APPENDIX A

Reporting Responsibilities Flowcharts

Reporting Responsibilities of a U.S.-Resident Custodian

Flowchart 1.1 - Foreign securities held for a U.S.-resident custodian’s own account and/or for its U.S.-resident clients not entrusted to any other organization.

Flowchart 1.2 - Foreign securities are issued through/held by a U.S.-resident central securities depository (CSD).

Flowchart 1.3 - U.S. securities are held for a foreign-resident end-investor or foreign-resident custodian by a U.S.-resident custodian not entrusted to any other organization.

Flowchart 1.4 - U.S. securities are held for a foreign-resident end-investor or foreign-resident custodian through a U.S.-resident custodian that entrusts those securities to a U.S.-resident sub-custodian that knows the identity of the foreign client.

Flowchart 1.5 - U.S. securities are held for a foreign-resident end-investor or foreign-resident custodian by a U.S.-resident custodian that entrusts those securities to a U.S.-resident sub-custodian but does not know the identity of the foreign client.

Flowchart 1.6 - U.S. securities are issued through/held at a U.S.-resident central securities depository (CSD).

Reporting Responsibilities of a U.S.-Resident End-Investor

Flowchart 2.1 - Foreign securities are held directly by a U.S.-resident end-investor that does not employ any other U.S. or foreign organization to hold those securities on its behalf.

Flowchart 2.2 - Foreign securities are held abroad for a U.S.-resident end-investor, either by a foreign-resident custodian or by a foreign-resident central securities depository (CSD).

Flowchart 2.3 - U.S.-resident end-investor has a portfolio investment in an offshore investment vehicle/company that is not held in an account in its own name with a U.S.-resident custodian.
**Reporting Requirements for Reporters that are U.S.-Resident Issuers**

**Flowchart 3.1** - U.S. securities (including certificates, bearer bonds and other unregistered securities) are issued directly to foreign-resident end-investor and no U.S.-resident custodian and no U.S.-resident central securities depository is used.

**Flowchart 3.2** - U.S. securities (including certificates, bearer bonds and other unregistered securities) are issued directly into a foreign market. U.S. issuers should assume that the entire issue is held by foreign investors. U.S.-resident custodians should report U.S. securities held in custody for their foreign-resident clients.

**Reporting Responsibilities of a U.S.-Resident Investment Manager/Fund Sponsor (IM/FS) effectively as custodian, as representative of the U.S.-resident Issuer, or as representative of the U.S.-resident End-Investor**

**Flowchart 4.1** - U.S. securities owned by a foreign fund or other foreign end-investor and managed or advised by a U.S.-resident IM/FS are held in a U.S. omnibus account in the name of the IM/FS with an unaffiliated U.S.-resident custodian.

**Flowchart 4.2** - Foreign feeder fund’s investments in U.S. securities issued by the U.S. master fund are held in a U.S. omnibus account for clients of the IM/FS in the name of the IM/FS with an unaffiliated U.S. custodian.

**Flowchart 4.3** - Foreign feeder fund does not use an account in its own name with a U.S.-resident custodian to hold its investment in the U.S. master fund.

**Flowchart 4.4** - U.S. feeder fund does not use an account in its own name with a U.S. custodian to hold its ownership interests in the foreign master fund.

**Flowchart 4.5** - U.S. hedge funds, through affiliated intermediate U.S. companies, own foreign LPs indirectly and do not use U.S. custodians to hold to those ownership interests in accounts in the name of the hedge funds or their affiliates.

**Reporting Responsibilities for Direct Investment Relationships**

**Flowchart 5.1** - Direct Investment: U.S.-resident end-investor owns >=10% of the voting ownership interest in a foreign-resident investment vehicle or company. The equity interests are reportable to the BEA. Debt securities are reportable either to the BEA or the TIC system.
Flowchart 5.2 - Direct Investment: Foreign-resident end-investor owns >=10% of the voting ownership interest in a U.S.-resident investment vehicle or company. The equity interests are report to the BEA. Debt securities are reportable either to the BEA or the TIC system.
KEY TO FLOWCHARTS

INVESTMENT IN SECURITIES

CUSTODY OF SECURITIES

ISSUANCE OF SECURITIES

INVESTMENT MANAGEMENT/FUND SPONSORSHIP

REPORTING RESPONSIBILITY

DESCRIPTION OF REPORTING RESPONSIBILITY

CUSTODIAN OR SUB-CUSTODIAN

INVESTMENT MANAGER/FUND SPONSOR
REPORTING RESPONSIBILITIES OF A U.S.-RESIDENT CUSTODIAN

Flowchart 1.1 - Foreign portfolio securities held for a U.S.-resident custodian’s own account and/or for its U.S.-resident clients are not entrusted to any other organization.

U.S.-RESIDENT CUSTODIAN (REPORTER)

Custody

Reports on Part A of the TIC SLT the foreign securities held in custody for unaffiliated U.S. investors; and reports foreign securities it holds for its own account on Part B of the TIC SLT as end-investor.

REPORTABLE FOREIGN SECURITIES

REPORTABLE

U.S.-RESIDENT END-INVESTOR (including custodian if also end-investor)
REPORTING RESPONSIBILITIES OF A U.S.-RESIDENT CUSTODIAN

Flowchart 1.2 - Foreign portfolio securities are issued through/ held at a U.S.-resident central securities depository (CSD).

- **U.S.-RESIDENT END-INVESTOR** (including custodian if also end-investor)
  - Source: **REPORTABLE FOREIGN SECURITIES**
    - Custody and Clearing

- **U.S.-RESIDENT CUSTODIAN** (REPORTER)
  - Source: **REPORTABLE FOREIGN SECURITIES**
  - Reports on Part A of the TIC SLT the foreign securities held in custody for unaffiliated U.S. investors; and on Part B the foreign securities it owns for its own account

- **U.S.-RESIDENT CSD** (DOES NOT REPORT)
  - Source: **REPORTABLE FOREIGN SECURITIES**
  - Custody
Flowchart 1.3 – U.S. portfolio securities are held for a foreign-resident end-investor or foreign-resident custodian by a U.S.-resident custodian that does not entrust those securities to any other organization.

- **REPORTABLE U.S. SECURITIES**
- **FOREIGN-RESIDENT END-INVESTOR OR CUSTODIAN**
- **U.S.-RESIDENT CUSTODIAN (REPORTER)**

Reports on Part A of the TIC SLT the U.S. securities it holds as custodian.
Flowchart 1.4 – U.S. portfolio securities are held for a foreign-resident end-investor or foreign-resident custodian through a U.S.-resident custodian that entrusts those securities to a U.S.-resident sub-custodian that knows the identity of the foreign client.
REPORTING RESPONSIBILITIES OF A U.S.-RESIDENT CUSTODIAN

Flowchart 1.5 – U.S. portfolio securities are held for a foreign-resident end-investor or foreign-resident custodian by a U.S.-resident custodian that entrusts those securities to a U.S.-resident sub-custodian that does not know the identity of the foreign client.
Flowchart 1.6 - U.S. portfolio securities are issued through/held at a U.S.-resident central securities depository (CSD).

U.S.-RESIDENT ISSUER

ISSUES U.S. SECURITIES AND CLEARS THROUGH U.S. CSD

REPORTABLE U.S. SECURITIES

FOREIGN-RESIDENT PARTICIPANT OF U.S.-RESIDENT CSD

FOREIGN-RESIDENT END-INVESTOR

Custody/Clearing

U.S.-RESIDENT CSD (REPORTER)

Custody and Clearing

Reports on Part A of the TIC SLT the U.S. securities held for the foreign resident participants of the U.S.-resident CSD as custodian.
REPORTING RESPONSIBILITIES OF A U.S.-RESIDENT END-INVESTOR

Flowchart 2.1 - Foreign portfolio securities are held directly by a U.S.-resident end-investor that does not employ any other U.S. or foreign organization to hold those securities on its behalf.

Reports on Part B of the TIC SLT the foreign securities owned by the U.S.-resident end-investor
Flowchart 2.2 - Foreign portfolio securities are held abroad for a U.S.-resident end-investor, either by a foreign-resident custodian or by a foreign-resident central securities depository (CSD).

Reports on Part B of the TIC SLT the foreign securities owned by the U.S.-resident end-investor.
REPORTING RESPONSIBILITIES OF A U.S.-RESIDENT END-INVESTOR

Flowchart 2.3 – U.S.-resident end-investor has a portfolio investment in a foreign investment vehicle/company that is not held in an account in its own name with a U.S.-resident custodian.

U.S.-RESIDENT END-INVESTOR (REPORTER)

REPORTABLE <10% VOTING INTEREST

FOREIGN INVESTMENT VEHICLE OR COMPANY

FOREIGN SECURITIES

RAW LAND (NOT SECURITIES)

COMMODITIES (NOT SECURITIES)

Reports as end-investor on Part B of the TIC SLT its ownership interests in the foreign investment vehicle or company.
REPORTING RESPONSIBILITIES OF A U.S.-RESIDENT ISSUER

Flowchart 3.1 - U.S. portfolio securities (including certificates, bearer bonds and other unregistered securities) are issued directly to a foreign-resident end-investor and no U.S.-resident custodian and no U.S.-resident central securities depository is used.

- **U.S.-RESIDENT ISSUER (REPORTER)**
  - ISSUES U.S. SECURITIES TO A FOREIGN-RESIDENT END-INVESTOR

- **REPORTABLE U.S. SECURITIES**

- **FOREIGN RESIDENT END-INVESTOR**
  - Reports the U.S. securities issued to the foreign-resident end-investor on Part B of the TIC SLT report as issuer.
Flowchart 3.2 – U.S. portfolio securities (including certificates, bearer bonds and other unregistered securities) are issued directly into a foreign market. U.S. issuers should assume that the entire issue is held by foreign residents. U.S.-resident custodians should report U.S. portfolio securities held in custody for their foreign-resident clients.

Note: FRBNY eliminates double reporting and uses the country information provided by the U.S.-resident custodian to obtain a more accurate geographic distribution of the owners of the securities.
Flowchart 4.1 – U.S. portfolio securities owned by a foreign fund or other foreign end-investor and managed or advised by a U.S-resident IM/FS are held in a U.S. omnibus account in the name of the IM/FS with an unaffiliated U.S.-resident custodian.

- U.S.-RESIDENT IM/FS (REPORTER)
- FOREIGN FUND (END-INVESTOR)
- REPORTABLE U.S. SECURITIES
- U.S. omnibus customer account for clients of IM/FS
- Custody
- U.S.-RESIDENT CUSTODIAN UNAFFILIATED WITH IM/FS (DOES NOT REPORT)

Reports the U.S. securities owned by the foreign fund on Part A of the TIC SLT effectively as the U.S. custodian.

REPORTING RESPONSIBILITIES OF A U.S.-RESIDENT INVESTMENT MANAGER/FUND SPONSOR (IM/FS) EFFECTIVELY AS CUSTODIAN
Flowchart 4.2 – Foreign feeder fund’s portfolio investments in securities issued by the U.S. master fund are held in a U.S. omnibus account for clients of the IM/FS in the name of the IM/FS with an unaffiliated U.S. custodian.

Reports the securities issued by the U.S. master fund that are owned by the foreign feeder fund on Part B of the TIC SLT effectively as issuer on behalf of the U.S. master fund.
REPORTING RESPONSIBILITIES OF A U.S.-RESIDENT INVESTMENT MANAGER/FUND SPONSOR (IM/FS) EFFECTIVELY AS REPRESENTATIVE OF THE ISSUER

Flowchart 4.3 – Foreign feeder fund holds the portfolio investments in the U.S. master fund.

U.S.-RESIDENT IM/FS (REPORTER)

U.S. MASTER FUND (ISSUER)

REPORTABLE

U.S. FEEDER FUND (END-INVESTOR)

REPORTABLE

NOT REPORTABLE

FOREIGN FEEDER FUND (END-INVESTOR)

Reports the investments of the foreign feeder in securities issued by the U.S. master fund on Part B of the TIC SLT representing the U.S. master fund as issuer.
REPORTING RESPONSIBILITIES OF A U.S.-RESIDENT INVESTMENT MANAGER/FUND SPONSOR (IM/FS) EFFECTIVELY AS REPRESENTATIVE OF THE END-INVESTOR

Flowchart 4.4 – U.S. feeder fund holds the portfolio interests in the foreign master fund.

- U.S.-RESIDENT IM//FS (REPORTER)
- FOREIGN MASTER FUND (ISSUER)
- U.S. FEEDER FUND (END-INVESTOR)
- FOREIGN FEEDER FUND (END-INVESTOR)

- Reports the investments of the U.S. feeder fund in the securities issued by the foreign master fund on Part B of the TIC SLT representing the U.S. feeder fund as end-investor.
Flowchart 4.5 - U.S. hedge funds, through affiliated intermediate U.S. companies, own foreign LPs indirectly and do not use U.S. custodians to hold those portfolio ownership interests in accounts in the name of the hedge funds, their affiliates, or their IM/FS.

Reports consolidated on behalf of the U.S. hedge fund organizations as end-investor the securities issued by the foreign limited partnerships on Part B of the TIC SLT. The intermediary U.S. companies are considered part of the hedge funds' organizations.
Flowchart 5.1 – Direct Investment: U.S. resident end-investor owns >= 10% of the voting ownership interest in a foreign company. The equity interests are reportable to the BEA. Debt is reportable either to the BEA or the TIC system. See below.

Direct investments are reportable to the U.S. Department of Commerce, Bureau of Economic Analysis. Note: If the U.S. resident end-investor in this example is a (a) deposit taking corporation, (b) securities broker or dealer, or (c) financial or bank holding company, intercompany lending between the investor and the foreign investment vehicle or company is reported on the TIC B forms for lending in the form of loans or short-term securities or on TIC SLT and TIC S for lending in the form of long-term securities. All other intercompany lending between companies that are in direct investment relationships is to be reported to BEA.
REPORTING RESPONSIBILITIES FOR DIRECT INVESTMENT RELATIONSHIPS

Flowchart 5.2 – Direct Investment: Foreign-resident end-investor owns >= 10% of the voting ownership interest in a U.S.-resident company/investment vehicle. The equity interests are reportable to the BEA. Debt is reportable either to the BEA or the TIC system.

Direct investments are reportable to the U.S. Department of Commerce, Bureau of Economic Analysis.