per centum or more of the voting securities of an incorporated U.S. business enterprise or an equivalent interest in an unincorporated U.S. business enterprise, including a branch.

**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 per centum 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. Affiliated foreign group** means (i) the foreign parent, (ii) any foreign person proceeding up the foreign parent's ownership chain, which owns more than 50 per centum of the person below it up to and including that person which is not owned more than 50 per centum 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 per centum by the person above it.

**N. Foreign affiliate of a foreign parent** means, with reference to a given U.S. affiliate, any member of the affiliated foreign group owning the U.S. affiliate that is not a foreign parent of the U.S. affiliate.

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

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

## II. DEFINITIONS — Continued

**Q. 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. (A person who creates a trust, proxy, power of attorney, arrangement, or device with the purpose or effect of divesting such owner of the ownership of an equity interest as part of a plan or scheme to avoid reporting information, is deemed to be the owner of the equity interest.) Note: Stockholders of a closely or privately held corporation are normally considered to be an associated group and may be a UBO.

**R. 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, and bank holding companies.

**S. 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 assets 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.

**T. U.S. affiliate's 2003 fiscal year** is the affiliate's financial reporting year that had an ending date in calendar year 2003.

## III. GENERAL INSTRUCTIONS

**A. Accounting methods and records** — Unless otherwise specified in the instructions, follow generally accepted U.S. accounting principles when preparing the BE-15 report. Corporations should generally use the same methods and records that are used to generate reports to stockholders except where the instructions state otherwise. Prepare reports for unincorporated U.S. business enterprises on an equivalent basis.

**B. Changes in the reporting entity** — DO NOT restate close fiscal year 2002 balances for changes in the consolidated reporting entity that occurred during fiscal year 2003. The close fiscal year 2002 balances should represent the reporting entity as it existed at the close of fiscal year 2002.

**C. 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.

**D. 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. Information necessary to complete some of the items on Form BE-15(EZ) may not be available from a company's customary accounting records. Precise answers for these items may present the respondent with a substantial burden beyond what is intended by BEA. Therefore, the answers may be reasonable estimates based upon the informed judgement 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.

**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 1 and 2 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 nonbank **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 V.C. on page 7 for details.

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

**Unless the exceptions discussed in items a, b, c, or e below apply, any deviation from these consolidation rules must be approved in writing each year by BEA.**

**Exceptions to the consolidation 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 and **must** file its own Form BE-15(LF), BE-15(SF), or BE-15 Supplement C.

**a. DO NOT CONSOLIDATE FOREIGN SUBSIDIARIES, BRANCHES, OPERATIONS, OR INVESTMENTS NO MATTER WHAT THE PERCENTAGE OWNERSHIP.** Include foreign holdings owned 20 percent or more (including those that are majority-owned) using the equity method of accounting. DO NOT eliminate intercompany accounts for investments reported using the equity method. You may report immaterial foreign investments using the cost method of accounting if this treatment is consistent with your normal reporting practice.

Report foreign holdings owned less than 20 percent using the cost method of accounting.

**b. Do not consolidate banking activities.** If the nonbank U.S. affiliate reporting on Form BE-15(EZ) has a direct or indirect ownership interest in a bank, bank holding company (BHC), or any other banking activity, such as a U.S. wholesale or limited purpose bank, DO NOT consolidate those banking activities into the Form BE-15(EZ). Banks are not required to file a separate BE-15 report.

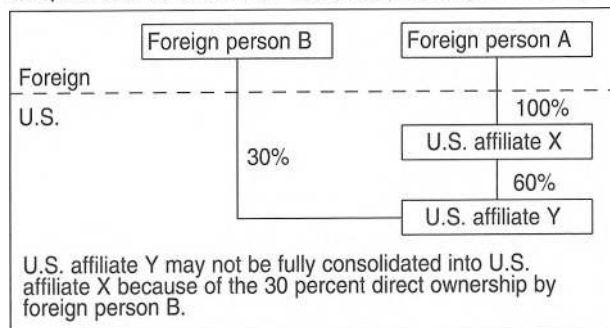
Include on Form BE-15(EZ) any banking operations owned 20 percent or more (including those that are majority-owned) using the equity method of accounting. DO NOT eliminate intercompany accounts for banking operations. Report immaterial banking operations and any banking operations owned less than 20 percent using the cost method of accounting if this treatment is consistent with your normal reporting practice.

For BE-15 reporting purposes, treat Financial Holding Companies in the same manner as you would treat a BHC.

**c. 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/surveys/fdiusfaq.htm#1](http://www.bea.gov/bea/surveys/fdiusfaq.htm#1). Scroll to the heading "BE-15-Annual Survey Report --" and click on the question "How do I report if I am a limited partnership or have an ownership interest in a limited partnership?"

**d.** You may file a separate BE-15 report for a U.S. affiliate that is owned more than 50 percent by another U.S. affiliate if the "owned" U.S. affiliate is not normally fully consolidated because control by the "owning" U.S. affiliate is temporary. **You must submit a request in writing EACH YEAR to BEA in order to receive permission to file separately for any U.S. affiliate that should otherwise be consolidated.** Report such affiliates, if not consolidated, on Form BE-15(EZ) using the equity method of accounting. DO NOT eliminate intercompany accounts for such affiliates not consolidated. In accordance with Financial Accounting Standards Board statement 94, consolidation of majority-owned subsidiaries is required even if their operations are not homogeneous with those of the U.S. affiliate that owns them.

**e.** 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 BE-15 report. (See diagram below.)



If this exception applies, reflect the indirect ownership interest, even if more than 50 percent, on the owning U.S. affiliate's BE-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 2003 fiscal year. The affiliate's 2003 fiscal year is defined as the affiliate's financial reporting year that had an ending date in calendar year 2003.

#### Special Circumstances:

**a. 52/53 week fiscal year** — Affiliates having a "52/53 week" fiscal year that ends within the first week of January 2004 are considered to have a 2003 fiscal year and should report December 31, 2003 as their 2003 fiscal year end.

**b. U.S. affiliates without a financial reporting year** — If a U.S. affiliate does not have a financial reporting year, its fiscal year is deemed to be the same as calendar year 2003.

#### c. Change in fiscal year

**(1) New fiscal year ends in calendar year 2003** — A U.S. affiliate that changed the ending date of its financial reporting year **should file a 2003 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, 2002 fiscal year end date but changed its 2003 fiscal year end date to March 31. Affiliate A should file a 2003 BE-15 report covering the 12 month period from April 1, 2002 to March 31, 2003.

**IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM — Continued**

**PART II — SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE**

**(2) No fiscal year ending in calendar year 2003 —**

If a change in fiscal year results in a U.S. affiliate not having a fiscal year that ended in calendar 2003, the affiliate **should file a 2003 BE-15 report that covers 12 months.** The following example illustrates the reporting requirements.

**Example 2:** U.S. affiliate B had a December 31, 2002 fiscal year end date but changed its next fiscal year end date to March 31. Instead of having a short fiscal year ending in 2003, affiliate B decides to have a 15 month fiscal year running from January 1, 2003 to March 31, 2004. Affiliate B should file a 2003 BE-15 report covering a 12 month period ending in calendar year 2003, such as the period from April 1, 2002 to March 31, 2003.

For 2004, 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, 2003 to March 31, 2004.

**5. Reporting requirements for a U.S. business enterprise that became a U.S. affiliate during fiscal year 2003 —**

- a. A U.S. business enterprise that was newly established in fiscal year 2003** 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 2003. 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 2003 that became a U.S. affiliate in fiscal year 2003** should file a report covering a full 12 months of operations.

**6a. Voting interest and Equity interest**

- (1) 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.
- (2) 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. Another example is a limited partner's interest in a limited partnership.

**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 stock and preferred stock. 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. Because foreign parent B owns all of the voting stock, foreign parent B has a 100 percent voting interest in U.S. affiliate A. However, because all 50 of the nonvoting preferred shares are owned by U.S. investors, foreign parent B has only a 50 percent interest in the owners' equity amount of U.S. affiliate A.

**6b. 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 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 the next paragraph.
- (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 the 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.

**15a. Number of employees at close of FY 2003 —**

Employment is the number of full-time and part-time employees on the payroll at the end of FY 2003, excluding contract workers and other workers not carried on the payroll of the U.S. affiliate. A count taken during, rather than at the end of, FY 2003 may be used provided it is a reasonable estimate for the end of FY 2003 number. If employment at the end of FY 2003, or the count taken at some other time during FY 2003, 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 2003. If given, the average should be the average for FY 2003 of the number of persons on the payroll at the end of each payroll period, month, or quarter. If precise figures are not available, give your best estimate.

**15b. 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. Exclude employee compensation related to activities of a prior period, such as compensation capitalized or charged to inventories in prior periods. Employee compensation consists of:

**(1) Wages and salaries** — are the gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to 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.

**(2) Employee benefit plans** — are employer expenditures for all employee benefit plans, including those required by government statute, those resulting from a collective-bargaining contract, or those that are voluntary. Employee benefit plans include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

**17. Research and development expenditures —** Report all research and development (R&D) performed BY the U.S. affiliate for its own account or for others, including the foreign parent and foreign affiliates of the foreign parents. Exclude the cost of all R&D funded by the U.S. affiliate but performed by others.

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.

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

- a.** Pursue a planned search for **new knowledge**, whether or not the search has reference to a specific application. (Basic Research);
- b.** Apply **existing knowledge** to problems involved in the **creation of a new product or process**, including work required to evaluate possible uses. (Applied research); or
- c.** Apply **existing knowledge** to problems involved in the **improvement of a present product or process.** (Development)

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 an R&D organization.

## V. SPECIAL INSTRUCTIONS

**A. Insurance companies** — When there is a difference between the financial and operating data reported to stockholders and the data reported in the annual statement to an insurance department, prepare the BE-15 report on the same basis as the annual report to the stockholders. Valuation should be according to normal commercial accounting procedures, not at the rates promulgated by the National Association of Insurance Commissioners, i.e., the BE-15 report should include the following assets even though they are not acceptable for inclusion in the annual statement to an insurance department: **1.** nontrusted 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 BE-15(EZ):

**10 Total assets** — Include current items such as agents' balances, uncollected premiums, amounts recoverable from reinsurers, and other current notes and accounts receivable (net of allowances for doubtful items) arising from the ordinary course of business.

**11 Total liabilities** — Include current items such as loss liabilities, policy claims, commissions due, and other current liabilities arising from the ordinary course of business, and long-term debt. Exclude mandatory securities valuation reserves that are appropriations of retained earnings.

**12 Total sales** — Include items such as earned premiums, annuity considerations, gross investment income, and items of a similar nature. Exclude income from unconsolidated affiliates.

**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 10 and 11 of Form BE-15(EZ).

**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.

**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. If the aggregate of such holdings exceeds one or more of the exemption levels, then the holdings must be reported even if individually they would be exempt. In such a case, file a single Form BE-15(EZ) to report the aggregated holdings. If permission has been received in writing from BEA to file on a non-aggregated basis, the reports should be filed as a group and you should inform BEA that they are all for one owner.

In Part I, Identification of U.S. Affiliate, 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, in item 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 in item 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 on the Form BE-15(EZ) that may not be applicable to certain types of real estate investments, such as the employer identification number and the number of employees. 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 exemption criteria and 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 statement 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 treated as an expense.

### 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 treat the non-operating expenses that he or she may be responsible for, such as real estate taxes, interest on loans, etc., as expenses.
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 as appropriate.

### 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 reporting should be as outlined 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 of the trust is deemed to be the owner 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 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 must also identify and furnish the requested 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.

## VI. FILING THE BE-15

**A. Due date** — File a fully completed and certified Form BE-15(EZ) no later than May 31, 2004. If the U.S. affiliate is exempt from filing Form BE-15(EZ) based on the criteria in instruction I on page 4, complete and file Form BE-15 Supplement C by May 31, 2004.

**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/astar/](http://www.bea.gov/astar/) for details about this option. To obtain forms on line go to [www.bea.gov/bea/surveys/fdiusurv.htm](http://www.bea.gov/bea/surveys/fdiusurv.htm).

**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 normally be granted. Requests for extensions of more than 30 days **MUST** be in writing and should explain the basis for the request. You may request an extension via email at [be12/15@bea.gov](mailto:be12/15@bea.gov). For extension requests of 30 days or less, you may call BEA at (202)606-5577. All requests for extensions must be received **BEFORE** the due date of the report.

**D. Assistance** — For assistance, telephone (202) 606-5577, FAX (202) 606-5319, or send email to [be12/15@bea.gov](mailto:be12/15@bea.gov). Forms can be obtained from BEA's web site at: [www.bea.gov/bea/surveys/fdiusurv.htm](http://www.bea.gov/bea/surveys/fdiusurv.htm)

**E. Annual stockholders' report or other financial statements** — Please furnish a copy of your FY 2003 annual report or Form 10K when filing the BE-15 report. If you do not publish an annual stockholders' report or Form 10K, please provide any financial statements that may be prepared. 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. If you are not filing electronically, this should be the copy with the address label in Part I, 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 in paragraph VI.H., below.)

**G. Where to send the report** — Send reports filed by mail through the U.S. Postal service to:

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

Direct reports filed by private delivery service 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

**H. Confidentiality** — The information filed in this report may be used only for analytical or statistical purposes and access to the information shall be available only to officials and employees (including consultants and contractors and their employees) of agencies designated by the President to perform functions under the Act. The President may authorize the exchange of the information between agencies or officials designated to perform functions under the Act, but only for analytical and statistical purposes. No official or employee (including consultants and contractors and their employees) shall publish or make available any information collected under the Act in such a manner that the person to whom the information relates can be specifically identified. Reports and copies of reports prepared pursuant to the Act are confidential and their submission or disclosure shall not be compelled by any person without the prior written permission of the person filing the report and the customer of such person where the information supplied is identifiable as being derived from the records of such customer (22 U.S.C. 3104).



**ANNUAL SURVEY  
OF FOREIGN DIRECT  
INVESTMENT IN THE  
UNITED STATES – 2003  
(SHORT FORM)**

**BEA USE ONLY**

**Control number**

Public reporting burden for this short form is estimated to vary from 1.5 to 10 hours per response, with an average of 4 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.

**DUE DATE: MAY 31, 2004**

**ELECTRONIC FILING** See our web site at [www.bea.gov/astar/](http://www.bea.gov/astar/) for details.

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

**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

**PENALTIES** — Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. See additional information on page 11.

**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.

**Part I Section A — IDENTIFICATION OF U.S. AFFILIATE**

**1. Name and address of U.S. affiliate** — If there are any changes in the name or address, make the changes directly on the label. If no label has been affixed, enter the name and address in full.

Name of U.S. Affiliate

1002 0

c/o (care of)

1010 0

Street or P.O. Box

1003 0

City, State, and Country (if foreign)

1004 0

U.S. ZIP Code

Foreign Postal Code

1005 0

OR

0

**2. Consolidated reporting by the U.S. affiliate** — The consolidation rules are found on pages 13 and 14.

**Is more than 50 percent of the voting interest in this U.S. affiliate owned by another U.S. affiliate of your foreign parent?**

1400 1  Yes  
2  No

**If the answer is "Yes"** — Do not complete this report unless exception 2d or 2e described in the consolidation rules on page 14 applies. If neither of these exceptions applies, 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 Form **BE-15 Supplement C** with item **2(b)** completed.

**If the answer is "No"** — Complete this report in accordance with the consolidation rules on pages 13 and 14.

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

Primary

Other

1006 1

2

**4. REPORTING PERIOD** — Reporting period instructions are found on page 14.

This U.S. affiliate's 2003 fiscal year ended in calendar year 2003 on \_\_\_\_\_

Month	Day	Year
1		

**Example** — If the fiscal year ended on March 31, report for the 12 month period ended March 31, **2003**.

**IMPORTANT**  
Read the **Instructions** starting on page 11 before completing this form. The instructions below are only a brief summary. Definitions of key terms used in this report are found on page 13.

**Insurance and real estate companies** — See special instructions on page 17.

**Additional instructions** by line item are at the back of this form starting with section IV of the instructions on page 13.

**A. WHO MUST REPORT** — See **Instruction I.A.** starting on page 11.

**B. U.S. AFFILIATE'S 2003 FISCAL YEAR** — The affiliate's financial reporting year that had an ending date in calendar year 2003.

**C. CONSOLIDATED REPORTING** — A U.S. affiliate must file on a fully consolidated domestic U.S. basis, including in the consolidation all nonbank U.S. affiliates in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The consolidation rules are found on pages 13 and 14.

**D. ASSISTANCE** — E-mail: [be12/15@bea.gov](mailto:be12/15@bea.gov); Telephone (202) 606-5577; FAX: (202) 606-5319.

**E. GENERAL NOTES**

**1.** 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	

**2.** References in the instructions to Financial Accounting Standards Board statements are referred to as "FAS."

**MANDATORY** — This survey is being conducted pursuant to the International Investment and Trade in Services Survey Act (P.L., 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended - hereinafter "the Act") and the filing of reports is mandatory pursuant to Section 5(b)(2) of the Act (22 U.S.C. 3104).

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

Name 1000 0

Address

TELEPHONE NUMBER 1001

0 Area code Number

Extension

FAX NUMBER 0999

0 Area code Number

**CERTIFICATION** — The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with Instruction III.D on page 13, estimates may have been provided.

Authorized official's signature

Date

Print or type name and title

Telephone number

FAX number

May we use e-mail to correspond with you to discuss questions relating to this Form BE-15(SF), including questions that may contain information about your company that you may consider confidential? (Note that electronic mail is not inherently confidential; we will treat information we receive as confidential, but your e-mail is not necessarily secure against interception by a third party.)

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

E-mail address

0

1028

**Part I IDENTIFICATION OF U.S. AFFILIATE — Continued**

**Section B — OWNERSHIP AND INDUSTRY CLASSIFICATION OF U.S. AFFILIATE**

**5. Did the U.S. business enterprise become a U.S. affiliate during its fiscal year that ended in calendar year 2003?**

1008 <sup>1</sup>  Yes    If "Yes" — Enter date U.S. business enterprise became a U.S. affiliate and see instruction 5 on page 14. →    1009

<sup>2</sup>  No

Month	Day	Year
1		

**NOTE** — For a U.S. business enterprise that became a U.S. affiliate during its fiscal year that ended in calendar year 2003, report the close FY 2002 data columns as zero.

**6. Is the U.S. affiliate named in item 1 separately incorporated in the United States, including its territories and possessions?**

1011 <sup>1</sup>  Yes

<sup>2</sup>  No — Reporting rules for unincorporated affiliates are found in instruction 6 starting on page 14. Reporting rules for real estate are found in instruction V.C. on page 17.

**7. U.S. affiliates fully consolidated in this report** — The consolidation rules are found on pages 13 and 14.

If this report is for a single U.S. affiliate, enter "1" in the box below. If more than one U.S. affiliate is consolidated in this report, enter the number of U.S. affiliates consolidated. Hereinafter, they are considered to be one U.S. affiliate. **Exclude from the consolidation all minority-owned U.S. business enterprises, and all foreign business enterprises owned by this U.S. affiliate.** Include unconsolidated businesses on the equity basis, or cost basis if less than 20 percent owned. Except as noted in the consolidation rules on pages 13 and 14, more than 50-percent-owned U.S. affiliates must be fully consolidated in this report unless permission has been received in writing from BEA to do otherwise; those not consolidated should file a separate Form BE-15(LF), BE-15(SF), or BE-15 Supplement C.

1012 <sup>1</sup>

**Number** — If number is greater than one, complete the Supplement A.

**8. U.S. affiliates NOT consolidated** — See instruction 8 on page 15.

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

1013 <sup>1</sup>

**Number** — If number is not zero, complete the Supplement B. The U.S. affiliate named in item 1 must include data for unconsolidated U.S. affiliates in this report on an equity basis, or a cost basis if less than 20 percent owned, and must notify the unconsolidated U.S. affiliates of their obligation to file a Form BE-15(LF), BE-15(SF), or BE-15 Supplement C in their own names.

	Ownership — Enter percent of ownership, in this U.S. affiliate, to a tenth of one percent, based on voting stock if an incorporated affiliate or an equivalent interest if an unincorporated affiliate. "Voting interest" is defined in instructions 9-13 on page 15.	Country of incorporation or organization, if a business enterprise, or residence, if an individual. For individuals, see instruction V.F. on page 18.	REPORTING PERIOD		BEA USE ONLY
			Close FY 2003	Close FY 2002	
	<b>Ownership held directly by all foreign parents of this affiliate — Give name of each (if more than 2, continue on a separate sheet).</b>		(1)	(2)	(3)
9.	<input type="text"/>	1017	. %	. %	
10.	<input type="text"/>	1018	. %	. %	
	<b>Ownership held indirectly by all foreign parents of this U.S. affiliate through another U.S. affiliate — Give name of each higher tier U.S. affiliate that owns this U.S. affiliate (if more than 2, continue on a separate sheet).</b>	Country of foreign parent of each U.S. affiliate			
11.	<input type="text"/>	1063	. %	. %	
12.	<input type="text"/>	1064	. %	. %	
13.	<b>Ownership held directly by all other persons (do not list names)</b>	1061	. %	. %	
<b>TOTAL of ownership interests — Sum of items 9 through 13</b>			<b>100.0%</b>	<b>100.0%</b>	

**14. Enter the name and industry code of the foreign parent.** If more than one foreign parent, list each and its industry code on a separate sheet. The foreign parent industry code is based on the primary activity of the single entity named as the foreign parent. DO NOT base the code on a world-wide consolidation.

Enter name of foreign parent if not already entered in item 9 above.

Enter foreign parent industry code from this list on page 5.

3011

3018 <sup>1</sup>

**15. For each foreign parent, furnish the name, country and industry code of the ultimate beneficial owner (UBO).** (See instruction II.Q. on page 13 for the definition of UBO.) If the UBO is an individual, a name need not be given in 15b, but country of residence of the UBO must be given in 15c. 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.

**15a. Is each foreign parent also the ultimate beneficial owner (UBO)?**

3019 <sup>1</sup>  Yes — Skip to 15d.

<sup>2</sup>  No — Continue with 15b.

**15b. Enter name of UBO of foreign parent if foreign parent is not also the UBO.** Identifying the UBO as "bearer shares" is not an acceptable response.

3021

**15c. Enter country of UBO if foreign parent is not also the UBO.** For individuals, see instruction V.F. on page 18.

**BEA USE ONLY**

3022

**15d. Enter industry code of the UBO from the list of codes on page 5.** NOTE — UBO industry code is based on the UBO's world-wide consolidated sales. Code "14" (holding company) is normally NOT a valid UBO industry code.

3023 <sup>1</sup>

**Part I IDENTIFICATION OF U.S. AFFILIATE — Continued**

**16. Major product(s) or service(s) of fully consolidated U.S. affiliate** — Briefly describe the major product(s) and/or service(s) of the U.S. affiliate. 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

**Industry classification of fully consolidated U.S. affiliate** (based on sales or gross operating revenues) — Enter the 4-digit international surveys industry (ISI) code(s) and the sales (as defined in item 22 below) associated with each code. For a full explanation of each code, see the *Guide to Industry and Foreign Trade Classifications for International Surveys, 2002*. If you use fewer than four codes, you must account for total sales in items 17 through 19. For an inactive affiliate, show the industry classification(s) based on its last active period; for "start-ups" with no sales, show the intended activity(ies).

Holding companies (ISI code 5512) should show total income. **Note** — a U.S. affiliate that is a conglomerate must determine its industry code based on the activities of the fully consolidated U.S. business enterprise. The "holding company" classification, therefore, is often an invalid industry classification for a conglomerate.

Book publishers, printers, and Real Estate Investment Trusts — See instructions for items 17–22 on page 15.

**17. Enter code with largest sales**

**18. Enter code with 2nd largest sales**

**19. Enter code with 3rd largest sales**

**20. Enter code with 4th largest sales**

**21. Sales not accounted for above** — Item 20 must have an entry

**22. TOTAL SALES** — *Gross sales minus returns, allowances, and discounts; or gross operating revenues. Exclude sales or consumption taxes levied directly on the consumer and excise taxes levied directly on manufacturers, wholesalers, and retailers. Include revenues generated during the year from the operations of a discontinued business segment. However, EXCLUDE gains or losses on DISPOSALS of discontinued operations. Report such gains and losses on line 32b. — Equals sum of items 17 through 21, column (2).*

ISI code (1)	Sales (2)			
	Bil.	Mil.	Thous.	Dols.
1164				
1165				
1166				
1167				
1173				
1174				\$

**Part II SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE**

Report all amounts in thousands of U.S. dollars.

**Section A — BALANCE SHEET ITEMS**

**NOTE** — Report investment in all unconsolidated U.S. affiliates and foreign business enterprises owned 20 percent or more (including those that are majority-owned) on an equity basis to include equity in undistributed earnings since acquisition; for U.S. affiliates and foreign business enterprises owned less than 20 percent, report at cost.

**23. Total assets**

**24. Total liabilities**

Please check box if total liabilities are zero.

**25. Total owners' equity** — Item 23 minus item 24

Balances Close FY 2003 (1)			
Bil.	Mil.	Thous.	Dols.
2109			
2114			
2120			

**Section B — OTHER FINANCIAL AND OPERATING DATA**

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

**27. Total employee compensation for FY 2003** — Employees' gross earnings (before payroll deductions). Include all direct and in-kind payments by the employer to employees, and employer expenditures for all employee benefit plans, including those required by government statute, those resulting from collective bargaining contracts, or those that are voluntary. 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. EXCLUDE compensation related to activities of a prior period, such as compensation capitalized or charged to inventories in prior periods. See instruction 27 on page 15 for more details of what to include on this line.

**28. Expenditures for property, plant, and equipment for FY 2003** — Include expenditures for land, mineral rights including timber, plant, equipment, and other property, wherever carried on the balance sheet. Include the net book value of transfers in, and capitalized and expensed exploration and development expenditures. EXCLUDE expenditures made in prior years that are reclassified in the current year. Do not net sales, other dispositions, or other charges against expenditures.

**29. Research and Development (R&D) expenditures for R&D performed BY the U.S. affiliate** — Report all R&D performed BY the U.S. affiliate for its own account or for others, including the foreign parent and foreign affiliates of the foreign parent. Include all cost 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 all R&D funded by the U.S. affiliate but performed by others, such as the U.S. affiliate's allocated share of R&D performed by the foreign parent or foreign affiliates of the foreign parent. See instruction 29 on page 15 for more details of what to include on this line.

**EXPORTS AND IMPORTS OF U.S. AFFILIATE**

**NOTE** — Report amounts on a "shipped basis." See instruction 30–31 starting on page 15 for details of what to include on these lines.

**30. TOTAL EXPORTS, INCLUDING CAPITAL GOODS** — Shipped by U.S. affiliate to foreign persons (valued f.a.s. U.S. port) in the FY that ended in calendar year 2003.

**31. TOTAL IMPORTS, INCLUDING CAPITAL GOODS** — Shipped to U.S. affiliate by foreign persons (valued f.a.s. foreign port) and received in the FY that ended in calendar year 2003.

**BEA USE ONLY**

1200	1	2	3	4	5
1201	1	2	3	4	5
1202	1	2	3	4	5
1203	1	2	3	4	5

**Part II SELECTED FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued**  
 Report all amounts in thousands of U.S. dollars.

**32a. Did the ownership (both direct and indirect) by ALL foreign parents in the voting securities (or an equivalent interest) of this U.S. affiliate EXCEED 50 percent as of the end of the U.S. affiliate's fiscal year that ended in calendar year 2003?** "Voting interest" is defined in instructions 9-13 on page 15.

- 1101 <sup>1</sup>  Yes — Answer items 32b. through 32e.  
<sup>2</sup>  No — Skip to item 33a.

**NOTE: Complete items 32b. through 32e. ONLY if item 32a. is answered "Yes"**

		Amount (1)			
		Bil.	Mil.	Thous.	Dols.
<b>32b. Certain realized and unrealized gains (losses), included in item 26, net income (loss).</b> Report at gross amount before income tax effect. See instruction 32b. on page 16 for details of what to include on this line.	2151	\$			
<b>32c. Income taxes</b> — Provision for ALL U.S. Federal, State, and local income taxes. Include income tax effect of certain realized and unrealized gains (losses) reported on line 32b. Exclude production royalty payments.	2156				
<b>32d. Interest</b>  Interest income from all sources (including from foreign parents and affiliates), after deduction of taxes withheld at the source. Do not net against interest expense (item 32e).	2400				
<b>32e. Interest expense plus interest capitalized, paid or due to all payees (including foreign parents and affiliates), before deduction of U.S. tax withheld by the affiliate.</b> Do not net against interest income (item 32d).	2401	\$			
<b>BEA USE ONLY</b>		2599			

**Section C — SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION**

**33a. Copy your answer from item 32a. above to the appropriate box below and follow the applicable instructions.**

- 1101 <sup>1</sup>  Yes — Provide data for up to five primary States in which this affiliate has reportable data. If the affiliate has operations in more than five states, sum the data for the remaining states on line 44. Skip item 33b.  
<sup>2</sup>  No — Answer item 33b. below.

**33b. 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 \$125 million at the end of, or for, its fiscal year that ended in calendar year 2003?

- 1102 <sup>1</sup>  Yes — Provide data for up to ten primary States in which this affiliate has reportable data. If the affiliate has operations in more than ten states, sum the data for the remaining states on line 44.  
<sup>2</sup>  No — Provide data for up to five primary States in which this affiliate has reportable data. If this affiliate has operations in more than five states, sum the data for the remaining states on line 44.

Complete the schedule below for the five or ten States, etc. in which the U.S. affiliate has reportable data. If the U.S. affiliate has activities in more than five or ten States, report those five or ten States for which the gross book value of all land and other property, plant, and equipment (column (5)) is largest. If column (5) is zero or insignificant, use the number of employees at the close of fiscal year 2003 (column(3)), to determine the five or ten primary States.

**In column (3),** include all employees on the payroll at the end of the fiscal year that ended in calendar year 2003, including part-time employees. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of the number on the payroll at the end of the fiscal year. Reporting employment (including how to report when employment is subject to unusual variations) is discussed in more detail in instructions 33-45 starting on page 16.

**In column (4),** include all employees on the payrolls of operating manufacturing plants in the State. Include administrative office and other auxiliary employees located at an operating plant and serve only that plant. **Exclude** all other employees on the payrolls of administrative offices or other auxiliary units. Administrative office and other auxiliary employees are defined in item 46 below.

**In column (5),** include land and other property, plant, and equipment items, whether carried as investments, in fixed asset accounts, or in other balance

sheet accounts. Include land held for resale, for investment purposes, and all other land owned. Include land and other property, plant, and equipment on capital lease from others, but exclude that on capital lease to others. Include property you own that you lease to others under operating leases. Value land and other property, plant, and equipment at historical cost before any allowances for depreciation or depletion.

**In column (6),** include the gross book value of commercial property you own, and commercial property you use or operate that is leased from others under a capital lease. Commercial property includes all buildings and associated land leased or rented to others under operating leases. Commercial property includes apartment buildings; office buildings; hotels; motels; and buildings used for wholesale, retail, and services trades, such as shopping centers, recreational facilities, department stores, bank buildings, restaurants, public garages, and automobile service stations. **Include** the value of land associated with these buildings. **Include** office buildings and associated land owned by industrial companies NOT located at industrial sites. **Exclude** furniture and equipment located at commercial property. **Exclude** property you use for agricultural, mining, manufacturing, or other industrial purposes, property you use to support these activities, such as research labs and warehouses, and office buildings located in industrial sites. Also **exclude** educational buildings, hospital and institutional buildings, and all undeveloped land.

STATE — Enter name  If applicable, enter name of U.S. territory or possession, or U.S. offshore oil and gas sites, on the lines below. Additional instructions for items 33-45 are found starting on page 16.  (1)	BEA USE ONLY  (2)	Number of employees at close FY 2003  (3)		The portion of employees in column (3) that are manufacturing employees  (4)		Gross book value (historical cost) of all land and other property, plant, and equipment wherever carried on balance sheet, FY 2003 closing balance.  (5)			The portion of column (5) that is commercial property  (6)		
		Number		Number		Bil.	Mil.	Thous.	Bil.	Mil.	Thous.
34.	2	3		4		5			6		
35.	2	3		4		5			6		
36.	2	3		4		5			6		
37.	2	3		4		5			6		
38.	2	3		4		5			6		
39.	2	3		4		5			6		
40.	2	3		4		5			6		
41.	2	3		4		5			6		
42.	2	3		4		5			6		
43.	2	3		4		5			6		
44. Employment and property, plant, and equipment not accounted for above	2	3	2764	4		5			6		
45. TOTAL — Sum of items 34 through 44	2	3	2700	4		5			6		
<b>46. Number of employees included in line 45 column 3 of administrative offices and other auxiliary units</b> — Include employees at corporate headquarters, central administrative, and regional offices located in the U.S. that provide administration and management or support services for the consolidated U.S. affiliate. Support services include accounting, data processing, legal, research and development and testing, and warehousing. Also include employees located at a U.S. operating unit that provide administration and management or support services to more than one U.S. operating unit. EXCLUDE employees located at a U.S. operating unit that provide administration and management or support services for only that unit.										Number	
										3	
										1178	

## FOREIGN PARENT AND UBO INDUSTRY CODES

**Note:** "ISI codes" are International Survey Industry codes, as given in the *Guide to Industry and Foreign Trade Classification for International Surveys, 2002*.

- 01** Government and government-owned or -sponsored enterprise, or quasi-government organization or agency
- 02** Pension fund — Government run
- 03** Pension fund — Privately run
- 04** Estate, trust, or nonprofit organization (that part of ISI code 5252 that is estates and trusts)
- 05** Individual

Private business enterprise, investment organization, or group engaged in:

- 06** Insurance (ISI codes 5242, 5243, 5249)
- 07** Agriculture, forestry, fishing and hunting (ISI codes 1110–1140)
- 08** Mining (ISI codes 2111–2127)
- 09** Construction (ISI codes 2360–2380)
- 10** Transportation and warehousing (ISI codes 4810–4939)
- 11** Utilities (ISI codes 2211–2213)
- 12** Wholesale and retail trade (ISI codes 4231–4251 and 4410–4540)
- 13** Banking, including bank holding companies (ISI codes 5221 and 5229)
- 14** Holding companies, excluding bank holding companies (ISI codes 5512 and 5513)
- 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)
- 16** Real estate (ISI code 5310)
- 17** Information (ISI codes 5111–5191)
- 18** Professional, scientific, and technical services (ISI codes 5411–5419)
- 19** Other services (ISI codes 1150, 2132, 2133, 5321, 5329, and 5611–8130)

Manufacturing, including fabricating, assembling, and processing of goods:

- 20** Food (ISI codes 3111–3119)
- 21** Beverages and tobacco products (ISI codes 3121 and 3122)
- 22** Pharmaceuticals and medicine (ISI code 3254)
- 23** Other chemicals (ISI codes 3251–3259, except 3254)
- 24** Nonmetallic mineral products (ISI codes 3271–3279)
- 25** Primary and fabricated metal products (ISI codes 3311–3329)
- 26** Computer and electronic products (ISI codes 3341–3346)
- 27** Machinery manufacturing (ISI codes 3331–3339)
- 28** Electrical equipment, appliances, and components (ISI codes 3351–3359)
- 29** Motor vehicles and parts (ISI codes 3361–3363)
- 30** Other transportation equipment (ISI codes 3364–3369)
- 31** Other manufacturing (ISI codes 3130–3231, 3261, 3262, 3370–3399)
- 32** Petroleum manufacturing, including integrated petroleum and petroleum refining without extraction (ISI codes 3242–3244)

REMARKS - Please use this space for any explanation that may be essential in understanding your reported data.

This historical survey form is no longer valid  
and is for information purposes only.  
Current survey forms are at  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).

**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 2002 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.

Name of U.S. affiliate as shown in item 1, Part I of BE-15(SF)

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 7, Part I of Form BE-15(SF). Continue listing onto as many additional copied pages as necessary.

Primary Employer Identification Number as shown in item 3, Part I of BE-15(SF)

5110 1

BEA USE ONLY (1)	Name of each U.S. affiliate consolidated (as represented in item 7, Part I) (2)	Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes (3)	Name of U.S. affiliate which holds the direct ownership interest in the U.S. affiliate listed in column (2) (4)	Percentage of direct voting ownership that the U.S. affiliate listed in column (4) holds in the U.S. affiliate listed in column (2). – Enter percentage to nearest tenth. (5)
5111		–		. %
5112		–		. %
5113		–		. %
5114		–		. %
5115		–		. %
5116		–		. %
5117		–		. %
5118		–		. %
5119		–		. %
5120		–		. %
5121		–		. %
5122		–		. %
5123		–		. %
5124		–		. %
5125		–		. %
5126		–		. %
5127		–		. %
5128		–		. %
5129		–		. %
5130		–		. %
5131		–		. %
5132		–		. %
5133		–		. %

This historical survey form is no longer valid and is for information purposes only. Current survey forms are at [www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents).

**BE-15(SF) Supplement A (2003) – LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING U.S. AFFILIATE – Continued**

BEA USE ONLY (1)	Name of each U.S. affiliate consolidated (as represented in item 7, Part I) (2)	Employer Identification Number used by U.S. affiliate listed in column (2) to file income and payroll taxes (3)	Name of U.S. affiliate that holds the direct ownership interest in the U.S. affiliate listed in column (2) (4)	Percentage of direct voting ownership that the U.S. affiliate listed in column (4) holds in the U.S. affiliate listed in column (2). – Enter percentage to nearest tenth. (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		–		. %

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FORM **BE-15(SF) Supplement B (2003)**  
(REV. 2/2004)

U.S. DEPARTMENT OF COMMERCE  
BUREAU OF ECONOMIC ANALYSIS

**BEA USE ONLY**

Page number

**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 2002 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-15(SF) and has a direct ownership interest in a U.S. affiliate(s) which is (are) not fully consolidated. The number of U.S. affiliates listed below must agree with item 8, Part I, of BE-15(SF). Continue listing onto as many additional copied pages as necessary.

Name of U.S. affiliate as shown in item 1, Part I of BE-15(SF)

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

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 Current survey forms are at  
[www.bea.gov/help/information-for-survey-respondents](http://www.bea.gov/help/information-for-survey-respondents)

BE-15(SF) Supplement B (2003) – LIST OF U.S. AFFILIATES – Continued

Page number

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

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**ANNUAL SURVEY OF FOREIGN DIRECT INVESTMENT IN THE UNITED STATES — 2003  
BE-15(SF) INSTRUCTIONS**

**NOTE:** Instructions in section IV. are cross referenced by number to the items located on pages 1 to 4 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).

The publication in the **Federal Register** of the notice implementing this survey is considered legal notice to covered U.S. business enterprises of their obligation to report. Therefore, a response is required from persons subject to the reporting requirements of the BE-15 survey, whether or not they are contacted by BEA. Also, a person contacted by BEA concerning their being subject to reporting, either by sending them a report form or by written inquiry, must respond in writing pursuant to section 806.4 of 15 CFR, Chapter VIII, or must respond electronically using BEA's Automated Survey Transmission and Retrieval (ASTAR) system. This may be accomplished by completing and submitting Form BE-15(LF), BE-15(SF), BE-15(EZ), or BE-15 Supplement C by **May 31, 2004**, whichever is applicable.

**Penalties** – In addition to the penalties cited on page 1, 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 the form.

**I. REPORTING REQUIREMENTS**

To determine which BE-15 report to file, read the following section and section A.1. on this page and review the flow chart on page 12, OR read the following section and sections A.2. through A.5. on page 12.

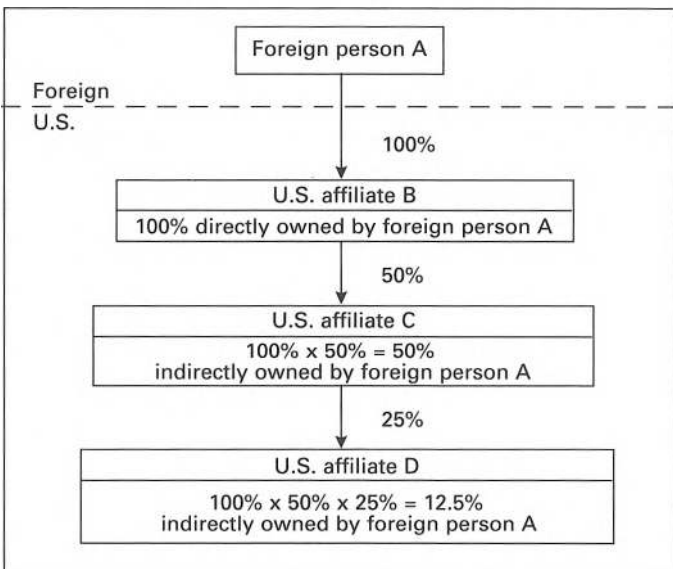
**A. Who must report** – A BE-15 report is required for each nonbank U.S. affiliate, i.e., for each U.S. business enterprise in which a foreign person owned or controlled, directly or indirectly, 10 percent or more of the voting securities if an incorporated U.S. business enterprise, or an equivalent interest if an unincorporated U.S. business enterprise, at the end of the business enterprise's fiscal year that ended in calendar year 2003. Small U.S. affiliates are exempt from filing a Form BE-15(LF), BE-15(SF), or BE-15(EZ). To determine if you are exempt, see I.B. on page 12. Exempt affiliates must file Form BE-15 Supplement C. Following an initial filing, the BE-15 Supplement C is not required annually from those nonbank U.S. affiliates that meet the stated exemption criteria from year to year.

**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.

**Calculation of Foreign Ownership**



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.

**Real estate** – See instruction V.C. on page 17 for special reporting requirements.

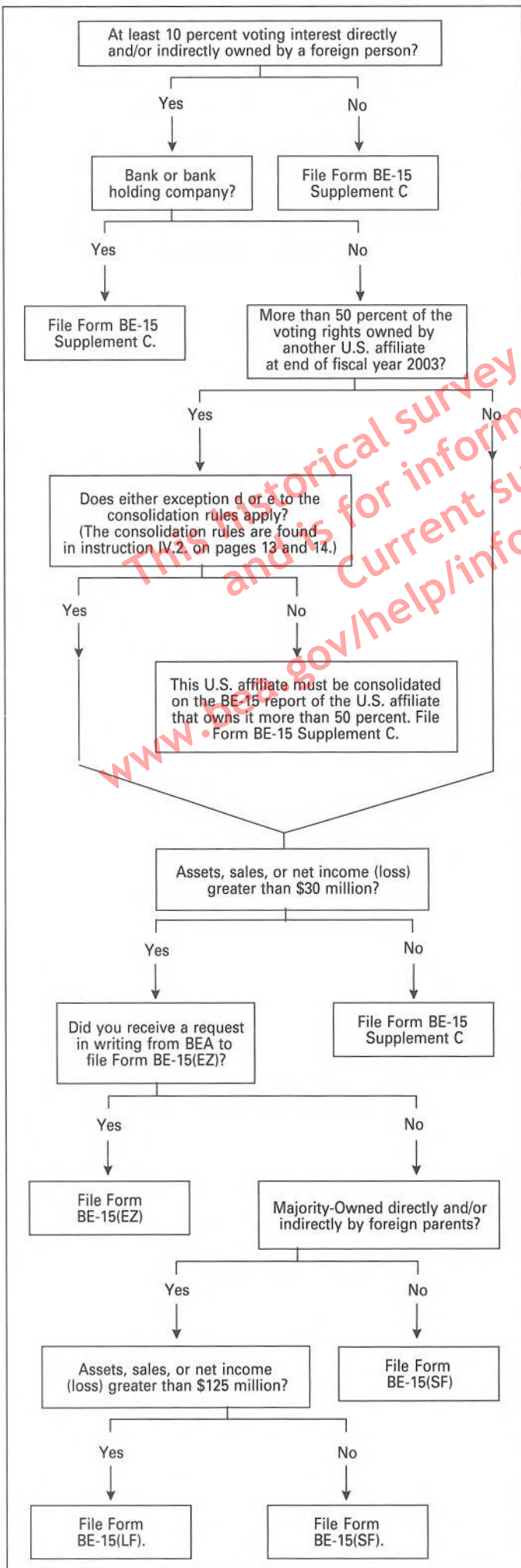
**Airlines and ship operators** – U.S. stations, ticket offices, and terminal and port facilities of foreign airlines and ship operators that provide services ONLY to the foreign airlines and ship operators' own operation are not required to report. Reports are required when such enterprises produce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

**1. Please review the questions below and the flow chart on page 12 to determine if your U.S. business is required to file Form BE-15(SF).**

- a. Were at least 10 percent of the voting rights in your business directly or indirectly owned by a foreign person at the end of your 2003 fiscal year? (See II.T. on page 13 for fiscal year 2003 definition).
  - 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-15(SF). File Form BE-15 Supplement C by May 31, 2004.
- b. Is this U.S. affiliate a bank or bank holding company?
  - Yes – You are not required to file Form BE-15(SF). File Form BE-15 Supplement C by May 31, 2004.
  - No – Continue with question c.
- c. 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 2003 fiscal year?
  - Yes – Continue with question d.
  - No – Skip to question e.
- d. Does either exception d or e to the consolidation rules apply to you? (The consolidation rules are found in instruction IV.2. on pages 13 and 14.)
  - Yes – Continue with question e.
  - 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 Form BE-15 Supplement C by May 31, 2004, 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.
- 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 \$30 million at the end of, or for, its 2003 fiscal year?
  - Yes – Continue with question f.
  - No – You are not required to file a Form BE-15(SF). File Form BE-15 Supplement C by May 31, 2004.
- f. Did you receive a request in writing from BEA to file Form BE-15(EZ)?
  - Yes – File Form BE-15(EZ) by May 31, 2004.
  - No – Continue with question g.
- g. Was the U.S. affiliate majority-owned by its foreign parents at the end of its 2003 fiscal year? (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 h.
  - No – File Form BE-15(SF) by May 31, 2004.
- h. 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 \$125 million at the end of, or for, its 2003 fiscal year?
  - Yes – File Form BE-15(LF) by May 31, 2004.
  - No – File Form BE-15(SF) by May 31, 2004.

**I. REPORTING REQUIREMENTS — Continued**

**Which Form to File?**



**2. Form BE-15(LF) – Annual Survey of Foreign Direct Investment in the United States – 2003 (Long Form)**

A Form BE-15(LF) must be completed and filed by May 31, 2004, 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 2003, if:

- a. It is not a bank (Banks and Bank Holding Companies are exempt from filing), **and**

- b. 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 2003, **exceeded 50 percent** (i.e., the voting securities or equivalent interest were **majority-owned** by foreign parents), **and**
- c. 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 \$125 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2003.

**3. Form BE-15(SF) – Annual Survey of Foreign Direct Investment in the United States – 2003 (Short Form)**

A Form BE-15(SF) must be completed and filed by May 31, 2004, 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 2003, if:

- a. It is not a bank (Banks and Bank Holding Companies are exempt from filing), **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 \$30 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2003, **and EITHER c, OR d.** below is applicable.
- c. 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 in an unincorporated U.S. business enterprise) at the end of the fiscal year that ended in calendar year 2003, was **50 percent or less** (i.e., the voting securities, or equivalent interest were **not majority-owned** by foreign parents), **or**
- d. 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 2003, **exceeded 50 percent** (i.e., the voting securities or equivalent interest were **majority-owned** by foreign parents), **and** on a fully consolidated, or, in the case of real estate investments, on an aggregated basis, **no 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 \$125 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2003.

**4. Form BE-15 Supplement C – Annual Survey of Foreign Direct Investment in the United States 2003, Claim for Exemption from Filing Form BE-15(LF), BE-15(SF), or BE-15(EZ).**

A Form BE-15 Supplement C must be completed and filed no later than May 31, 2004 by

- a. 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 2003 (whether or not the U.S. affiliate is contacted by BEA concerning its being subject to reporting in the 2003 annual survey), but is exempt from filing Form BE-15(LF), BE-15(SF), and BE-15(EZ) (see I.B., below); and
- b. Each U.S. business enterprise that is contacted in writing by BEA concerning its being subject to reporting in the 2003 annual survey but that is not required to file the Form BE-15(LF), BE-15(SF), or BE-15(EZ).

**5. Form BE-15(EZ) – Annual Survey of Foreign Direct Investment in the United States – 2003 (EZ Form).**

Complete Form BE-15(EZ) ONLY if you have been instructed to do so by BEA.

- B. Exemption** – A U.S. affiliate as consolidated, or aggregated in the case of real estate investments (see I.C. below and V.C. on page 17), is not required to file a Form BE-15(LF), BE-15(SF), or BE-15(EZ) if each of the following three items – **Total assets** (do not net out liabilities), **and Sales or gross operating revenues**, excluding sales taxes, **and Net income** after provision for U.S. income taxes – for the U.S. affiliate (not just the foreign parent's share) did not exceed \$30 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2003.

If a U.S. business enterprise is a U.S. affiliate but is not required to file a Form BE-15(LF), BE-15(SF), or BE-15(EZ), because it falls below the exemption level, then it must file a Form BE-15 Supplement C, Claim for Exemption from Filing Form BE-15(LF), BE-15(SF), or BE-15(EZ) with item 1 marked and the information requested in item 1 filled in.

- C. 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 in writing to do otherwise. Those holdings not aggregated must be reported separately. Real estate is discussed more fully in instruction V.C. on page 17.

## 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 or 10 per centum 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 or 10 per centum or more of the voting securities of an incorporated U.S. business enterprise or an equivalent interest in an unincorporated U.S. business enterprise, including a branch.
- 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 per centum 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. Affiliated foreign group** means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 per centum of the person below it up to and including that person which is not owned more than 50 per centum 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 per centum by the person above it.
- N. Foreign affiliate of a foreign parent** means, with reference to a given U.S. affiliate, any member of the affiliated foreign group owning the U.S. affiliate that is not a foreign parent of the U.S. affiliate.
- O. U.S. corporation** means a business enterprise incorporated in the United States.
- P. Intermediary** means any agent, nominee, manager, custodian, trust, or any person acting in a similar capacity.
- Q. 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. (A person who creates a trust, proxy, power of attorney, arrangement, or device with the purpose or effect of divesting such owner of the ownership of an equity interest as part of a plan or scheme to avoid reporting information, is deemed to be the owner of the equity interest.) Note: Stockholders of a closely or privately held corporation are normally considered to be an associated group and may be a UBO.
- R. 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, and bank holding companies.
- S. 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.
- T. U.S. affiliate's 2003 fiscal year** is the affiliate's financial reporting year that had an ending date in calendar year 2003.

## III. GENERAL INSTRUCTIONS

- A. Accounting methods and records** – Unless otherwise specified in the instructions, follow generally accepted U.S. accounting principles when preparing the BE-15 report. Corporations should generally use the same methods and records that are used to generate reports to stockholders except where the instructions state otherwise. Prepare reports for unincorporated U.S. business enterprises on an equivalent basis.
- B. Changes in the reporting entity** – DO NOT restate close fiscal year 2002 balances for changes in the consolidated reporting entity that occurred during fiscal year 2003. The close fiscal year 2002 balances represent the reporting entity as it existed at the close of fiscal year 2002.
- C. 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.
- D. 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-15(SF) 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 items 30 and 31, exports and imports of U.S. affiliate on a shipped basis, and items 34 through 45, data disaggregated by State.
- 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.
- 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 1 to 4 of this form.

### PART I

#### Section A – 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 nonbank **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.C. on page 12 for details.

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

**Unless the exceptions discussed in a, b, c, or e below apply, any deviation from these consolidation rules must be approved in writing each year by BEA.**

**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 and **must** file its own Form BE-15(LF), BE-15(SF), or BE-15 Supplement C.

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

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 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.

Include foreign holdings owned 20 percent or more (including those that are majority owned) using the equity method of accounting. DO NOT report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts for holdings reported using the equity method. You may report immaterial foreign holdings using the cost method of accounting if this treatment is consistent with your normal reporting practice.

Report foreign holdings owned less than 20 percent using the cost method of accounting.

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

**IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM - Continued**

**b. Do not consolidate banking activities.** If the nonbank U.S. affiliate reporting on the Form BE-15(SF) has a direct or indirect ownership interest in a bank, bank holding company (BHC), or any other banking activity, such as a U.S. wholesale or limited purpose bank, DO NOT consolidate those banking activities into the Form BE-15(SF). Banks are not required to file a separate BE-15 report.

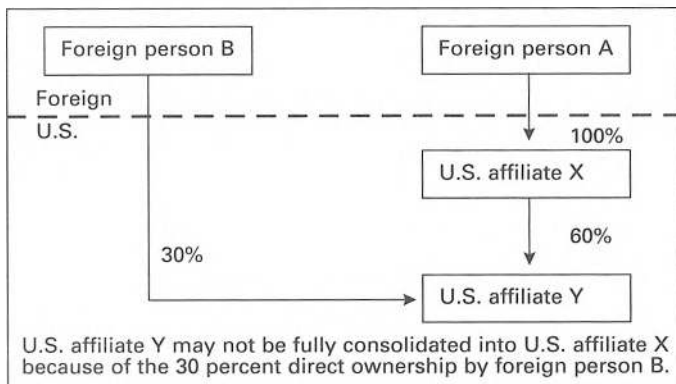
Include on Form BE-15(SF) any banking operations owned 20 percent or more using the equity method of accounting. DO NOT report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts for banking operations. Report immaterial banking operations and any banking operations owned less than 20 percent using the cost method of accounting if this treatment is consistent with your normal reporting practice.

For BE-15 reporting purposes, treat Financial Holding Companies in the same manner as you would treat a BHC.

**c. 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/surveys/fdiusfaq.htm#1](http://www.bea.gov/bea/surveys/fdiusfaq.htm#1). Scroll to the heading "BE-15 - Annual Survey Report" and click on the question "How do I report if I am a limited partnership or have an ownership interest in a limited partnership?" Also see instruction 6.b. on this page for additional information about partnerships.

**d.** You may file a separate BE-15 report for a U.S. affiliate that is owned more than 50 percent by another U.S. affiliate if the "owned" U.S. affiliate is not normally fully consolidated because control by the "owning" U.S. affiliate is temporary. **You must submit a request in writing EACH YEAR to BEA in order to receive permission to file separately for any U.S. affiliate that should otherwise be consolidated.** Report such affiliates, if not consolidated, on Form BE-15(SF) using the equity method of accounting. DO NOT eliminate intercompany accounts for affiliates not consolidated. In accordance with FAS 94, consolidation of majority-owned subsidiaries is required even if their operations are not homogeneous with those of the U.S. affiliate that owns them.

**e.** 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(SF) or BE-15(LF). (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 2003 fiscal year. The affiliate's 2003 fiscal year is defined as the affiliate's financial reporting year that had an ending date in calendar year 2003.

**Special Circumstances:**

- a. 52/53 week fiscal year** - Affiliates having a "52/53 week" fiscal year that ends within the first week of January 2004 are considered to have a 2003 fiscal year and should report December 31, 2003 as their 2003 fiscal year end.
- b. U.S. affiliates without a financial reporting year** - If a U.S. affiliate does not have a financial reporting year, its fiscal year is deemed to be the same as calendar year 2003.
- c. Change in fiscal year**

**(1) New fiscal year ends in calendar year 2003** - A U.S. affiliate that changed the ending date of its financial reporting year should file a 2003 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, 2002 fiscal year end date but changed its 2003 fiscal year end date to March 31. Affiliate A should file a 2003 BE-15 report covering the 12 month period from April 1, 2002 to March 31, 2003.

**(2) No fiscal year ending in calendar year 2003** - If a change in fiscal year results in a U.S. affiliate not having a fiscal year that ended in calendar year 2003, the affiliate should file a 2003 BE-15 report that covers 12 months. The following example illustrates the reporting requirements.

**Example 2:** U.S. affiliate B had a December 31, 2002 fiscal year end date but changed its next fiscal year end date to March 31. Instead of having a short fiscal year

ending in 2003, affiliate B decides to have a 15 month fiscal year running from January 1, 2003 to March 31, 2004. Affiliate B should file a 2003 BE-15 report covering a 12 month period ending in calendar year 2003, such as the period from April 1, 2002 to March 31, 2003.

For 2004, 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, 2003 to March 31, 2004.

**Section B - OWNERSHIP AND INDUSTRY CLASSIFICATION OF U.S. AFFILIATE**

**5. Reporting for a U.S. business that became a U.S. affiliate during fiscal year 2003**

**a. A U.S. business enterprise that was newly established in fiscal year 2003** 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 2003. 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 2003 that became a U.S. affiliate in fiscal year 2003** should file a report covering a full 12 months of operations.

**6. 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.C. on page 12 and Instruction V.C. on page 17 for details.

**(2) Indirectly owned** - Except as noted in the exceptions to the consolidation rules on pages 13 and 14, an indirectly owned unincorporated U.S. affiliate that is owned more than 50 percent by another U.S. affiliate should be fully consolidated on the report with the U.S. affiliate that holds the ownership interest in it. An indirectly owned unincorporated U.S. affiliate owned 50 percent or less by another U.S. affiliate should file a separate BE-15 report.

**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 9-13 on page 15. 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 9-13 on page 15. 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 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.

#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORTED FORM — Continued

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 persons 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 14.

##### (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.** See [www.bea.gov/bea/surveys/fdiusfaq.htm#1](http://www.bea.gov/bea/surveys/fdiusfaq.htm#1) for details. Scroll to the heading "BE-15 – Annual Survey Report" and click on the question "How do I report if I am a limited partnership or have an ownership interest in a limited partnership?"

##### c. Limited Liability Companies (LLCs)

**Determination of voting interest** – "Voting interest" is defined in instruction 9-13 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.

##### 8. U.S. affiliates NOT consolidated

– Report equity investments in U.S. business enterprises that are not consolidated and that are owned 20 percent or more (including those that are majority owned) using the equity method of accounting. DO NOT report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts for holdings reported using the equity method.

You may report immaterial investments using the cost method of accounting if this treatment is consistent with your normal reporting practice. Report equity investments owned less than 20 percent using the cost method 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-15(SF) on the Supplement B.

#### 9-13

##### 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) starting on page 14 for information about determining the voting interest for partnerships. See instruction 6c above 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. Another example is a limited partner's interest in a limited partnership. See instruction 6b(2) starting on page 14 for information about limited partnerships.

**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 stock and preferred stock. 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.

#### 17-22

##### Industry classification of fully consolidated U.S. affiliate

**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)** – REITs should allocate their sales based on the activities of their fully consolidated domestic U.S. holdings. For example, a REIT that owns a shopping center, should classify rents generated by the shopping center in ISI code 5310 (real estate). A REIT that holds a limited partner's interest in a limited partnership and thus has no vote in the management of the partnership must classify revenues generated by that activity in ISI code 5252 (Funds, trusts and other financial vehicles). A REIT that lends money for mortgages to owners of real estate should classify revenues generated by that activity in ISI code 5224 (nondepository credit intermediation). A REIT that holds only minority voting interests in one or more properties should be classified in ISI code 5512 (holding companies, except bank holding companies).

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

##### Section B – OTHER FINANCIAL AND OPERATING DATA

**27. Total employee compensation** – Base employee compensation on payroll records related to activities during the reporting period. Employee compensation consists of:

(1) **Wages and salaries** are the gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to 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.

(2) **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.

**29. Research and development expenditures** – 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.

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

a. Pursue a planned search for **new knowledge**, whether or not the search has reference to a specific application (Basic research);

b. Apply **existing knowledge** to problems involved in the **creating of a new product or process**, including work required to evaluate possible uses (Applied research); or

c. Apply **existing knowledge** to problems involved in the **improvement of a present product or process** (Development).

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 an R&D organization.

#### 30-31

##### EXPORTS AND IMPORTS OF U.S. AFFILIATE

**U.S. trade in goods (exports and imports)** – Report amounts on U.S. trade in goods between U.S. affiliates and foreign persons on a "shipped" basis, i.e., on the basis of when, where, and to (or by) whom the goods were shipped. This is the same basis as official U.S. trade statistics to which these amounts will be compared. Do not record a U.S. import or U.S. export if the goods did not physically enter or leave (i.e., were not physically shipped to or from) the United States, even if they were charged to the U.S. affiliate by, or charged by the U.S. affiliate to, a foreign person.

U.S. affiliates normally keep their accounting records on a "charged" basis, i.e., on the basis of when, where, and to (or by) whom the goods were billed or charged. The charged basis may be used if there is no material difference between it and the "shipped" basis.

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 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.

If a material difference exists between the "charged" and "shipped" basis, trade must be reported on the "shipped" basis. To do this, the U.S. affiliate may have to derive the data from export and import declarations filed with U.S. Customs or from shipping and receiving documents, rather than from accounting records, or may have to otherwise adjust its data from a "charged" to a "shipped" basis.

#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORTED FORM — Continued

**Packaged general use computer software** – Include exports and imports of packaged general use computer software. Value such exports and imports at full transactions value, i.e., including both the value of the media on which the software is recorded and the value of the information contained on the media. Exclude receipts and payments for 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. Also exclude receipts and payments for software that is transmitted electronically rather than physically shipped.

**Natural gas distribution** – Include the value of natural gas that is exported or imported as trade in goods. However, exclude natural gas that you do not produce or sell at wholesale, but simply transmit for others via a pipeline.

**Definition of U.S. trade in goods** – The phrases "U.S. trade in goods," "U.S. goods exports," and "U.S. goods imports" refer to physical movements of goods between the customs area of the United States and the customs area of a foreign country. Include consigned goods in the trade figures when shipped or received, even though they are not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned.

Include **capital goods** but exclude the value of ships, planes, railroad rolling stock, and trucks that were temporarily outside the United States transporting people or goods.

**In-transit goods** – Exclude from exports and imports the value of any goods that are in-transit. In-transit goods are goods that are not processed or consumed by residents in the intermediate country(ies) through which they transit; the in-transit goods enter those countries only because those countries are along the shipping lines between the exporting and importing countries.

In-transit goods 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).

**Timing** – Only include goods actually shipped between the United States and a foreign country during FY 2003 regardless of when the goods were charged or consigned. For example, include goods shipped by the U.S. affiliate in FY 2003 that were charged or consigned in FY 2004, but exclude goods shipped in FY 2002 that were charged or consigned in FY 2003.

**Trade of the U.S. affiliate** – 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.

NOTE: Goods shipped by an independent carrier or a freight forwarder to or from the United States on behalf of and at the expense of a U.S. affiliate are shipments by the U.S. affiliate.

**Valuation of exports and imports** – Value U.S. goods exports and imports f.a.s. (free alongside ship) at the port-of-exportation. This includes all costs incurred up to the point of loading the goods aboard the export carrier at the U.S. or foreign port of exportation, including the selling price at the interior point of shipment (or cost if not sold), packaging costs, and inland freight and insurance. It excludes 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.

**32.b. Certain realized and unrealized gains (losses) - Note:** 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 Generally Accepted Accounting Principles.

Report at **gross** amount **before** income tax effect. Report gains (losses) resulting from:

- a. Sale or disposition of investment securities, and FAS 115 impairment losses. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies, see special instructions below;
- b. Sale or disposition of land, other property, plant and equipment, or other assets, and FAS 144 impairment losses. DO NOT include gains or losses from the sale of inventory assets in the ordinary course of trade or business. Real estate companies, see special instructions below;
- c. Goodwill impairment as defined by FAS 142;
- d. Restructuring. Include restructuring costs that reflect write downs or writeoffs of assets or liabilities. EXCLUDE actual payments, or charges to establish reserves for future actual payments, such as for severance pay, and fees to accountants, lawyers, consultants, or other contractors;
- e. 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 17 through 22;
- f. Remeasurement of the U.S. affiliate's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the reporting period;
- g. 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, writeoffs of tangible and intangible assets; gains (losses) from the sale or other disposition of capital assets; and gains (losses) from the sale or other disposition of financial assets, including securities, to the extent not included above. Exclude legal judgments; and
- h. The cumulative effect of a change in accounting principle.

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

**(1) Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies** – Include in item 32b:

- (a) Impairment losses as defined by FAS 115,
- (b) Realized gains and losses on trading or dealing,
- (c) Unrealized gains or losses, due to changes in the valuation of financial instruments that flow through the income statement, and
- (d) Goodwill impairment as defined by FAS 142.

EXCLUDE unrealized gains or losses due to changes in the valuation of financial instruments that are taken to other comprehensive income. Reflect such gains only in the ending owners' equity balance (line 25).

EXCLUDE income from explicit fees and commissions from item 32b. Include income from these fees and commissions as part of your income from operations on lines 17 through 22.

**(2) Real estate companies** – Include in item 32b:

- (a) Impairment losses as defined by FAS 144,
- (b) Goodwill impairment as defined by FAS 142, and
- (c) Gains recognized due to the revaluation of real estate assets.

EXCLUDE the revenues earned and expense incurred from the sale of real estate you own. Such revenues should be reported as part of operating income in item 22 column 2.

#### Section C – SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION

##### 33-45

The Schedule of Employment and Property, Plant, and Equipment, by Location covers the 50 States, the District of Columbia, and all territories and possessions of the United States. Include in this schedule only amounts pertaining to those U.S. business enterprises that are fully consolidated into the reporting U.S. affiliate. DO NOT consolidate or include amounts for foreign business enterprises or operations, whether incorporated or unincorporated.

**Column (3) Number of employees** – Employment is the number of full-time and part-time employees on the payroll at the end of FY 2003, excluding contract workers and other workers not carried on the payroll of this U.S. affiliate. If employment at the end of FY 2003, or the count taken at some other time during FY 2003, 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 2003. If given, the average should be the average for FY 2003 of the number of persons on the payroll at the end of each payroll period, month, or quarter. If precise figures are not available, give your best estimate.

**Location** of employees or of an asset is the U.S. State, territory, or possession in which the person is permanently employed, or in which the land or other property, plant, and equipment is physically located and to which property taxes, if any, on such assets are paid.

**Example:** An employee carried on the payroll of a company located in California who is on a duty assignment for one year or less in Texas should be shown as being located in California, not Texas.

**Exception:** If the duty assignment is for more than one year, show the employee as being located in Texas, not California.

**Foreign** – Except as noted below, exclude employees, land, and other property, plant, and equipment, located outside of the United States from the Schedule of Employment and Property, Plant, and Equipment, 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 as foreign. Exclude these employees from the BE-15 report if they are carried on a foreign payroll.
- c. Real estate located outside the United States that is owned by the U.S. affiliate and carried on its books but which generates no revenues for, or reimbursements to, the U.S. affiliate should be reported as foreign. Real estate that 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.
- d. Machinery and similar equipment located outside the United States that are owned by the U.S. affiliate and carried on its books should be reported as foreign. However, machinery or equipment that frequently switches locations, such as aircraft, railroad rolling stock, ships of U.S. registry, or vehicles should be reported as "Other property, plant, and equipment."
- e. Use the "foreign" line to report oil and gas sites that (1) are owned by U.S. affiliates; (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.



#### IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORTED FORM — Continued

**Other property, plant, and equipment** – Use the category "other property, plant, and equipment" to report (1) items that frequently switch locations such as aircraft, railroad rolling stock, ships of U.S. registry, and vehicles engaged in interstate transportation, (2) items such as pipelines, fiber optic cable, power lines, etc., located in more than one state, (3) satellites, and undersea cable, and (4) property leased to others, except land or buildings, under operating leases. Also, include here machinery and equipment that frequently switch locations, located outside the United States, owned by the U.S. affiliate, and carried on its books.

#### V. SPECIAL INSTRUCTIONS

**A. Insurance companies** – When there is a difference, between the financial and operating data reported to stockholders and the data reported in the annual statement to an insurance department, prepare the BE-15 report on the same basis as the annual report to the stockholders. Valuation should be according to normal commercial accounting procedures, not at the rates promulgated by the National Association of Insurance Commissioners, i.e., the BE-15 report should include the following assets even though they are not acceptable for inclusion in the annual statement to an insurance department: **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-15(SF):

**22 TOTAL SALES** – Include items such as earned premiums, annuity considerations, gross investment income, and items of a similar nature. Exclude income from unconsolidated affiliates. Also exclude income that is to be reported in item 32.b., certain realized and unrealized gains (losses).

**23 TOTAL ASSETS** – Include current items such as agents' balances, uncollected premiums, amounts recoverable from reinsurers, and other current notes and accounts receivable (net of allowances for doubtful items) arising from the ordinary course of business.

**24 TOTAL LIABILITIES** – Include current items such as loss liabilities, policy claims, commissions due, other current liabilities arising from the ordinary course of business, and long-term debt.

**25 TOTAL OWNERS' EQUITY** – Include mandatory securities valuation reserves that are appropriations of retained earnings.

**32.b. CERTAIN REALIZED AND UNREALIZED GAINS (LOSSES)** – See special instructions for item 32.b. on page 16 of this form.

**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 23 and 24 of Form BE-12(SF).

**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.

**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.C. on page 12 of this form). If the aggregate of such holdings exceeds one or more of the exemption levels, then the holdings must be reported even if individually they would be exempt. In such a case, 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 \$125 million (positive or negative), file Form BE-15(LF). If permission has been received in writing from BEA to file on an non-aggregated basis, you must report each real estate investment on a Form BE-15(LF) if a Form BE-15(LF) 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.

In part I, Identification of U.S. Affiliate, 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, in item 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 in item 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-15(SF) 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 Form BE-15(SF) or BE-15(LF) must be filed by the affiliate (subject to the exemption criteria and 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 Form BE-15(SF) or BE-15(LF) 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 Form BE-15(SF) or BE-15(LF) 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.

## V. SPECIAL INSTRUCTIONS — Continued

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.

**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 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 the next paragraph.
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 nevertheless 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-15(LF), BE-15(SF), or BE-15(EZ) no later than May 31, 2004. If the U.S. affiliate is exempt from filing Form BE-15(LF), BE-15(SF), or BE-15(EZ) based on the criteria in instruction I.B. on page 12, complete and file Form BE-15 Supplement C by May 31, 2004.

**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/astar/](http://www.bea.gov/astar/) for details about this option. To obtain forms on line go to: [www.bea.gov/bea/surveys/fdiusurv.htm](http://www.bea.gov/bea/surveys/fdiusurv.htm).

**C. Extensions** – For the efficient processing of the survey and timely dissemination of the results, it is important that your report be filed by the due date. Nevertheless, reasonable requests for extension of the filing deadline will be granted. Requests for extensions of more than 30 days **MUST be in writing** and should explain the basis for the request. You may request an extension via email at [be12/15@bea.gov](mailto:be12/15@bea.gov). For extension requests of 30 days or less, you may call BEA at (202) 606-5577. All requests for extensions must be received **BEFORE** the due date of the report.

**D. Assistance** – For assistance, telephone (202) 606-5577, FAX (202) 606-5319, or send e-mail to [be12/15@bea.gov](mailto:be12/15@bea.gov). Forms can be obtained from BEA's web site at: [www.bea.gov/bea/surveys/fdiusurv.htm](http://www.bea.gov/bea/surveys/fdiusurv.htm).

**E. Annual stockholders' report or other financial statements** – Please furnish a copy of your FY 2003 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. 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 in Part 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 in paragraph VI.H., below.)

**G. Where to send the report** – To file electronically, see our web site at [www.bea.gov/astar/](http://www.bea.gov/astar/).

Send reports filed by mail through the U.S. Postal Service to:

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

Direct reports filed by private delivery service to:

U.S. Department of Commerce  
Bureau of Economic Analysis  
BE49(A)  
Shipping and Receiving Section, M100  
1441 L Street, NW  
Washington, DC 20005

**H. Confidentiality** – The information filed in this report may be used only for analytical and statistical purposes and access to the information shall be available only to officials and employees (including consultants and contractors and their employees) of agencies designated by the President to perform functions under the Act. The President may authorize the exchange of the information between agencies or officials designated to perform functions under the Act, but only for analytical and statistical purposes. No official or employee (including consultants and contractors and their employees) shall publish or make available any information collected under the Act in such a manner that the person to whom the information relates can be specifically identified. Reports and copies of reports prepared pursuant to the Act are confidential and their submission or disclosure shall not be compelled by any person without the prior written permission of the person filing the report and the customer of such person where the information supplied is identifiable as being derived from the records of such customer (22 U.S.C. 3104).



**ANNUAL SURVEY OF FOREIGN DIRECT INVESTMENT IN THE UNITED STATES - 2003**  
**CLAIM FOR EXEMPTION FROM FILING FORM BE-15(LF), BE-15(SF), or BE-15(EZ)**

**BEA USE ONLY** Control number

Public reporting burden for this claim for exemption is estimated to vary from 20 to 75 minutes per response, with an average of 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230, and to the Office of Management and Budget, Paperwork Reduction Project 0608-0034, Washington, DC 20503.

**DUE DATE: MAY 31, 2004**

**ELECTRONIC FILING** See our web site at [www.bea.gov/astar/](http://www.bea.gov/astar/) for details

**OR**

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

**OR**

**DELIVER REPORTS TO** U.S. Department of Commerce  
 Bureau of Economic Analysis, BE-49(A)  
 Shipping and Receiving Section, M100  
 1441 L Street, NW  
 Washington, DC 20005

**IDENTIFICATION OF U.S. AFFILIATE**

**A.** Name and address of U.S. business enterprise for which this claim is filed - If the enterprise received a pre-labeled Form BE-15(LF), BE-15(SF), or BE-15(EZ), but is exempt from filing those forms, enter below the name, address, and BEA Identification Number from the label affixed to Part I, item 1 of that form. If a pre-labeled form was not received, enter full name and address.

Name of U.S. affiliate  
 1002 0

c/o (care of)  
 1010 0

Street or P.O. Box  
 1003 0

City and State  
 1004 0

ZIP Code Foreign Postal Code  
 1005 0 OR 0

**IMPORTANT**

**Who must respond?** See "response required" on page 2.

**Definitions of key terms -** See page 2.

**Which Sections to Complete?** If you are required to respond, complete items A, B, Person to Consult Concerning Questions About This Report, and Certification on page 1. Also, please review the questions below to determine if additional information is required.

**I** Were at least 10 percent of the voting rights in your business directly or indirectly owned by a foreign person at the end of your 2003 fiscal year?

- Yes - Continue with question II below. **Note: Your business is hereinafter referred to as a "U.S. affiliate."**
- No - Skip item 1 on page 1. Complete item 2(a) or (c) or (d) or (e) on page 2.

**II** Is this U.S. affiliate a bank or bank holding company?

- Yes - Complete item 2(e) on page 2 and specify that the affiliate is a bank or bank holding company.
- No - Continue with question III below.

**III** 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 2003 fiscal year?

- Yes - Continue with question IV below.
- No - Skip to question V below.

**IV** Will the data for this U.S. affiliate be fully consolidated into the 2003 BE-15 report filed for another U.S. affiliate that owns more than 50 percent of the voting rights (directly or indirectly) of this U.S. affiliate?

- Yes - Complete item 2b on page 2.
- No - Contact BEA for guidance. See "assistance" below.

**V** 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 \$30 million at the end of, or for, its 2003 fiscal year?

- Yes - You are not eligible to file Form BE-15 Supplement C and must file either a Form BE-15(LF), BE-15(SF), or BE-15(EZ).
- No - Complete items 1a through 1h on page 1. Do NOT complete item 2 on page 2.

**B.** Enter Employer Identification Number(s) used by the U.S. business enterprise to file income and payroll taxes.

Primary Other  
 1006 1 - 2 -

**BASIS OF CLAIM FOR EXEMPTION**

Complete item 1 below or item 2 (on back), whichever is applicable.

**1.**  00100 **If item 1 is applicable, complete ALL items (1.a. through 1.h.) below**

The U.S. business enterprise was a U.S. affiliate of a foreign person at the end of its fiscal year that ended in calendar year 2003, but is exempt from filing Form BE-15(LF), BE-15(SF), or BE-15(EZ) because, on a fully consolidated, or in the case of real estate investments, an aggregated basis, each of the following three items for the U.S. affiliate (not just the foreign parent's share) did not exceed \$30 million (positive or negative) at the end of, or for, its fiscal year that ended in calendar year 2003:

- Total assets (do not net liabilities)
- Sales or gross operating revenues, excluding sales taxes, and
- Net income (loss) for FY 2003, after provision for U.S. Federal, State, and local income taxes

	Amount	Amount			
		Bil.	Mil.	Thous.	Dols.
a. Total assets at close FY 2003 - Do not net liabilities 2109	\$				
b. Sales or gross operating revenues for FY 2003, excluding sales taxes - Do not give gross margin. 2149	\$				
c. Net income (loss) for FY 2003, after provision for U.S. Federal, State, and local income taxes 2159	\$				

**d.** Country of foreign parent **BEA USE ONLY**

3016  1

**e.** Country of ultimate beneficial owner (UBO) - See page 2 for definition of UBO. **BEA USE ONLY**

3022  1

**f.** Total liabilities 2114  3

Please check box if total liabilities are zero

**g. Major product(s) or service(s) of fully consolidated domestic U.S. affiliate -** Briefly describe the major product(s) and/or service(s) of the U.S. affiliate. 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

**h. Industry of this affiliate -** Enter the 4-digit international surveys industry (ISI) code of the industry with the largest sales or gross operating revenues. For a full explanation of each code, see the *Guide to Industry and Foreign Trade Classifications for International Surveys, 2002.*

1164

**U.S. AFFILIATE'S 2003 FISCAL YEAR -** The affiliate's financial reporting year that had an ending date in calendar year 2003.

**Assistance -** E-mail: [be12/15@bea.gov](mailto:be12/15@bea.gov); Telephone: (202) 606-5577; FAX: (202) 606-5319.

**PENALTIES -** See page 2 for details.

**MANDATORY -** This survey is being conducted pursuant to the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended - hereinafter "the Act"), and the filing of reports is mandatory pursuant to Section 5(b)(2) of the Act (22 U.S.C. 3104).

**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.

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

Name 1000 0

Address

TELEPHONE NUMBER 1001 0 Area code Number Extension

FAX NUMBER 0999 0 Area code Number

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

Authorized official's signature Date

Print or type name and title

Telephone number FAX number

May we use e-mail to correspond with you to discuss questions relating to this Form BE-15 Supplement C, including questions that may contain information about your company that you may consider confidential? (Note that electronic mail is not inherently confidential; we will treat information we receive as confidential, but your e-mail is not necessarily secure against interception by a third party.)

1027 1  Yes - If yes, please provide your e-mail address. →

2  No

E-mail address 0

1028

2. This U.S. business enterprise is exempt from filing a Form BE-15(LF), BE-15(SF), or BE-15(EZ) because:

(a) 00110  1 This U.S. business enterprise was not a U.S. affiliate of a foreign person at any time during calendar year 2003 but had been a U.S. affiliate of a foreign person at some time during calendar year 2002.

Give date foreign ownership ceased or went below 10 percent.

7010	Month	Day	Year
	1		

(b) 00112  1 This U.S. business enterprise was a U.S. affiliate of a foreign person during its fiscal year that ended in calendar year 2003 but is fully consolidated into the BE-15 report for another U.S. affiliate — In the lines below, give name, address, and BEA Identification Number of the consolidated U.S. affiliate that is reporting to BEA:

Name

00120	0
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Street or P.O. Box

00130	0
-------	---

City and State

00140	0
-------	---

ZIP Code

00150	0
-------	---

BEA Identification Number

7011	0
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(c) 00170  1 This U.S. business enterprise was a U.S. affiliate of a foreign person at some time during calendar year 2003 but ceased to be a U.S. affiliate before the end of its fiscal year that ended in calendar year 2003.

Give date foreign ownership ceased or went below 10 percent.

7012	Month	Day	Year
	1		

(d) 00180  1 This U.S. business enterprise is a U.S. affiliate of a foreign person, but it became a U.S. affiliate after the end of the U.S. business enterprise's fiscal year that ended in calendar year 2003, or if a newly formed company, its first fiscal year did not or will not end until after the end of calendar year 2003. Complete items (1) and (2) below.

(1) Give date when the U.S. business enterprise became a U.S. affiliate of a foreign person.

7013	Month	Day	Year
	1		

Note that a Form BE-13 should have been filed to reflect the acquisition. Forms can be found at: [www.bea.gov/bea/surveys/fdiusurv.htm](http://www.bea.gov/bea/surveys/fdiusurv.htm)

(2) Give the ending date of the U.S. business enterprise's fiscal year that ended in calendar year 2003; if a newly formed company give the ending date of the U.S. business enterprise's first fiscal year. NOTE: This must be a date in calendar year 2004.

7014	Month	Day	Year
	1		

(e) 00190  1 Other – Specify and include reference to section of regulations or instructions on which claim is based.

7015	0
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**Response required** – Section 806.4 of 15 CFR, Chapter VIII, requires that all persons subject to the reporting requirements of the BE-15 Survey respond, whether or not they are contacted by BEA. It also requires that persons who are contacted by BEA about reporting in this survey, must respond in writing. They may respond by:

- certifying in writing, by May 31, 2004 to the fact that the person had no direct investment within the purview of the reporting requirements of the BE-15 survey;
- completing and returning the Form BE-15 Supplement C – Claim for Exemption From Filing Form BE-15(LF), BE-15(SF), or BE-15(EZ), by May 31, 2004; or
- filing the properly completed Form BE-15(LF), BE-15(SF), or BE-15(EZ) by May 31, 2004, as required.

They may also respond using BEA's Automated Survey Transmission and Retrieval (ASTAR) system.

If this claim for exemption is disallowed, the original due date of the BE-15 report remains in force.

**Penalties** – Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such 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 the form.

**Note** – 18 U.S.C. 1001 (Crimes and Criminal Procedure) makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

**DEFINITIONS OF KEY TERMS**

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

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

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

**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.

**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.

