



# US Reporting Newsletter for Non-US Based Companies

---

Global Offerings Services

---

**April 2006**

Global Offerings Services (GOs) comprises a global team of practitioners assisting non-US companies and non-US practice office engagement teams in applying US and International accounting standards (i.e., US GAAP and IFRS) and in complying with the SEC's financial reporting rules. For more information please contact the GOs Center leader nearest you.

[New York – Joel Osnoss](#)

+1 (212) 436 3352

[Hong Kong – Jay Harrison](#)

+852 2852 6337

[London – Donna Ward](#)

+44 (20) 7007 0902

[Madrid – Manuel Arranz](#)

+34 (91) 514 5072

[Mexico – Bill Biese](#)

+52 (55) 5080 6197

[Paris – Don Andrade](#)

+33 (1) 4088 2508

[Sao Paulo – Ed Ruiz](#)

+55 (11) 5185 2500

[Toronto – Rod Barr](#)

+1 (416) 874 3630

Deloitte periodically publishes Accounting Roundup. [Click here](#) to access the published editions.

## GAAP Matters

### FASB Issues Statement 156 on Accounting for Servicing of Financial Assets

On March 17, 2006, the FASB issued Statement 156, which amends Statement 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, with respect to the accounting for separately recognized servicing assets and liabilities. This Statement requires that all separately recognized servicing assets and servicing liabilities be initially measured at fair value, if practicable. This Statement permits, but does not require, the subsequent measurement of servicing assets and servicing liabilities at fair value. An entity that uses derivative instruments to mitigate the risks inherent in servicing assets and servicing liabilities is required to account for those derivative instruments at fair value. Under this Statement, an entity can elect subsequent fair value measurement to account for its separately recognized servicing assets and servicing liabilities. By electing that option, an entity may simplify its accounting because this Statement permits income statement recognition of the potential offsetting changes in fair value of the servicing assets, servicing liabilities, and related derivative instruments in the same accounting period. An entity that elects to subsequently measure servicing assets and servicing liabilities at fair value is expected to recognize declines in fair value of the servicing assets and servicing liabilities more consistently than by reporting other-than-temporary impairments.

This Statement requires an entity to recognize a servicing asset or servicing liability each time it undertakes an obligation to service a financial asset by entering into a servicing contract in any of the following situations:

- A transfer of the servicer's financial assets that meets the requirements for sale accounting
- A transfer of the servicer's financial assets to a qualifying special-purpose entity in a guaranteed mortgage securitization in which the transferor retains all of the resulting securities and classifies them as either available-for-sale securities or trading securities in accordance with FASB Statement No. 115, *Accounting for Certain Investments in Debt and Equity Securities*
- An acquisition or assumption of an obligation to service a financial asset that does not relate to financial assets of the servicer or its consolidated affiliates.

This Statement permits an entity to choose either of the following subsequent measurement methods for each class of separately recognized servicing assets and servicing liabilities:

- Amortization method—Amortize servicing assets or servicing liabilities in proportion to and over the period of estimated net servicing income or net servicing loss and assess servicing

assets or servicing liabilities for impairment or increased obligation based on fair value at each reporting date.

- Fair value measurement method—Measure servicing assets or servicing liabilities at fair value at each reporting date and report changes in fair value in earnings in the period in which the changes occur.

At its initial adoption, this Statement permits a one-time reclassification of available-for-sale securities to trading securities by entities with recognized servicing rights, without calling into question the treatment of other available-for-sale securities under Statement 115, provided that the available-for-sale securities are identified in some manner as offsetting the entity's exposure to changes in fair value of servicing assets or servicing liabilities that a servicer elects to subsequently measure at fair value.

This Statement also requires additional disclosures and separate presentation in the statement of financial position of the carrying amounts of servicing assets and servicing liabilities that an entity elects to subsequently measure at fair value to address concerns about comparability that may result from the use of elective measurement methods.

This Statement is effective from the beginning of first fiscal year that begins after September 15, 2006. Earlier adoption is permitted as of the beginning of an entity's fiscal year, so long as the entity has not yet issued financial statements, including financial statements for any interim period, for that fiscal year. The requirements for recognition and initial measurement of servicing assets and servicing liabilities should be applied prospectively to all transactions after adoption. An entity that elects to subsequently remeasure its servicing assets and servicing liabilities at fair value should apply that election prospectively to all new and existing separately recognized servicing assets and servicing liabilities. The effects of remeasuring existing servicing assets and servicing liabilities should be reported as a cumulative-effect adjustment to retained earnings as of the beginning of the fiscal year and should be disclosed separately. Any gains or losses that are included in accumulated other comprehensive income associated with the reclassified available-for-sale securities should also be reported as a cumulative-effect adjustment to retained earnings as of the beginning of the fiscal year of adoption.

[Click here](#) to access the text of the Statement.

### **FASB Issues FSP FIN 46(R)-6 on Determining the Variability to Be Considered in Applying FASB Interpretation No. 46(R)**

On April 13, 2006, the FASB issued FSP FIN 46R-6, *Determining the Variability to Be Considered in Applying FASB Interpretation No. 46(R)*. This FSP addresses certain major implementation issues related to FASB Interpretation No. 46 (R), *Consolidation of Variable Interest Entities*. Specifically, this FSP addresses how a reporting enterprise should determine the variability to be considered in applying FIN 46R. The variability that is considered in applying FIN 46R affects the determination of (a) whether the entity is a variable interest entity or VIE, (b) which interests are "variable interests" in the entity, and (c) which party, if any, is the primary beneficiary of the VIE. That variability will affect any calculation of expected losses and expected residual returns, if such a calculation is necessary. The FSP includes numerous example fact patterns designed to illustrate the application of the guidance in this FSP.

The effective date and transition requirements prescribed by FSP FIN 46R-6 are complex. For example, an enterprise is required to apply the guidance in the FSP prospectively to all entities (including newly created entities) with which that enterprise first becomes involved and to all entities previously required to be analyzed under FIN 46R when a "reconsideration event" has occurred as defined in paragraph 7 of FIN 46R beginning the first day of the first reporting period beginning after June 15, 2006. Retrospective application is permitted but not required. However, a company that chooses retrospective application must do so no later than the end of the first annual reporting period ending after July 15, 2006.

[Click here](#) to access the text of the FSP.

### **FASB Issues FSP FTB 85-4-1 on Accounting for Life Settlement Contracts by Third-Party Investors**

On March 27, 2006, the FASB issued final FSP FTB 85-4-1, *Accounting for Life Settlement Contracts by Third-Party Investors* which provides guidance for initial and subsequent measurement and financial statement presentation and disclosure of investments by third-party investors in life settlement contracts.

Prior to the issuance of this FSP, an investor in a life settlement contract accounted for the life settlement contract in accordance with Technical Bulletin 85-4, which requires that the cash surrender value of the contract be recognized as an asset. It is believed that using the cash surrender value for life settlement contracts fails to reflect the economic substance of the investing activities.

FSP FTB 85-4-1 allows an investor to account for its investment in a life settlement contract using either the investment method or the fair value method. The election shall be made on an instrument to instrument basis and is irrevocable. The election must also be supported by concurrent documentation or a pre-existing documented policy for automatic election.

**Investment Method** - The initial investment should be recognized at the transaction price (the amount the investor pays to the insured party) plus any initial direct external costs. Any continuing costs (e.g., policy premiums) to keep the policy in force should be capitalized as part of the investment. When the insured dies, the investor recognizes, in the income statement, the difference between the carrying amount of the investment in the life settlement contract and the life insurance proceeds of the underlying life insurance policy. Investors that account for contracts under the investment method test their investments for impairment when they become aware of indicators that the expected undiscounted cash flows (i.e., the insurance proceeds) will not be sufficient to recover the carrying amount of the investment plus anticipated undiscounted future premiums and capitalizable direct costs, if any.

**Fair Value Method** - The initial investment is recognized at its transaction price and is remeasured to fair value each subsequent reporting period. Changes in fair value are reported in earnings in the period they occur. Changes in the fair value and premiums paid should be recorded in the same line item in the income statement.

This FSP also requires that the investors shall report amounts for investments that are measured at fair value separately from amounts that are accounted for under the investment method on the face of the financial statements.

FSP FTB No. 85-4-1 is effective for fiscal years beginning after June 15, 2006, with earlier application permitted as of the beginning of an entity's fiscal year, so long as no financial statements have been issued (including interim financial statements) for that fiscal year. Prospective application is required for all new life settlement contracts, with the exception of guidance on disclosure, which will apply as of the most recent statement of financial position or income statement presented. A cumulative-effect adjustment to retained earnings should be made at the date of adoption to recognize the impact on existing life settlement contract investments.

[Click here](#) to access the text of the FSP.

### **EITF Issue 05-1 on Accounting for the Conversion of an Instrument That Becomes Convertible Upon the Issuer's Exercise of a Call Option**

APB Opinion No. 14, *Accounting for Convertible Debt and Debt Issued With Stock Purchase Warrants*, does not address directly many of the complex features currently embedded in convertible debt.

EITF 05-1 addresses the accounting for a conversion of a debt instrument into issuer shares. The conversion is triggered by an issuer calling the debt when, absent the call, the debt would not have been convertible at that time.

In its March 16, 2006 meeting, the EITF reached final consensus to account for the call option and the resulting equity securities issued,

akin to a conversion, rather than a debt extinguishment (i.e., no gain or loss); provided that the debt instrument, at issuance, contains a substantive conversion feature. The transaction, otherwise, should be recorded as a debt extinguishment.

This consensus affects issuers of many contingently convertible debt instruments and certain other instruments that are not currently convertible pursuant to their terms. Upon the issuer's exercise of a call option, these instruments become convertible resulting in the issuance of equity securities in accordance with the original terms of the instrument.

The consensus will be effective for all conversions within the scope of the Issue that result from the exercise of call options that occur after the date the Board ratifies the consensus.

This consensus has been exposed for a 30-day comment period. Final FASB ratification is expected in June 2006.

[Click here](#) to access the text of the Issue Summary.

### **EITF Issue 06-2 on Accounting for Sabbatical Leave and Other Similar Benefits Pursuant to FASB Statement No. 43, *Accounting for Compensated Absences***

On March 16, 2006, the EITF reached a consensus on the issue of accounting for certain compensated absence arrangements under a Sabbatical or other similar type of benefit arrangement. At issue are those that require completion of a service period before the employee is entitled to the compensated absence but do not require service during the sabbatical.

Paragraph 6 of Statement 43 provides guidance on the accounting for compensated absences and states, in part, that future obligations should be accrued as a liability if the obligation relates to a right that vests or accumulates. In practice, the types of benefit arrangements discussed in this Issue are earned on a cliff basis. The issue, therefore, is whether the benefits accumulate pursuant to Statement 43.

EITF 06-2 provides that the employee's right does accumulate and the obligation should be accrued over the required service period. The basis for this conclusion is that "unused rights" do not expire at the end of each year during the required service period and that prior service is a factor in determining eligibility. That is, the benefit accumulates as the employee provides the requisite years of service to reach the eligibility date.

This consensus affects entities, such as some high-tech companies that provide employees with a compensated absence under a sabbatical or other similar benefit arrangement.

The consensus is effective for the first annual reporting period beginning after December 15, 2006. The entities should recognize the consensus as a change in accounting principle through retrospective application to all prior periods.

The consensus has been exposed for a 30-day comment period. Final FASB ratification is expected in June 2006.

[Click here](#) to access the text of the Issue Summary.

### **EITF Issue 06-3 on How Sales Taxes Collected From Customers and Remitted to Governmental Authorities Should Be Presented in the Income Statement (That is, Gross Versus Net Presentation)**

On March 16, 2006, the EITF reached a conclusion on the issue of income statement presentation of vendor taxes imposed directly on revenue-producing transactions between a seller and a customer.

This consensus affects entities with taxes that are externally imposed on revenue producing transactions between seller and a customer. Thus, virtually all retailers are affected as well as other entities that have sales, value added, use and excise taxes assessed at the point of sale.

This consensus provides that these entities may adopt a policy of presenting taxes in the income statement on either a gross or net basis. If taxes are significant an entity should disclose its policy of presenting taxes and the amounts of taxes that are recognized on a gross basis.

The consensus is effective for periods beginning after December 15, 2006.

The consensus has been exposed for a 30-day comment period. Final FASB ratification is expected in June 2006.

[Click here](#) to access the text of the Issue Summary.

### **Proposed Consensus Modification: EITF Issue No. 05-7 on Accounting for Modifications to Conversion Options Embedded in Debt Instruments and Related Issues**

At the September 2005 meeting, the EITF reached a consensus that an issuer should (1) include, upon modification of a convertible debt instrument, the change in fair value of the related embedded conversion option in the analysis to determine whether a debt instrument has been extinguished pursuant to EITF Issue No. 96-19, "Debtor's Accounting for a Modification or Exchange of Debt Instruments," (2) account for the effects of changes in fair value of the related embedded conversion option in subsequent recognition of interest expense for the associated debt instrument, and (3) not recognize a beneficial conversion feature or reassess an existing beneficial conversion feature upon modification of the conversion option of a debt instrument.

On March 16, 2006, the EITF modified this consensus to clarify that it applies to a modification of a debt instrument that either adds or eliminates an embedded conversion option provided that the conversion option, in either the original or the modified instrument, is not required to be bifurcated from its host pursuant to FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities*.

The consensus would be effective immediately upon FASB ratification, which is expected in June 2006.

[Click here](#) to access the text of the proposed modification.

### **Proposed Modification: EITF Topic No. D-98 on Classification and Measurement of Redeemable Securities**

The SEC observer clarified the SEC staff's position on the application of Topic D-98 to certain share-based arrangements that are required to be presented outside of permanent equity pursuant to SEC Accounting Series Release No. 268, *Presentation in Financial Statements of "Redeemable Preferred Stocks"*. Prior to this clarification, uncertainty existed on whether the initial carrying amount of these share-based arrangements should be based on the fair value or intrinsic value of the awards.

This announcement, made on March 16, 2006, clarifies that the initial amount classified outside of permanent equity should be based on the redemption provisions of the instrument. For example, if a fully vested option can be put back to the issuer at its intrinsic value upon a change of control, an amount representing the intrinsic value of the option at the date of issuance should be presented outside of permanent equity.

The consensus would be effective immediately upon FASB ratification, which is expected in June 2006.

[Click here](#) to access the text of the proposed modification.

## Regulatory Matters

### PCAOB and SEC Roundtable on Internal Control Reporting Requirements

On May 10, 2006, the SEC and PCAOB hosted their second roundtable discussion on the implementation of the internal control reporting and auditing provisions of Section 404 of the Sarbanes-Oxley Act. The roundtable was composed of five panel discussions, during which the SEC and PCAOB sought input on implementation experience in a number of areas including costs and benefits, additional guidance for management and auditors, possible modifications to the requirements for smaller companies, and compliance requirements in future years. The roundtable was open to the public, and panelists included representatives from issuers, registered public accounting firms, the analyst community, and the legal community. The SEC and PCAOB solicited comment letters on experiences with implementing and evaluating the Section 404 requirements. The panel discussions are summarized herein below:

**Costs and benefits:** There was a general consensus that costs declined in year two compared to year one, although there was some disagreement on the specific extent of the decline. Some panelists believed that overall costs remain too high. Generally, benefits also were seen to have increased, including enhanced investor confidence, greater financial statement reliability, transparency regarding controls, and expanded management understanding of internal control risks. While panelists observed that companies have gained confidence working within the overall control environment, they also noted that both management and auditors need to continue to focus on the efficient implementation of Section 404. Panelists anticipated that the process would continue to improve in future years as companies and auditors gain additional experience.

**Effect on Markets:** The panelists generally agreed that Section 404 has had a significant and positive effect in restoring investor confidence in the capital markets. In particular, it was noted that companies that had implemented Section 404 had significantly higher price multiples than other companies.

**Future Improvements – Guidance for Management:** There was no consensus among the panelists on this topic. Some panelists said that guidance for management would be beneficial and emphasized the need for it to be generally consistent with the guidance under AS 2, *An Audit of Internal Control Over Financial Reporting in Conjunction With an Audit of Financial Statements*. Those who advocated guidance for management of all issuers also emphasized that guidance should be principles-based and include examples. Others said that sufficient information was available for management of larger companies and advocated additional guidance only for smaller issuers.

**Future Improvements – Customized Guidance for Management and Auditors of Smaller Issuers:** There was virtually unanimous agreement that smaller public companies face special challenges in implementing Section 404. However, there was vigorous debate over the appropriate response to the different circumstances of smaller companies. In general, panelists representing management of smaller issuers advocated exemptions for smaller companies from Section 404, either in total or from the external auditor attestation requirement, as recommended in the Report of the Advisory Committee on Smaller Public Companies. Other panelists, generally investor representatives, emphasized that sound internal control is equally important to investors in all public companies, whether large or small, and they recognize that it is an appropriate cost associated with acquiring public capital.

**Future Improvements – Other Opportunities:** In addition to the need for guidance for management of companies of all sizes and specific customized guidance for management and auditors of smaller public companies, panelists identified revisions of AS 2, materiality and best practice guidance as areas for potential improvements in the implementation of Section 404.

### SEC'S Advisory Committee on Smaller Public Companies Solicits Comments on Draft Final Report

The Securities Exchange Commission ("Commission" or the "SEC") established an Advisory Committee on Smaller Public Companies (the "Committee") to examine the impact of the Sarbanes-Oxley Act of 2002 and other federal securities laws on smaller companies. The Committee has been meeting, and has held hearings in various parts of the country since April 2005. The Committee has published for public comment an exposure draft of its final report and proposed recommendations to the Commission. The Committee will consider the comments received before finalizing the recommendations in the report, which is due to be submitted to the Commission by April 23, 2006. The draft contains proposed recommendations of the Committee on improving the current securities regulatory system for smaller companies.

[Click here](#) to access the exposure draft of the final report on the SEC's Web site.

### SEC Chairman and EU Commissioner Affirm Commitment to Elimination of the Need for Reconciliation Requirements

On February 8, 2006, SEC Chairman Christopher Cox and EU Internal Markets Commissioner Charlie McCreevy met in Washington, and affirmed their commitment to eliminating the need for reconciliation between International Financial Reporting Standards (IFRS) and US Generally Accepted Accounting Principles (GAAP).

Chairman Cox reaffirmed his commitment to the "roadmap" to eliminate, by 2009 at the latest, the SEC requirement for foreign private issuers to reconcile IFRS-based financial statements to US GAAP.

A milestone in the roadmap will be reached in mid-2006, when many foreign issuers begin to file with the SEC IFRS-based financial statements that include reconciliation to US GAAP. In the second half of 2006, the SEC staff plans to begin carrying out an analysis of these financial statements and will confer with relevant parties about its analysis.

[Click here](#) to access the press release.

### Rule 3-09 on Filing Separate Financial Statements of Significant Foreign Equity Investees

In a recent conference call held by representatives of the AICPA International Practices Task Force, the application of Rule 3-09 of Regulation S-X by foreign issuers was discussed.

Rule 3-09 relates to the filing of separate financial statements for significant majority owned subsidiaries not consolidated and significant 50%-or-less-owned entities accounted for under the equity method, either by the registrant or by the subsidiary of that registrant.

FRR 44 *Financial Statements of Significant Foreign Equity Investees and Acquired Foreign Business of Domestic Issuers and Financial Schedules* states that the financial statements of investees may be prepared on a comprehensive basis other than US GAAP. A quantitative reconciliation of net income and material balance sheet items is required. However, no reconciliation is required at all if the foreign business does not exceed the 30% level under the tests of significance.

This discussion relates to the years for which the separate financial statements of the investee are to be reconciled from home-country GAAP to US GAAP in the Form 20-F when the investee's (accounted for using the equity method of accounting) significance increases above 30% or decreases below 30% in the current year.

When the investee's significance in the investor is greater than 30% in the current financial year, and between 20% to 30% in the two years immediately preceding the current year, a reconciliation of the investees' financial statements from home country GAAP to US GAAP and an audit of the same is required for each of the three



years. If this is the first time that the investee is required to prepare such reconciliation to US GAAP, the investee is permitted to avail itself of the accommodation for first-time registrants to provide reconciliations for the two most recent years, rather than three.

In a scenario where the investee's significance increases to greater than 30% for the first time under the significance tests, and the significance was below 20% in the two years preceding the current year, reconciliation between home country GAAP and US GAAP is required for those two years, but is not required to be audited.

When the investee decreases in significance to below 30% under the significance tests, and for the two years preceding the current financial year, the significance of the investee was greater than 30%, a reconciliation of the investee's financial statements from home country GAAP to US GAAP is required. If the significance in the current year has decreased to below 20%, the investee financial statements for that year, and therefore the reconciliation for the year, do not need to be audited.

## SEC Appointments

On February 8, 2006, SEC Chairman Christopher Cox announced that preeminent securities lawyer John W. White will join the SEC as its next Director of the Division of Corporation Finance with effect from March 20, 2006.

[Click here](#) to access the press release.

## Other Matters

### Financial Executives International (FEI) announced the Annual List of Top 10 Financial Reporting Issues

FEI in its Jan/Feb 2006 issue of *Financial Executive* magazine has mentioned the following significant accounting and disclosure issues:

- Stock Options
- Uncertain Tax Positions
- Business Combinations
- Fair Value Measurements (FVM)
- Materiality
- XBRL
- Earnings Per Share
- Conceptual Framework
- Complexity
- Pension Accounting

[Click here](#) to access the full article.

## Webcasts

### Deloitte offers Dbriefs, live webcasts for executive level audience

Now available to the audience outside of the U.S., Deloitte & Touche LLP offers Dbriefs, live webcasts that give valuable insights on a variety of business topics aimed at executive level audience across function and industry including:

- Financial Executives
- HR Executives
- Tax Executives
- Financial Services
- Consumer Business
- Technology, Media & Telecommunications

Archived webcasts are available for 90 days after the live presentation. Read below the entire schedule of webcasts for the month of April 2006. To join Dbriefs:

1. Visit [www.deloitte.com/us/dbriefs](http://www.deloitte.com/us/dbriefs).
2. Click on "Join Dbriefs."
3. Enter your profile information.
4. Using the drop down menus, select all the webcast series that are right for you.
5. Submit your profile.

Once you are a Dbriefs subscriber, you can sign up for individual webcasts via weekly registration emails for your chosen series. After you register for your first webcast, you will have access to the Express Registration, which allows you to save time by registering and logging in to future webcasts just by entering your email address.

### Upcoming Webcasts include the following:

#### Sarbanes-Oxley

- Unexpected Benefits: How Companies Are Turning Sarbanes-Oxley Compliance Into an Advantage (April 27, 2:00 PM EDT (18:00 GMT))

#### Driving Enterprise Value

- Value Discipline: The CFO's Role in Strategy Execution (April 19, 3:00 PM EDT (19:00 GMT))

#### Financial Reporting

- Quarterly Accounting Roundup: An Update of Important Developments (April 12, 2:00 PM – 3:30 PM EDT (19:00 GMT))

#### Transactions and Business Events

- Fraud Detection, Deterrence, and Prevention: Are You Doing Enough? (April 11, 2:00 PM EDT (18:00 GMT))

[Click here](#) for further details of these webcast and to join Dbriefs.

## Recent Deloitte Publications

Below is a list of Deloitte publications about the most recent rule proposals and legislative actions.

- ▶ [EITF Roundup: March 2006](#)
- ▶ [Accounting Roundup: March 2006](#)
- ▶ [Accounting Roundup: February 2006](#)
- ▶ [Heads up: FASB Amends Guidance on Servicing of Financial Assets](#)
- ▶ [Heads Up: FASB Simplifies Accounting for Hybrid Financial Instruments](#)

### IAS Plus Website

Deloitte's IAS Plus website discusses current and future developments in the International Financial Reporting Standards (IFRS) environment.

### e-Learning training materials for International Financial Reporting Standards

Deloitte is pleased to make available e-learning training materials for IFRS free of charge. [Click here](#) to Access Deloitte's IFRS e-Learning Material.

Other useful publications can be obtained on Deloitte's website – [Click here](#)

### [Back to top](#)

## What is and How to Subscribe to DART?

Deloitte makes available, on a subscription basis, its online library of accounting and financial disclosure literature. Called the Deloitte Accounting Research Tool (DART), the library includes material from the FASB, the EITF, the AICPA, the SEC, and the IASB, in addition to Deloitte's own accounting manual and other interpretative accounting guidance.

Updated every business day, DART has an intuitive design and navigation system, which, together with its powerful search features, enables users to quickly locate information anytime, from any computer. Additionally, DART subscribers receive periodic e-mails highlighting recent additions to the DART library.

The fee for a subscription to the DART is \$1,500 per person per year plus applicable sales tax. You can subscribe to the DART on-line and pay using any of the following credit cards: American Express, Diners Club, Master Card, or Visa. You can also subscribe to DART by calling 1-800-877-0145.

For more information, including subscription details and an online DART demonstration, visit:

<http://www.deloitte.com/us/dart>

### [Back to top](#)

This document is intended for non-US based companies and can be distributed externally to clients and prospective clients.

Deloitte & Touche LLP is not, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte & Touche LLP shall not be responsible for any loss sustained by any person who relies on this publication.

Deloitte refers to one or more of Deloitte Touche Tohmatsu, a Swiss Verein, its member firms, and their respective subsidiaries and affiliates. Deloitte Touche Tohmatsu is an organization of member firms around the world devoted to excellence in providing professional services and advice, focused on client service through a global strategy executed locally in nearly 150 countries. With access to the deep intellectual capital of 120,000 people worldwide, Deloitte delivers services in four professional areas—audit, tax, consulting, and financial advisory services—and serves more than one-half of the world's largest companies, as well as large national enterprises, public institutions, locally important clients, and successful, fast-growing global growth companies. Services are not provided by the Deloitte Touche Tohmatsu Verein, and, for regulatory and other reasons, certain member firms do not provide services in all four professional areas. As a Swiss Verein (association), neither Deloitte Touche Tohmatsu nor any of its member firms has any liability for each other's acts or omissions. Each of the member firms is a separate and independent legal entity operating under the names "Deloitte," "Deloitte & Touche," "Deloitte Touche Tohmatsu," or other related names. In the U.S., Deloitte & Touche USA LLP is the U.S. member firm of Deloitte Touche Tohmatsu, and services are provided by the subsidiaries of Deloitte & Touche USA LLP (Deloitte & Touche LLP, Deloitte Consulting LLP, Deloitte Financial Advisory Services LLP, Deloitte Tax LLP, and their subsidiaries) and not by Deloitte & Touche USA LLP. The subsidiaries of the U.S. member firm are among the nation's leading professional services firms, providing audit, tax, consulting, and financial advisory services through nearly 30,000 people in more than 80 cities. Known as employers of choice for innovative human resources programs, they are dedicated to helping their clients and their people excel. For more information, please visit the U.S. member firm's Web site at [www.deloitte.com/us](http://www.deloitte.com/us).