

SUPPORTING STATEMENT FOR REGISTRATION FORM F-80

This submission pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. Section 3501 et seq., consists of this supporting statement, and the following exhibits:

- A - Statutory Authority
- B - Form F-80

A. Justification

1. Necessity of Information Collection

The Securities Act of 1933 (the "Securities Act") was enacted in order to provide full and fair disclosure with respect to publicly offered securities and to prevent frauds in connection with such offerings. The Securities Act carries out this purpose by requiring the filing of a registration statement in connection with public distributions of securities and containing remedial provisions for fraud. Schedule A of the Securities Act specifies the general types of information that must be disclosed in registration statements filed with the Securities and Exchange Commission (the "Commission").

Form F-80 is one of five Securities Act registration forms pertaining to Canadian issuers under the multijurisdictional disclosure system with Canada. Form F-80 is used for the registration of securities to be issued in an exchange offer by Canadian issuers with (a) less than forty percent of the class of securities subject to the offer held by U.S. shareholders (other than U.S. affiliates of the issuer); (b) a class of securities listed on a designated Canadian securities exchange for at least 3 calendar months; and (c) a market value of common stock held by non-affiliates ("public float") of at least (CN) \$75 million.

Form F-80 can also be used by certain Canadian issuers to register securities issued in connection with business combinations, provided that certain participants meet similar listing history, public float and U.S. shareholdings criteria. Form F-80, along with the other forms and schedules adopted by the Commission is designed to facilitate cross-border offerings by specified Canadian issuers. Although Form F-80 creates burden hours, its cost should be measured against the overall savings resulting from the multijurisdictional disclosure system.

2. Purposes of, and Consequences of Not Requiring, the Information Collection

The principal function of the Commission's forms, schedules and rules under the securities laws' disclosure provisions is to make information available to investors. The information required to be filed with the Commission permits verification of compliance with securities law requirements and assures the public availability and dissemination of such information. Private contractors reproduce much of the filed information and provide it to private parties. Security holders, investors, broker-dealers, investment banking firms, professional securities analysts and others use the Form F-80 information in evaluating securities and making investment decisions with respect to such securities. In addition, all investors benefit indirectly from submissions on Form F-80, as direct users effect transactions in securities on the basis of current information about the issuer's business and operations included in such filings, thereby causing the market prices of the securities to reflect such information.

3. Role of improved Information Technology and Obstacles to Reducing Burden

Form F-80 is filed using the Commission's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system.

4. Efforts to Identify Duplication

Form F-80 is a document designed to provide investors in Canadian securities with information concerning the registered securities and the Canadian issuer. This information is not otherwise readily available in the United States.

5. Effect on Small Entities

All exchange offer filings on Form F-80 will be made by Canadian issuers of securities with a public float of at least (CN) \$75 million. These issuers should have the resources available to prepare the necessary information for the Commission. Some small entities will not be eligible to use Form F-80. However, those that are will be relieved of the burden of filing a Form S-1, a Form F-1, or other registration statement with the Commission.

6. Consequence of Less Frequent Collection

Persons in the United States considering investment in securities issued by Canadian companies would find it more difficult and expensive to obtain the necessary information if the issuers were not required to file the prospectus and other necessary information with the Commission. Also, less frequent reporting by foreign issuers would discriminate against domestic issuers.

7. Inconsistencies with Guidelines in 5 CFR 1320.5

Not applicable.

8. Consultations Outside the Agency

Before being adopted, Form F-80 was proposed for public comment. No comments were received for this request during the 60-day comment period prior to OMB's review.

9. Payment or Gift to Respondents

Not applicable.

10. Assurances of Confidentiality

Form F-80 is a public document.

11. Sensitive Questions

Not applicable.

12. Estimate of Respondent Reporting Burden

Form F-80 takes approximately 2 hours to prepare and is filed by 4 issuers for a total annual burden of 8 hours. The estimated burden of two hours was based upon the amount of time necessary to compile the registration statement using the existing Canadian prospectus plus any additional information required by the Commission. The estimated burden hours are made solely for purposes of the Paperwork Reduction Act. They are not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms.

13. Estimate of Total Annualized Cost Burden

It is estimated that 100% of the 8 total burden hours would be prepared by an outside law firm hired by the company. It is estimated that it will cost \$400 per hour ($\$400 \times 8 = \$3,200$) for a total cost of \$3,200. The estimated cost burden is made solely for the purposes of the Paperwork Reduction Act. It is not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms.

14. Estimate of Cost to Federal Government

Regarding the cost to the Federal Government, the Commission costs associated with the multijurisdictional disclosure system are approximately \$300,000. This figure is based upon the computation of staff time devoted to this project and the related overhead cost, valued at 35 percent of staff time.

15. Explanation of Changes in Burden

The increase in cost burden to \$3,200 is due to an adjustment. The Commission increased the estimated cost of outside counsel from \$300 per hour to \$400 per hour.

16. Information Collections Planned for Statistical Purposes

Not applicable.

17. Explanation as to Why Expiration Date Will Not be Displayed

Not applicable.

18. Exceptions to Certification

Not applicable.

B. Collection of Information Employing Statistical Methods

Not applicable.