



**Part III Allocation and Apportionment Methods and Financial Records Used to Complete Parts I and II (continued)**

**Note:** Indicate whether the corporation used any of the following financial and other records in Parts I and II to identify deductible expenses allocated and apportioned to ECI.

	Yes	No
<b>26a</b> Published or other non-public audited financial statements . . . . .		
<b>b</b> Non-audited financial statements . . . . .		
<b>27</b> Home office management or other departmental cost accounting reports . . . . .		
<b>28</b> Other (e.g., home country regulatory reports) (attach schedule) . . . . .		

**Part IV Allocation and Apportionment of Expenses on Books and Records Used to Prepare Form 1120-F, Schedule L**  
**Note.** Enter all amounts in Part IV in U.S. dollars.

<b>29</b> Total expenses per books and records used to prepare Form 1120-F, Schedule L . . . . .	<b>29</b>		
<b>30</b> Adjustments for U.S. tax principles (attach schedule – see instructions) . . . . .	<b>30</b>		
<b>31</b> Total deductible expenses. Combine lines 29 and 30 . . . . .			<b>31</b>
<b>32a</b> Third-party interest expense included in line 31 . . . . .	<b>32a</b>		
<b>b</b> Interbranch interest expense included in line 31 . . . . .	<b>32b</b>		
<b>33</b> Bad debt expense included in line 31 . . . . .	<b>33</b>		
<b>34</b> Other third-party deductible expenses not allocated or apportioned to ECI and non-ECI under Regulations section 1.861-8 included in line 31 (attach schedule) . . . . .	<b>34</b>		
<b>35</b> Interbranch expenses per books and records included in line 31 and not included on line 32b (attach schedule) . . . . .	<b>35</b>		
<b>36</b> Add lines 32a through 35 . . . . .			<b>36</b>
<b>37</b> Deductible expenses on books and records allocated and apportioned to ECI or non-ECI under Regulations section 1.861-8. Subtract line 36 from line 31 . . . . .			<b>37</b>

Reconciliation of allocation and apportionment of deductible expenses to ECI and non-ECI on books and records under Regulations section 1.861-8 (from line 37)	(a) ECI Amounts	(b) Non-ECI Amounts	(c) Total: Add columns (a) and (b)
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<b>38a</b> Derivative transaction deductible expenses definitely related to ECI or non-ECI under Regulations section 1.861-8 (from line 37) . . . . .	<b>38a</b>		
<b>b</b> Other deductible expenses definitely related to ECI or non-ECI (from line 37) . . . . .	<b>38b</b>		
<b>39</b> Total deductible expenses definitely related to ECI or non-ECI. Add lines 38a and 38b . . . . .	<b>39</b>		
<b>40</b> Other deductible expenses on books and records not definitely related to ECI or non-ECI allocated and apportioned to ECI and non-ECI (from line 37) . . . . .	<b>40</b>		
<b>41</b> Total deductible expenses on books and records allocated and apportioned to ECI and non-ECI. Add lines 39 and 40. Column (c) must equal line 37 . . . . .	<b>41</b>		

**Note.** Line 41, column (a) is the total of the deductions reported on Form 1120-F, Section II, lines 12, 13, 14, 16, 17, 19, 20, 21, 22, 23, 24, 25, and 27.