BEA
BUREAU OF ECONOMIC ANALYSIS
U.S. DEPARTMENT OF COMMERCE

BE-15 Identification Number

2014 ANNUAL SURVEY OF FOREIGN DIRECT INVESTMENT IN THE UNITED STATES FORM BE–15C

Due date: **May 31, 2015**

Electronic filing:
www.bea.gov/efile

Mail reports to:
U.S. Department of Commerce
Bureau of Economic Analysis
Direct Investment Division, BE–49(A)
4600 Silver Hill Rd
Washington, DC 20233

Deliver reports to:
U.S. Department of Commerce
Bureau of Economic Analysis
Direct Investment Division, BE–49(A)
4600 Silver Hill Rd
Suitland, MD 20746

Fax reports to:
(301) 278–9500

Name and address of U.S. business enterprise

1002 Name of U.S. business enterprise
0

1010 c/o (care of)
0

1003 Street or P.O. Box
0

1004 City
0

0098 State

1005 ZIP Code
0

OR

Foreign Postal Code

Assistance: E-mail: be12/15@bea.gov
Telephone: (301) 278-9247
Copies of blank forms: www.bea.gov/fdi

Include your BE–15 Identification Number with all requests.

Who must file BE–15C — Form BE-15C must be filed for a U.S. affiliate with total assets, sales or gross operating revenues, or net income greater than **$40 million** (positive or negative) but not greater than **$120 million** (positive or negative) if:

(a) the affiliate has NOT filed a BE-12 or BE-15 for a fiscal year that ended BEFORE January 1, 2014; OR

(b) the affiliate has been instructed in writing by BEA to file a BE-15 for the fiscal year that ended in calendar year 2014.

If you do not meet these filing criteria, see instruction I.A.1 on page 12 to determine which form to file.

Mandatory, Confidentiality, Penalties

This survey is being conducted under the International Investment and Trade in Services Survey Act (P.L. 94–472, 90 Stat. 2059, 22 U.S.C. 3101–3108, as amended). The filing of reports is mandatory and the Act provides that your report to this Bureau is confidential. Whoever fails to report may be subject to penalties. See page 11 for more details.

CONTACT INFORMATION

Provide information of person to consult about this report:

1000 Name
0

1029 Street 1
0

1030 Street 2
0

1031 City
0
State
Zip

1001 Telephone Number
0
Extension

0999 Fax Number
0

1028 E-mail Address
0

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

CERTIFICATION

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

Signature of Authorized Official

Date

0992 Telephone Number
0
Extension

0990 Name
0

0991 Title
0

0993 Fax Number
0

Part I - Identification of U.S. Affiliate

IMPORTANT

Review the instructions starting on page 11 before completing this form. **Insurance and real estate companies** see special instructions on page 16.

- **Accounting principles** — If feasible use U.S. Generally Accepted Accounting Principles to complete Form BE–15 unless you are requested to do otherwise by a specific instruction. References in the instructions to Financial Accounting Standards Board Accounting Standards Codification Topics are referred to as "FASB ASC".
- **U.S. affiliate's 2014 fiscal year** — The affiliate's financial reporting year that had an ending date in calendar year 2014.
- **Consolidated reporting** — A U.S. affiliate must file on a fully consolidated **domestic U.S.** basis, including in the consolidation ALL U.S. business enterprises proceeding down each ownership chain whose voting securities are more than 50 percent owned by the U.S. business enterprise above. The consolidation rules are found in instruction IV.2 on page 14.
- **Rounding** — Report currency amounts in U.S. dollars rounded to thousands (omitting 000). Do not enter amounts in the shaded portions of each item.

	$ Bil.	Mil.	Thous.	Dols.
Example — If amount is $1,334,891.00 report as:		1	335	000

1 Which financial reporting standards will you use to complete this BE–15 report?

NOTE — The BE-15 report should be completed using U.S. Generally Accepted Accounting Principles (U.S. GAAP). If using U.S. GAAP to complete this report is highly burdensome, or otherwise not feasible, you may use other financial reporting standards, preferably with adjustments to correct for any material differences between U.S. GAAP and the reporting standards used.

1399 1 1 ☐ U.S. Generally Accepted Accounting Principles

1 2 ☐ International Financial Reporting Standards (as promulgated by, or adapted from, the International Accounting Standards Board) **NOTE** — Do not prepare your BE–15 report using the proportionate consolidation method.

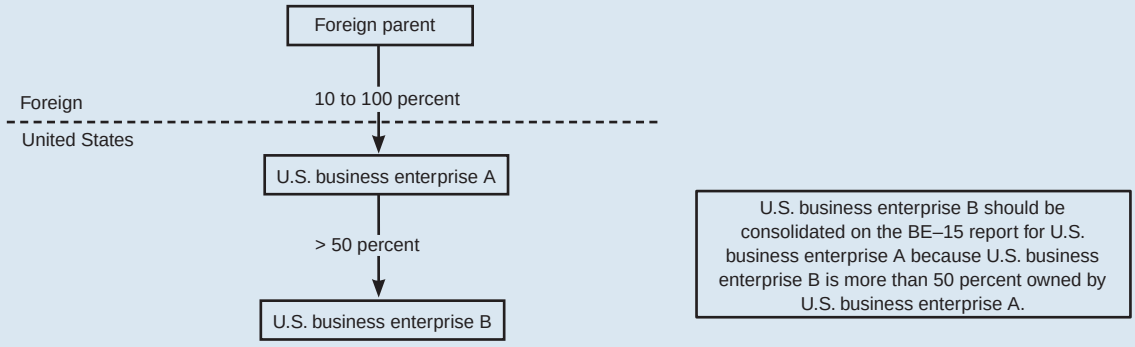
1 3 ☐ Other reporting standards — Specify the reporting standards used

2 Is more than 50 percent of the voting interest in this U.S. business enterprise owned by another U.S. affiliate of the foreign parent (see the diagram below)?

1400 1 1 ☐ Yes If "Yes" — Do not complete this report unless exception 2c described in the consolidation rules on page 14 applies. If this exception does not apply, forward this BE–15 survey packet to the U.S. business enterprise owning your company more than 50 percent, and notify BEA of the action taken by filing BE–15 Claim for Exemption with item 2(d) completed on page 3 of that form. The BE–15 Claim for Exemption can be downloaded from BEA's Web site at: www.bea.gov/fdi

1 2 ☐ No If "No" — Complete this report in accordance with the consolidation rules on page 14.

CONSOLIDATION OF U.S. AFFILIATES



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

1006 1 Primary ☐☐☐☐☐☐☐☐☐ 2 Other ☐☐☐☐☐☐☐☐☐

Part I - Identification of U.S. Affiliate – Continued

4 **Reporting Period** — Reporting period instructions are found in instruction for item 4 on page 14. If there was a **change in fiscal year**, review instruction 4.b. on page 14.

This U.S. affiliate's fiscal year ended in **calendar year 2014** on ..... 1007 MM/DD/YYYY

Example — If the fiscal reporting year ended on March 31, report for the 12-month period ended March 31, 2014.

NOTE — Affiliates with a fiscal year that ended within the first week of January 2015 are considered to have a 2014 fiscal year and should report December 31, 2014 as their 2014 fiscal year end.

5 **Did the U.S. business enterprise become a U.S. affiliate during its fiscal year that ended in calendar year 2014?**

1008 1 1 ☐ Yes If "Yes" — Enter the date the U.S. business enterprise became a U.S. affiliate and see instruction for item 5 on page 14 to determine how to report for the first time ..... 1009 MM/DD/YYYY

1 2 ☐ No

NOTE — For a U.S. business enterprise that became a U.S. affiliate during its fiscal year that ended in calendar year 2014, leave the close FY 2013 data columns blank.

6 **U.S. business enterprises fully consolidated in this report** — U.S. business enterprises that are more than 50-percent owned should be fully consolidated in this report, except as noted in the consolidation rules starting on page 14. **Banks, see instruction I.C. on page 13 for aggregated reporting rules.**

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

1012 1

If the number is greater than one, complete the Supplement A on page 8.

7 **U.S. affiliates NOT fully consolidated —** See instruction 7 starting on page 14.

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

1013 1 **If number is not zero, complete the Supplement B on page 9.**

The U.S. affiliate named on page 1 must include data for unconsolidated U.S. affiliates on an equity basis or, if less than 20 percent owned, in accordance with FASB ASC 320 (formerly FAS 115) or the cost method of accounting. The U.S. affiliate named on page 1 also must notify the unconsolidated U.S. affiliates of their obligation to file a BE-15 in their own names (see page 12 to determine the appropriate form for these affiliates to file).

Part I - Identification of U.S. Affiliate – Continued

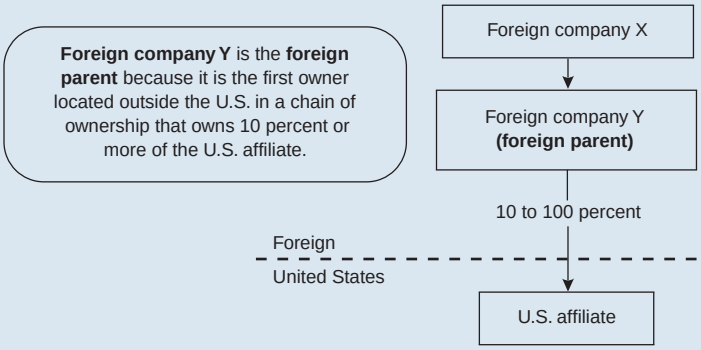
OWNERSHIP — Enter percent of ownership in this U.S. affiliate, to a tenth of one percent, based on voting interest (or an equivalent interest if an unincorporated affiliate). "Voting interest" is defined in instruction 8.a(1) on page 15.

Foreign parent — A foreign parent is the FIRST person or entity outside the U.S. in a chain of ownership that has a 10 percent or more **voting** interest (direct or indirect) in this U.S. affiliate. The country of foreign parent is the country of incorporation or organization if the parent is a business enterprise, or of residence if the parent is an individual or government. For individuals, see instruction 8.b on page 15.

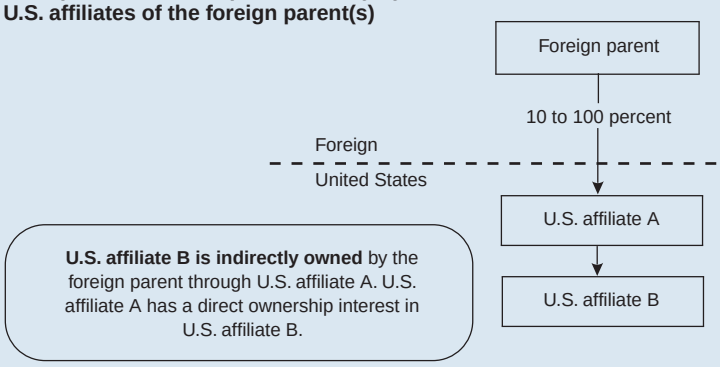
	Name of each direct owner	Country of foreign parent	Voting interest Close FY 2014 (1)	Voting interest Close FY 2013 (2)	BEA USE ONLY
Ownership held directly by foreign parent(s) of this affiliate—see example 1 below. Enter name and country of each foreign parent with direct ownership and the country of the foreign parent—if more than 2, continue on separate sheet.					
8		--Select Country--	1 %	2 %	3
9		--Select Country--	1 %	2 %	3
Ownership held directly by all U.S. affiliates of the foreign parent(s) — see example 2 below. Enter name of each U.S. affiliate that owns this affiliate and the country of the foreign parent — if more than 2, continue on separate sheet.					
10		--Select Country--	1 %	2 %	3
11		--Select Country--	1 %	2 %	3
12	**Direct ownership held by all other persons or entities** (do not list names) 1061		1 %	2 %	
	TOTAL — Sum of items 8 through 12		**100.0%**	**100.0%**	

EXAMPLES OF DIRECT AND INDIRECT FOREIGN OWNERSHIP

Example 1 – Ownership held directly by a foreign parent



Example 2 – Ownership held directly by all U.S. affiliates of the foreign parent(s)



Part I - Identification of U.S. Affiliate – Continued

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

13a **Enter name of foreign parent.** If the foreign parent is an individual enter "individual."

3011 0

13b **Enter the industry code of the foreign parent** from the list of codes on page 6 that best describes the PRIMARY activity of the SINGLE entity named as the foreign parent. DO NOT base the code on the worldwide sales of all consolidated subsidiaries of the foreign parent. If the foreign parent is an individual, enter code "05."

3018 1 --Select Industry--

Ownership Type: ☐ Direct ☐ Indirect

14 **For each foreign parent,** furnish the name, country and industry code of the ultimate beneficial owner (UBO) – see examples on page 6. If there is more than one foreign parent, list each on a separate sheet and give the name of its UBO, and the UBO's country and industry codes.

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

15a **Is the foreign parent also the UBO?** If the foreign parent is owned or controlled more than 50 percent by another person or entity, then the foreign parent is NOT the UBO.

3019 1

1 ☐ **Yes** (example 1 on page 6) – Skip to **15d**.

1 2 ☐ **No** (examples 2A and 2B on page 6) – Continue with **15b**.

15b **Enter the name of the UBO of the foreign parent.** If the UBO is an individual, or an associated group of individuals, enter "individual." See instruction II.D. on page 13 for the definition of associated group. Identifying the UBO as "bearer shares" is not an acceptable response.

3021 0

15c **Enter country in which the UBO is incorporated or organized, if a business enterprise, or is resident, if an individual or government.** For individuals, see instruction 8.b. on page 15.

--Select Country--

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3022 1

15d **Enter the industry code of the UBO** from the list of codes on page 6. Select the industry code that best reflects the consolidated worldwide sales of the UBO, including all of its majority-owned subsidiaries.

3023 1

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

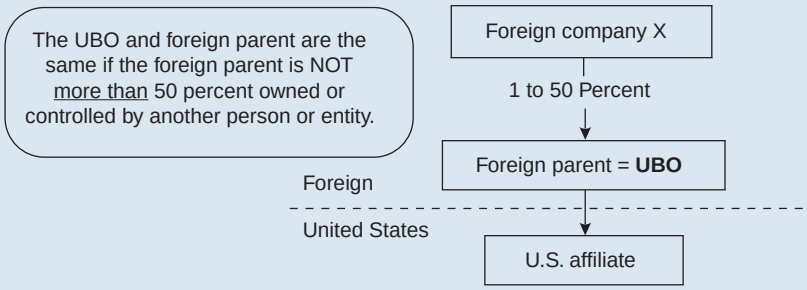
--Select Industry--

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

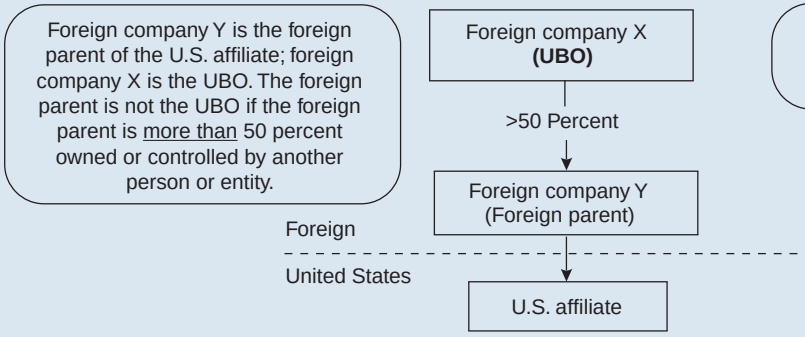
EXAMPLES OF THE ULTIMATE BENEFICIAL OWNER (UBO)

Example 1 – The UBO and foreign parent are the same

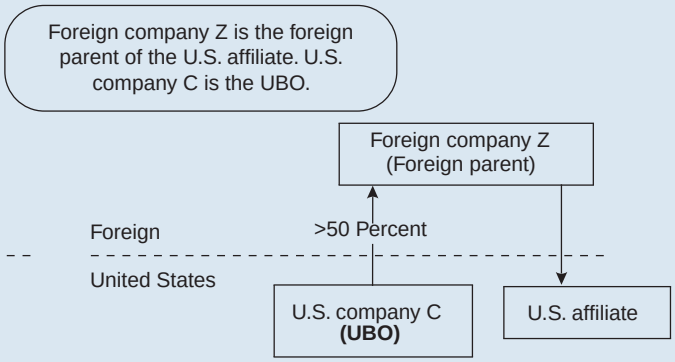


Examples 2A and 2B – The foreign parent is NOT the UBO

A. The UBO is a foreign person or entity



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



FOREIGN PARENT AND UBO INDUSTRY CODES

Note: "ISI codes" are International Surveys Industry codes, as given in the *Guide to Industry Classifications for International Surveys, 2012.* See the Summary of Industry Classifications on page 10.

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

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 4231–4540)

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 (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)

Part II - Financial and Operating Data of U.S. Affiliate

16 **What is (are) the major product(s) and/or service(s) of the fully consolidated 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, "manufactured widgets.")

1163

17 **Industry of this affiliate –** Enter the 4-digit International Surveys Industry (ISI) code of the industry in which the U.S. affiliate had the largest sales or gross operating revenues.

See the Summary of Industry Classifications on page 10; for a full explanation of each code see the *Guide to Industry Classifications for International Surveys, 2012* located at www.bea.gov/naics2012 1164

ISI Code

--Select ISI CODE--

18 **Sales or gross operating revenues, excluding sales taxes –** Report gross sales minus returns, allowances, and discounts. **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, but **exclude** gains or losses from DISPOSALS of discontinued operations..... 2149

$ Bil. Mil. Thous. Dols.

000

NOTE - Holding Companies (ISI code 5512) should report total income in this item including income (loss) from equity investments in unconsolidated U.S. and foreign entities, other income, plus sales and gross operating revenues, if any. Zero normally is NOT a correct entry for this item.

BALANCE SHEET

NOTE – Foreign operations of the U.S. affiliate, including those in which it has a majority interest, are to be unconsolidated. Include all unconsolidated foreign operations using the equity method.

Close FY 2014

		$ Bil.	Mil.	Thous.	Dols.
19 **Total assets**	2109				000
20 **Total liabilities**	2114				000

☐ **Check box if total liabilities are zero.**

INCOME AND EMPLOYMENT

$ Bil. Mil. Thous. Dols.

21 **Net income (loss) –** After provision for U.S. Federal, state, and local income taxes..... 2159 000

Number of employees

22 **Number of employees at close of FY 2014** – See instructions for item 22 on page 15 for information on reporting employment (including how to report when employment is subject to unusual variations) 2700

		$ Bil.	Mil.	Thous.	Dols.
23 **Employee compensation** – Employee compensation is defined in instruction 23 on page 15	2253				000
24 **Gross book value of all land and other property, plant, and equipment, at the close of FY 2014**	2397				000
25 **Research and development (R&D) expenditures for R&D performed BY the U.S. affiliate** – R&D is defined in instruction 25 on page 15	2403				000

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1299

OMB No. 0608-0034: Approval Expires 11/30/2018

FORM **BE-15 Supplement A (2014)**
(REV. 1/2014)

U.S. DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS

BEA USE ONLY | Page number

LIST OF ALL U.S. BUSINESS ENTERPRISES FULLY CONSOLIDATED INTO THE REPORTING U.S. AFFILIATE

NOTE – If you filed a Supplement A or a computer printout of Supplement A with your 2013 BE-15 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 on page 1

Supplement A must be completed by a reporting affiliate that consolidates financial and operating data of any other U.S. business enterprises. The number of U.S. business enterprises listed below plus the reporting U.S. business enterprise must agree with item 6 on page 3. Continue listing onto as many additional copied pages as necessary.

Primary Employer Identification Number as shown in item 3 on page 2. 5110 1 –

If the affiliate has changed since the last report, please select the reason. If it is new, please select "New".	Name of each U.S. business enterprise consolidated (as represented in item 6 on page 3) (1)	Employer Identification Number used to file income and payroll taxes (2)	Name of U.S. business enterprise which holds the direct ownership interest in the U.S. affiliate listed in column 1 (3)	Percent of direct **voting** ownership that the entity named in column 3 holds in the entity named in column 1. – *Enter percent to nearest tenth.* (4)
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %
--Select Reason--		3	4	5 %

OMB No. 0608-0034: Approval Expires 11/30/2018

FORM **BE-15 Supplement B (2014)**
(REV. 1/2014)

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 2013 BE-15 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.

Name of U.S. affiliate as shown on page 1

Supplement B must be completed by a reporting affiliate which files a BE-15C 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 7, on page 3. Continue listing onto as many additional copied pages as necessary.

If the affiliate has changed since the last report, please select the reason. If it is new, please select "New".	Name of each U.S. affiliate in which a direct interest is held but that is not listed in Supplement A (1)	Address *Provide number, street, city, state, and ZIP Code* (2)	Has affiliate been notified of obligation to file? (3)	Employer Identification Number used to file income and payroll taxes (4)	Percent of direct **voting** ownership interest that the fully consolidated U.S. business enterprise named on page 1, holds in the entity named in column 1. *– Enter percent to nearest tenth.* (5)
--Select Reason-- 6211	2	3	---	5	6 %
--Select Reason-- 6212	2	3	---	5	6 %
--Select Reason-- 6213	2	3	---	5	6 %
--Select Reason-- 6214	2	3	---	5	6 %
--Select Reason-- 6215	2	3	---	5	6 %
--Select Reason-- 6216	2	3	---	5	6 %
--Select Reason-- 6217	2	3	---	5	6 %
--Select Reason-- 6218	2	3	---	5	6 %
--Select Reason-- 6219	2	3	---	5	6 %
--Select Reason-- 6220	2	3	---	5	6 %
--Select Reason-- 6221	2	3	---	5	6 %

Summary of Industry Classifications–For a full explanation of each code see www.bea.gov/naics2012

Agriculture, Forestry, Fishing, and Hunting
1110 Crop production
1120 Animal production and aquaculture
1130 Forestry and logging
1140 Fishing, hunting, and trapping
1150 Support activities for agriculture and forestry

Mining
2111 Oil and gas extraction
2121 Coal
2123 Nonmetallic minerals
2124 Iron ores
2125 Gold and silver ores
2126 Copper, nickel, lead, and zinc ores
2127 Other metal ores
2132 Support activities for oil and gas operations
2133 Support activities for mining, except for oil and gas operations

Utilities
2211 Electric power generation, transmission, and distribution
2212 Natural gas distribution
2213 Water, sewage, and other systems

Construction
2360 Construction of buildings
2370 Heavy and civil engineering construction
2380 Specialty trade contractors

Manufacturing
3111 Animal foods
3112 Grain and oilseed milling
3113 Sugar and confectionery products
3114 Fruit and vegetable preserving and specialty foods
3115 Dairy products
3116 Meat products
3117 Seafood product preparation and packaging
3118 Bakeries and tortillas
3119 Other food products
3121 Beverages
3122 Tobacco
3130 Textile mills
3140 Textile product mills
3150 Apparel
3160 Leather and allied products
3210 Wood products
3221 Pulp, paper, and paperboard mills
3222 Converted paper products
3231 Printing and related support activities
3242 Integrated petroleum refining and extraction
3243 Petroleum refining without extraction
3244 Asphalt and other petroleum and coal products
3251 Basic chemicals
3252 Resins, synthetic rubbers, and artificial and synthetic fibers and filaments
3253 Pesticides, fertilizers, and other agricultural chemicals
3254 Pharmaceuticals and medicines
3255 Paints, coatings, and adhesives
3256 Soap, cleaning compounds, and toilet preparations
3259 Other chemical products and preparations
3261 Plastics products
3262 Rubber products
3271 Clay products and refractories
3272 Glass and glass products
3273 Cement and concrete products
3274 Lime and gypsum products
3279 Other nonmetallic mineral products
3311 Iron and steel mills and ferroalloys
3312 Steel products from purchased steel
3313 Alumina and aluminum production and processing
3314 Nonferrous metal (except aluminum) production and processing
3315 Foundries
3321 Forging and stamping
3322 Cutlery and handtools
3323 Architectural and structural metals
3324 Boilers, tanks, and shipping containers
3325 Hardware
3326 Spring and wire products
3327 Machine shops; turned products; and screws, nuts, and bolts
3328 Coating, engraving, heat treating, and allied activities
3329 Other fabricated metal products
3331 Agriculture, construction, and mining machinery
3332 Industrial machinery
3333 Commercial and service industry machinery
3334 Ventilation, heating, air-conditioning, and commercial refrigeration equipment
3335 Metalworking machinery
3336 Engines, turbines, and power transmission equipment
3339 Other general purpose machinery
3341 Computer and peripheral equipment
3342 Communications equipment
3343 Audio and video equipment
3344 Semiconductors and other electronic components
3345 Navigational, measuring, electromedical, and control instruments
3346 Manufacturing and reproducing magnetic and optical media
3351 Electric lighting equipment
3352 Household appliances
3353 Electrical equipment
3359 Other electrical equipment and components
3361 Motor vehicles
3362 Motor vehicle bodies and trailers
3363 Motor vehicle parts
3364 Aerospace products and parts
3365 Railroad rolling stock
3366 Ship and boat building
3369 Other transportation equipment
3370 Furniture and related products
3391 Medical equipment and supplies
3399 Other miscellaneous manufacturing

Wholesale Trade, Durable Goods
4231 Motor vehicles and motor vehicle parts and supplies
4232 Furniture and home furnishing
4233 Lumber and other construction materials
4234 Professional and commercial equipment and supplies
4235 Metal and mineral (except petroleum)
4236 Household appliances and electrical and electronic goods
4237 Hardware, and plumbing and heating equipment and supplies
4238 Machinery, equipment, and supplies
4239 Miscellaneous durable goods

Wholesale Trade, Non-Durable Goods
4241 Paper and paper product
4242 Drugs and druggists' sundries
4243 Apparel, piece goods, and notions
4244 Grocery and related product
4245 Farm product raw material
4246 Chemical and allied products
4247 Petroleum and petroleum products
4248 Beer, wine, and distilled alcoholic beverage
4249 Miscellaneous nondurable goods

Wholesale Trade, Electronic Markets and Agents And Brokers
4251 Wholesale electronic markets and agents and brokers

Retail Trade
4410 Motor vehicle and parts dealers
4420 Furniture and home furnishings
4431 Electronics and appliance
4440 Building material and garden equipment and supplies dealers
4450 Food and beverage
4461 Health and personal care
4471 Gasoline stations
4480 Clothing and clothing accessories
4510 Sporting goods, hobby, book, and music
4520 General merchandise
4530 Miscellaneous store retailers
4540 Non-store retailers

Transportation and Warehousing
4810 Air transportation
4821 Rail transportation
4833 Petroleum tanker operations
4839 Other water transportation
4840 Truck transportation
4850 Transit and ground passenger transportation
4863 Pipeline transportation of crude oil, refined petroleum products, and natural gas
4868 Other pipeline transportation
4870 Scenic and sightseeing transportation
4880 Support activities for transportation
4920 Couriers and messengers
4932 Petroleum storage for hire
4939 Other warehousing and storage

Information
5111 Newspaper, periodical, book, and directory publishers
5112 Software publishers
5121 Motion picture and video industries
5122 Sound recording industries
5151 Radio and television broadcasting
5152 Cable and other subscription programming
5171 Wired telecommunications carriers
5172 Wireless telecommunications carriers, except satellite
5174 Satellite telecommunications
5179 Other telecommunications
5182 Data processing, hosting, and related services
5191 Other information services

Finance and Insurance
5221 Depository credit intermediation (Banking)
5223 Activities related to credit intermediation
5224 Nondepository credit intermediation
5229 Nondepository branches and agencies
5231 Securities and commodity contracts intermediation and brokerage
5238 Other financial investment activities and exchanges
5242 Agencies, brokerages, and other insurance related activities
5243 Insurance carriers, except life insurance carriers
5249 Life insurance carriers
5252 Funds, trusts, and other finance vehicles

Real Estate and Rental and Leasing
5310 Real estate
5321 Automotive equipment rental and leasing
5329 Other rental and leasing services
5331 Lessors of nonfinancial intangible assets, except copyrighted works

Professional, Scientific, and Technical Services
5411 Legal services
5412 Accounting, tax preparation, bookkeeping, and payroll services
5413 Architectural, engineering, and related services
5414 Specialized design services
5415 Computer systems design and related services
5416 Management, scientific, and technical consulting services
5417 Scientific research and development services
5418 Advertising, public relations, and related services
5419 Other professional, scientific, and technical services

Management of Companies and Enterprises
5512 Holding companies, except bank holding companies
5513 Corporate, subsidiary, and regional management offices

Administrative and Support, Waste Management, and Remediation Services
5611 Office administrative services
5612 Facilities support services
5613 Employment services
5614 Business support services
5615 Travel arrangement and reservation services
5616 Investigation and security services
5617 Services to buildings and dwellings
5619 Other support services
5620 Waste management and remediation services

Educational Services
6110 Educational services

Health Care and Social Assistance
6210 Ambulatory health care services
6220 Hospitals
6230 Nursing and residential care facilities
6240 Social assistance services

Arts, Entertainment, and Recreation
7110 Performing arts, spectator sports, and related industries
7121 Museums, historical sites, and similar institutions
7130 Amusement, gambling, and recreation industries

Accommodation and Food Services
7210 Accommodation
7220 Food services and drinking places

Other Services
8110 Repair and maintenance
8120 Personal and laundry services
8130 Religious, grantmaking, civic, professional, and similar organizations

Public Administration
9200 Public administration

2014 ANNUAL SURVEY OF FOREIGN DIRECT INVESTMENT IN THE UNITED STATES
BE-15C INSTRUCTIONS

NOTE: Instructions in section IV are cross referenced by number to the items located on pages 2 to 9.

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

A response is required from persons (in the broad sense, including companies) subject to the reporting requirements of the BE-15 survey. Also, persons contacted by BEA concerning their being subject to reporting, either by sending them a report form or by written inquiry, must respond pursuant to section 801.3 of 15 CFR, pt. 801 and the survey instructions. This may be accomplished by completing and submitting Form BE-15A, BE-15B, BE-15C, or the BE-15 Claim For Exemption, whichever is applicable, **by May 31, 2015.**

Penalties – Whoever fails to report shall be subject to a civil penalty of not less than $2,500, and not more than $25,000, and to injunctive relief commanding such person to comply, or both. These civil penalties are subject to inflationary adjustments. Those adjustments are found in 15 CFR 6.4. Whoever willfully fails to report shall be fined not more than $10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such violations, upon conviction, may be punished by a like fine, imprisonment or both (22 U.S.C. 3105).

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number. The control number for this survey is at the top of page 1.

Respondent Burden – Public reporting burden for this BE-15C form is estimated to vary from 1 to 3 hours per response, with an average of 1.75 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, 4600 Silver Hill Rd, Washington, DC 20233; and to the Office of Management and Budget, Paperwork Reduction Project 0608-0042, Washington, DC 20503.

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

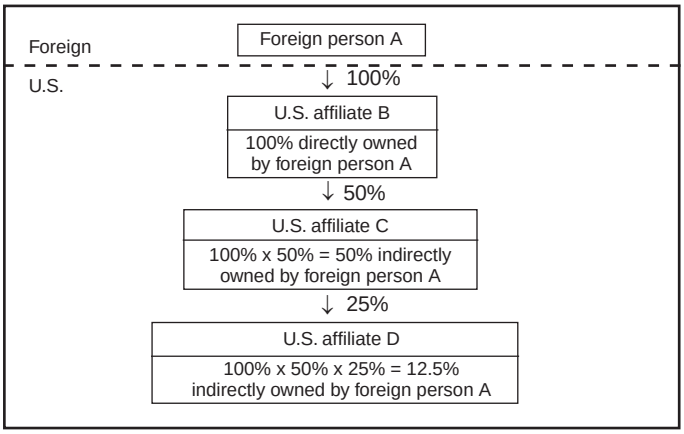
I. REPORTING REQUIREMENTS

A. Who must report – A BE-15 report is required for each U.S. affiliate, i.e., for each U.S. business enterprise in which a foreign person or entity owned or controlled, directly or indirectly, 10 percent or more of the voting securities if an incorporated U.S. business enterprise, or an equivalent interest if an unincorporated U.S. business enterprise, at the end of the business enterprise's fiscal year that ended in calendar year 2014.

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

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

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



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

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

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

Agencies and representative offices – U.S. representative offices, agents and employees of a foreign person or entity that meet the criteria outlined below are not considered to be U.S. affiliates, and therefore, they should not be reported on Forms BE-15A, BE-15B, or BE-15C. However, a foreign person's or entity's disbursements to maintain U.S. sales and representative offices must be reported on Form BE-125, Quarterly Survey of Transactions in Selected Services and Intangible Assets with Foreign Persons. Copies of Form BE-125 are available on the BEA Web site at:
www.bea.gov/surveys/iussurv.htm

A U.S. presence of a foreign person or entity (or their representative(s)) is considered a U.S. sales promotion or representative office if:

1. It is engaged only in sales promotion, representational activities, public relations activities, or the gathering of market information, on behalf of the foreign person or entity;

2. It does not produce revenue (other than funds from the foreign person or entity to cover its expenses); and

3. It has minimal assets held either in its own name or in the name of the foreign person or entity.

A U.S. presence of a foreign person or entity (or their representative(s)) that produces revenue for its own account from goods or services it provides to others is considered a U.S. affiliate and is subject to the BE-15 reporting requirements.

I. REPORTING REQUIREMENTS – Continued

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

a. Were at least 10 percent of the voting rights in your business enterprise directly or indirectly owned by a foreign person or entity at the end of your fiscal year that ended in calendar year 2014?

- ☐ Yes — *Continue with question b.*
- ☐ No — *File Form BE-15 Claim for Exemption by May 31, 2015.*

b. Were more than 50 percent of the voting rights in this U.S. business enterprise owned by another U.S. affiliate at the end of this U.S. business enterprise's fiscal year that ended in calendar year 2014?

- ☐ Yes — *Continue with question c.*
- ☐ No — *Skip to question d.* NOTE: Your business is hereafter referred to as a "U.S. affiliate."

c. Do different foreign persons hold a direct and an indirect ownership interest in this U.S. business enterprise (exception c to the consolidation rules)? (The consolidation rules are found in instruction IV.2. on page 14.)

- ☐ Yes — *Continue with question d.* NOTE: Your business is hereafter referred to as a "U.S. affiliate."
- ☐ No — This U.S. business enterprise must be consolidated on the BE-15 report of the U.S. affiliate that owns it more than 50 percent. File Form BE-15 Claim for Exemption with page 1 and item (d) on page 3 completed by May 31, 2015.

  Forward this survey packet to the U.S. affiliate that owns this affiliate more than 50 percent, and have them consolidate your data into their report.

d. Did **any one** of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed $40 million at the end of, or for, its fiscal year that ended in calendar year 2014?

- ☐ Yes — *Continue with question e.*
- ☐ No — File Form BE-15 Claim for Exemption by May 31, 2015.

e. Did **any one** of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed $120 million at the end of, or for, its fiscal year that ended in calendar year 2014?

- ☐ Yes — *Skip to question h.*
- ☐ No — *Continue with question f.*

f. Did you file either a BE-12 or a BE-15 for a fiscal year that ended BEFORE January 1, 2014?

- ☐ Yes — *Continue with question g.*
- ☐ No — *File Form BE-15C by May 31, 2015.*

g. Did you receive a request in writing from BEA to file a BE-15 for the fiscal year that ended in calendar year 2014?

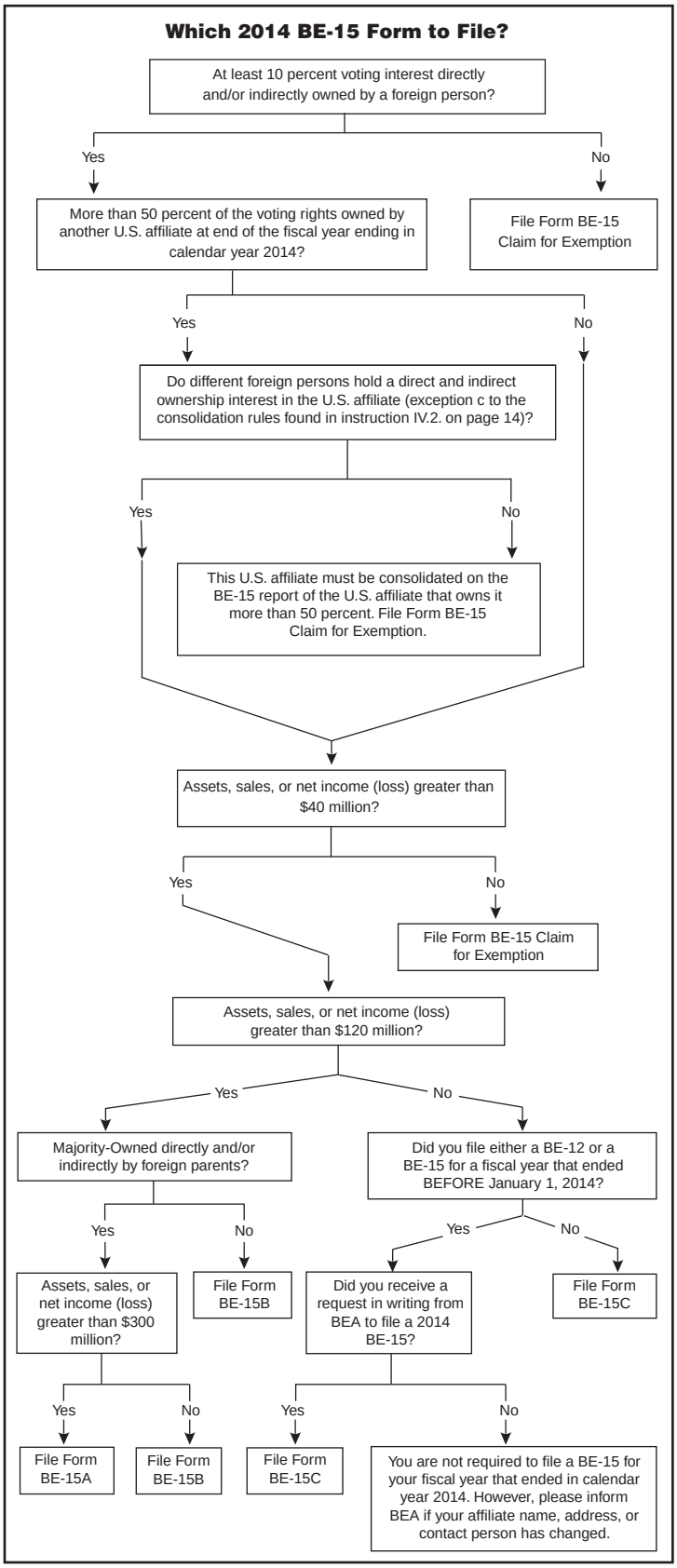
- ☐ Yes — *File Form BE-15C by May 31, 2015.*
- ☐ No — *You are not required to file a BE-15 for your fiscal year that ended in calendar year 2014. However, please inform BEA if your affiliate name, address, or contact person has changed.*

h. Was the U.S. affiliate **majority-owned** by its foreign parent(s) at the end of its fiscal year that ended in calendar year 2014? (A U.S. affiliate is "majority-owned" if the combined direct and indirect ownership interests of **all** foreign parents of the U.S. affiliate exceed 50 percent.)

- ☐ Yes — *Continue with question i.*
- ☐ No — *File Form BE-15B by May 31, 2015.*

i. Did **any one** of the items – Total assets, Sales or gross operating revenues, or Net income (loss) – for the U.S. affiliate (not just the foreign parent's share) exceed $300 million at the end of, or for, its fiscal year that ended in calendar year 2014?

- ☐ Yes — *File Form BE-15A by May 31, 2015.*
- ☐ No — *File Form BE-15B by May 31, 2015.*



I. REPORTING REQUIREMENTS – Continued

2. Who must file Form BE-15C – 2014 Annual Survey of Foreign Direct Investment in the United States?

Form BE-15C must be filed for a U.S. affiliate with total assets, sales or gross operating revenues, or net income greater than $40 million (positive or negative) but not greater than $120 million (positive or negative) if:

(a) the affiliate has NOT filed a BE-12 or BE-15 for a fiscal year that ended BEFORE January 1, 2014; OR

(b) the affiliate has been instructed in writing by BEA to file a BE-15 for the fiscal year that ended in calendar year 2014.

B. Aggregation of real estate investments – Aggregate all real estate investments of a foreign person for the purpose of applying the reporting criteria. Use a single report form to report the aggregate holdings, unless BEA has granted permission to do otherwise. Those holdings not aggregated must be reported separately. Real estate is discussed more fully in instruction V.B. on page 16.

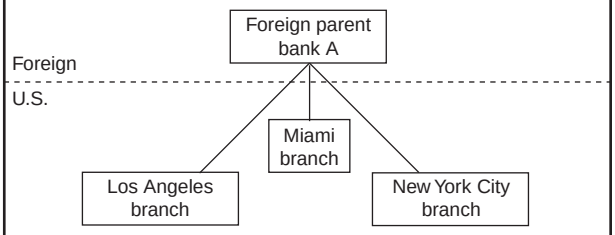
C. Aggregated reporting for banks – All U.S. branches and agencies (including International Banking Facilities) directly owned by a foreign bank may be aggregated on a single BE-15.

U.S. branches and agencies, directly owned by the foreign parent, that are aggregated on this report should be counted separately and listed separately on the Supplement A to this form. See Example A below.

U.S. branches and agencies, owned by a U.S. bank affiliate, should be consolidated on this report but **not** counted separately and **not** listed separately on the Supplement A to this form. See Example B below.

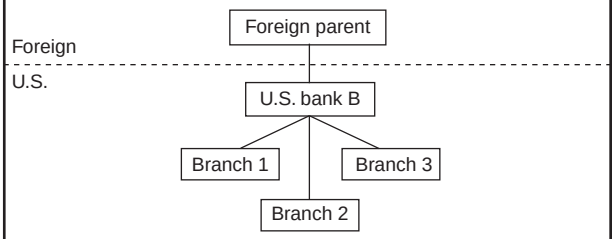
Note that subsequent filings of form BE-15 annual reports and Form BE-605 quarterly reports with BEA, if required, must be on the same aggregated basis. If all U.S. branches and agencies directly owned by a foreign bank are not aggregated on a single report, then each branch or agency must file a separate BE-15.

Example A



Data for **all** three branches (Miami, Los Angeles, and New York City) owned by Foreign parent bank A may be aggregated on a single BE-15. If aggregated, list **all** three branches on the Supplement A. Report "3" as the number of U.S. branches aggregated for item 6 on page 3.

Example B



Consolidate data for **each** branch (branch 1, branch 2, and branch 3) and U.S. bank B on a single BE-15. DO NOT list them on the Supplement A. Report "1" as number of U.S. affiliates consolidated for item 6 on page 3.

II. DEFINITIONS

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

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

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

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

1. Members of the same family.

2. A business enterprise and one or more of its officers or directors.

3. Members of a syndicate or joint venture.

4. A corporation and its domestic subsidiaries.

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

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

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

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

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

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

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

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

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

L. Foreign parent is a foreign person that directly or indirectly holds a voting interest of 10 percent or more in the U.S. affiliate. It is the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.

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

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

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

III. GENERAL INSTRUCTIONS

A. Required information not available – Make all reasonable efforts to obtain the information required for reporting. Answer every item except where specifically exempt. Indicate when only partial information is available.

B. Estimates – If actual figures are not available, 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-15C 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.

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

IV. INSTRUCTIONS FOR SPECIFIC SECTIONS OF THE REPORT FORM

NOTE: Instructions in section IV. are cross referenced by number to the items located on pages 2 to 9.

2 Consolidation Rules

Consolidated reporting by the U.S. affiliate – A U.S. affiliate must file on a fully consolidated **domestic** U.S. basis, including in the full consolidation all U.S. business enterprises proceeding down each ownership chain whose voting securities are more than 50 percent owned by the U.S. business enterprise above. 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.B. on page 16 for details.

Do not prepare your BE-15 report using the proportionate consolidation method. Except as noted in IV.2.b. and c. below, consolidate all majority-owned U.S. business enterprises into your BE-15 report.

Unless the exceptions discussed below apply, any deviation from these consolidation rules must be approved in writing by BEA. If you file deconsolidated reports, you must file the same type of reports that would have been required if a consolidated report was filed.

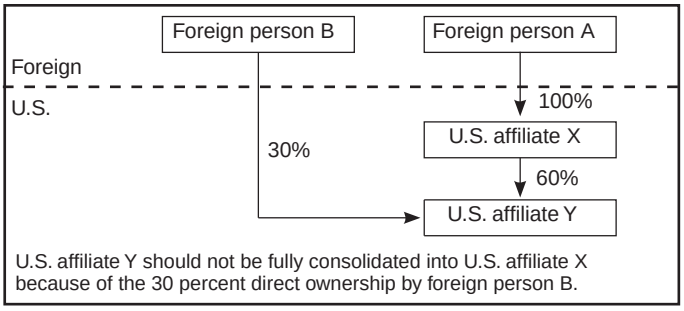
Report majority-owned subsidiaries, if not consolidated, on the BE-15C using the equity method of accounting. DO NOT eliminate intercompany accounts (e.g., receivables or liabilities) for affiliates not consolidated.

Exceptions to consolidated reporting – Note: If a U.S. business enterprises is not consolidated into another U.S. affiliate's BE-15 report, then it **must** be listed on the Supplement B of the other U.S. affiliate's BE-15 report and each U.S. affiliate not consolidated **must** file its own Form BE-15.

a. DO NOT CONSOLIDATE FOREIGN SUBSIDIARIES, BRANCHES, OPERATIONS, OR INVESTMENTS NO MATTER WHAT THE PERCENTAGE OWNERSHIP. Include foreign holdings owned 20 percent or more using the equity method. DO NOT report employment, land, and other property, plant, and equipment and DO NOT eliminate intercompany accounts for holdings reported using the equity method. DO NOT list any foreign holdings of the U.S. affiliate on the Supplement B.

b. Special consolidation rules apply to U.S. affiliates that are limited partnerships or that have an ownership interest in a U.S. limited partnership. These rules can be found on our web site at: **www.bea.gov/ltdpartner15**

c. A U.S. affiliate in which a direct ownership interest and an indirect ownership interest are held by **different** foreign persons should not be fully consolidated into another U.S. affiliate, but must complete and file its own BE-15 report. (See diagram.)



U.S. affiliate Y should not be fully consolidated into U.S. affiliate X because of the 30 percent direct ownership by foreign person B.

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 2014 fiscal year. The affiliate's 2014 fiscal year is defined as the affiliate's financial reporting year that had an ending date in calendar year 2014.

Special Circumstances:

a. U.S. affiliates without a financial reporting year – If a U.S. affiliate does not have a financial reporting year, its fiscal year is deemed to be the same as calendar year 2014.

b. Change in fiscal year

(1) New fiscal year ends in calendar year 2014 – A U.S. affiliate that changed the ending date of its financial reporting year should file a 2014 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, 2013 fiscal year end date but changed its 2014 fiscal year end date to March 31. Affiliate A should file a 2014 BE-15 report covering the 12 month period from April 1, 2013 to March 31, 2014.

(2) No fiscal year ending in calendar year 2014 – If a change in fiscal year results in a U.S. affiliate not having a fiscal year that ended in calendar year 2014, the affiliate **should file a 2014 BE-15 report that covers 12 months.** The following example illustrates the reporting requirements.

Example 2: U.S. affiliate B had a December 31, 2013 fiscal year end date but changed its next fiscal year end date to March 31. Instead of having a short fiscal year ending in 2014, affiliate B decides to have a 15 month fiscal year running from January 1, 2014 to March 31, 2015. Affiliate B should file a 2014 BE-15 report covering a 12 month period ending in calendar year 2014, such as the period from April 1, 2013 to March 31, 2014.

5 Reporting for a U.S. business that became a U.S. affiliate during fiscal year 2014 —

a. A U.S. business enterprise that was newly established in fiscal year 2014 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 2014. 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 2014 that became a U.S. affiliate in fiscal year 2014 should file a report covering a full 12 months of operations.

7 U.S. affiliates NOT consolidated

– Report investments in U.S. business enterprises that are not fully consolidated and that are 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 (e.g., receivables or liabilities) for holdings reported using the equity method.

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

You may report immaterial investments using the cost method of accounting if this treatment is consistent with your normal reporting practice. Report investments owned less than 20 percent in accordance with FASB ASC 320 (formerly FAS 115) or the cost basis of accounting.

List all U.S. affiliates in which this U.S. affiliate has a voting interest of at least 10 percent and that are not consolidated in this Form BE-15C on the Supplement B.

8 – 12 Ownership

a. 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.

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

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

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

(1) Individuals who reside, or expect to reside, outside their country of citizenship for less than one year are considered to be residents of their country of citizenship.

(2) Individuals who reside, or expect to reside, outside their country of citizenship for one year or more are considered to be residents of the country in which they are residing, except as provided in paragraphs (3) and (4) below.

(3) If an owner or employee of a business enterprise resides outside the country of location of the enterprise for one year or more for the purpose of furthering the business of the enterprise, and the country of the business enterprise is the country of citizenship of the owner or employee, then 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.

22 Number of employees at close of FY 2014 – Employment is the number of full-time and part-time employees on the payroll at the end of FY 2014, 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 2014 may be used provided it is a reasonable estimate for the end of FY 2014 number. If employment at the end of FY 2014, or the count taken at some other time during FY 2014, 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 2014. If given, the average should be the average for FY 2014 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.

23 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:

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.

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.

25 Research and development (R&D) performed BY the U.S. affiliate–R&D is planned, creative work aimed at discovering new knowledge or developing new or significantly improved goods and services. This includes a) activities aimed at acquiring new knowledge or understanding without specific immediate commercial application or use (basic research); b) activities aimed at solving a specific problem or meeting a specific commercial objective (applied research); and c) systematic use of research and practical experience to produce new or significantly improved goods, services, or processes (development).

R&D does **NOT** include expenditures for:

- Costs for routine product testing, quality control, and technical services unless they are an integral part of an R&D project
- Market research
- Efficiency surveys or management studies
- Literary, artistic, or historical projects, such as films, music, or books and other publications
- Prospecting or exploration for natural resources

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

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

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

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

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

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

V. SPECIAL INSTRUCTIONS

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

B. 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-15C to report the aggregated holdings. If permission has been received in writing from BEA to file on an non-aggregated basis, the reports should be filed as a group and you should inform BEA that they are all for one owner.

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

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

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

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

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

There are items throughout the Form BE-15C 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".

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

1. If the foreign interest in the U.S. affiliate is directly held by the foreign person then a BE-15 report must be filed by the affiliate (subject to the aggregation rules discussed above).

2. If a voting interest of more than 50 percent in the U.S. affiliate is owned by another U.S. affiliate, the owned affiliate must be fully consolidated in the BE-15 report of the owning affiliate.

3. If a voting interest of 50 percent or less in the U.S. affiliate is owned by another U.S. affiliate, and no U.S. affiliate owns a voting interest of more than 50 percent, then a separate BE-15 report must be filed by the owned affiliate. The BE-15 report(s) of the owning affiliate(s) must show an equity investment in the owned affiliate.

D. Farms – For farms that are not operated by their foreign owners, the income 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.

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(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.

V. SPECIAL INSTRUCTIONS – Continued

When acting in the capacity of an intermediary, the accounts or transactions of the U.S. intermediary with a UBO are considered as accounts or transactions of the U.S. affiliate with the UBO. 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 UBO 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 UBO. 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 UBO.

VI. FILING THE BE-15

A. Due date – A completed report, or Claim for Exemption from filing, covering a reporting company's fiscal year ending in calendar year 2014 is due no later than May 31, 2015 (or by June 30 for reporting companies that use BEA's eFile system). Go to **www.bea.gov/efile** for details about using eFile.

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, consider using BEA's electronic filing option. Go to **www.bea.gov/efile** for details about this option. To obtain forms online go to: **www.bea.gov/fdi**

C. Extensions – For the efficient processing of the survey and timely dissemination of the results, it is important that your report be filed by the due date. Nevertheless, reasonable requests for extension of the filing deadline will be granted.
For extension requests of 30 days or less, you may call BEA at (301) 278-9247. Note: If submitting through eFile see due date information above. 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 e-mail at **be12/15@bea.gov**. Requests for extensions must be received **NO LATER THAN** the original due date of the report.

CI. Assistance – For assistance, telephone (301) 278-9247 or send e-mail to **be12/15@bea.gov**. Forms can be obtained from BEA's web site at: **www.bea.gov/fdi**

CII. Annual stockholders' report or other financial statements – Furnish a copy of your FY 2014 annual stockholders' report or Form 10-K when filing the BE-15 report. If you do not publish an annual stockholders' report or file Form 10K, provide any financial statements that may be prepared, including the accompanying notes. Information contained in these statements is useful in reviewing your report and may reduce the need for further contact. Section 5(c) of the International Investment and Trade in Services Survey Act, Public Law 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended, provides that this information can be used for analytical and statistical purposes only and that it must be held strictly confidential.

CIII. 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 on page 1, if such a copy has been pre-printed by BEA. (Make corrections directly to the address, if necessary.) You should also retain a file copy of each report for three years to facilitate resolution of any questions that BEA may have concerning your report. (Both copies are protected by law; see the statement on confidentiality on page 11.)