

## SUPPORTING STATEMENT FOR FORM 11-K

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

- A. Statutory Authority
- B. Form 11-K Annual Report

### A. Justification

Section 15(d) of the Securities and Exchange Act of 1934 (the “Exchange Act”) establishes a periodic reporting obligation for every issuer of a class of securities registered under the Securities Act of 1933 (the “Securities Act”). Form 11-K is the annual report form designed for use by employee stock purchase, savings and similar plans to facilitate their compliance with the reporting requirement. Form 11-K was adopted by the Commission on July 23, 1962 and has been modified several times since that date.

The sale by a company to its employees of interests in employee stock purchase, savings and similar plans generally involves more than the sale by the company of its securities. The participation interests of employees in the collective investment vehicles are separate securities, which require registration under the Securities Act, and thus annual reporting under the Exchange Act. This separate annual report is required to be filed on Form 11-K, even though the company that offered the securities pursuant to the plan also files annual reports of its own on Form 10-K.

This separate report is necessary to provide employees with information, including financial statements, with respect to the investment vehicle or plan itself. The Form 10-K annual report for the issuer is not adequate for this purpose because it does not contain information on the results of the operation of the plan or financial statements relating to the plan. Accordingly, Form 11-K is necessary to provide employees with adequate information to assess the performance of the investment vehicle in which their money is invested. As with all other periodic reports, Form 11-K is a public document.

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

Annual reports on Form 11-K are filed with the Commission and incorporated by reference into Securities Act registration statements used for the continued sale of interests or participations in employee stock purchase, savings and other plans. The information contained in the reports is utilized by employees to assist them in making decisions with respect to new or continued investments in such plans.

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

Form 11-K is filed electronically using the Commission's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system.

4. Efforts to Identify Duplication

There is some duplication in the information required by Form 11-K and the information reported by plans under the provisions of the Employee Retirement Income Security Act ("ERISA"). The Commission therefore permits plans subject to ERISA to file plan financial statements prepared in accordance with ERISA requirements in lieu of the specific information required by the Form 11-K.

5. Effect on Small Entities

The requirements to file Form 11-K may affect those small entities that meet the eligibility requirements. Form 11-K reports describe the actual performance of individual benefit plans, and can be incorporated by reference into plan registration statements, thus easing the registration burden under the Securities Act.

6. Consequences of Less Frequent Collection

Form 11-K elicits only basic information concerning the operations of an employee benefit plan. The investor protection mandated by the Exchange Act requires that companies, including small businesses, selling interests in such investment vehicles to employees provide adequate information to their employee investors.

7. Inconsistencies with Guidelines in 5 C.F.R. 1320.5

Not applicable.

8. Consultation Outside the Agency

Before being adopted, Form 11-K was proposed for public comment. No comments were received during the 60-day comment period prior to OMB's review.

9. Payment or Gift to Respondent

Not applicable.

10. Assurance of Confidentiality

All documents filed with the Commission are public documents.

11. Sensitive Questions

Not applicable.

12. Estimate of Respondent Reporting Burden

Form 11-K takes approximately 30 hours to prepare and is filed by 2,000 respondents for a total annual reporting burden of 60,000 hours. We estimate that the entire reporting burden is prepared by the company. 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 cost of Commission rules and forms.

13. Estimate of Total Annualized Cost Burden

We estimate that 100% of the 60,000 total annual reporting burden hours is prepared by the company and there is no additional cost associated with the information collection.

14. Estimate Cost to the Federal Government

Regarding cost to the federal government, the Commission estimates that it costs \$18,000 to review and process Form 11-K reports. This figure is based upon the computation of staff time devoted to this activity and the related overhead cost, valued at 35 percent of staff time.

15. Explanation of Change in Burden

The increase of 36,780 burden hours is due to an adjustment. The change in burden hours is due to an increase in the number of Form 11-K reports filed with the Commission.

16. Information Collection Planned for Statistical Purposes

Not applicable.

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

Not applicable.

18. Exception to Certification

Not applicable.

B. Collection of Information Employing Statistical Data

Not applicable.