

SUPPORTING STATEMENT FOR FORM T-3

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. Registration Statement

A. Justification

An issuer of debt securities to be offered to the public in an offering not required to be registered with the Securities and Exchange Commission (“Commission”) under the Securities Act of 1933 must qualify the indenture required to be used pursuant to the Trust Indenture Act of 1939 (“Act”) by filing a Form T-3 application with the Commission. This requirement extends the protection of the Act to offerings exempt from registration but deemed by Congress to merit the protections afforded by an indenture qualified under the Act. The form includes general information about the issuer of the securities to be offered, the basis for the exemption from registration, a list of affiliates of the applicant (which can be compared with information from the proposed trustee about its holdings of securities in the issuer and its affiliates), a list of underwriters for the issuer and of its principal security holders, a list of underwriters for the issuer, summary capitalization information and an analysis of the indenture to be qualified.

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

Form T-3 is reviewed by the staff in deciding whether to qualify an indenture relating to securities offered to the public in an offering registered under the Securities Act of 1933. The information in the Form T-3 provides a basis for deciding that the trustee is qualified and that the proposed trustee is not disqualified because of a conflicting interest.

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

The information required by Form T-3 is filed electronically with the Commission on the EDGAR system.

4. Efforts to Identify Duplication

A Form T-3 contains information unavailable from other sources. It is filed only once.

5. Effect on Small Entities

Not applicable.

6. Consequences of Less Frequent Collection

Form T-3 is filed only once. Furthermore, fewer collections would eliminate a basis for the decision to qualify an indenture.

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

Not applicable.

8. Consultation Outside the Agency

Before being adopted, Form T-3 was proposed for public comment. No comments were received on this request 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 T-3 takes approximately 43 hours per response to prepare and is filed by 78 respondents. We estimate that 25% of the 43 hours per response (11 hours) is prepared by the filer for a total annual reporting burden of 858 hours (11 hours per response x 78 responses). The estimated burden hours are made solely for the 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 75% of the 43 hours per response (32 outside hours) is prepared by the filer's outside counsel. We estimate that it will cost \$400 per hour (\$400 x 32 hours per response x 78 responses) for a total cost of \$998,400. The estimated cost is made solely for the purposes of the Paperwork Reduction Act. The cost is not derived from a comprehensive or even a representative survey or study of the cost of Commission rules and forms.

14. Estimate Cost to the Federal Government

The estimated cost to the government is approximately \$2,761 a year to administer Form T-3. This estimate is solely for the purpose of the Paperwork Reduction Act and is not derived from a comprehensive or even a representative survey or study of the cost of Commission rules and forms.

15. Explanation of Change in Burden

The increase in total burden of 19.5 hours and the increase in total cost burden \$243,400 are due to adjustments. The change in burden hours is due to an adjustment in how the Commission calculates reporting burdens. The increase of \$243,400 in cost burden reflects both a change in the hourly cost from \$300 per hour to \$400 per hour and an adjustment in how the Commission calculates cost burdens.

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.