

## SUPPORTING STATEMENT FOR SCHEDULE 14D-1F

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 supporting exhibits:

- A. Statutory Authority
- B. Schedule 14D-1F

### A. Justification

#### 1. Necessity of Information Collection

The disclosure requirements for persons engaging in corporate control transactions are designed to make material facts concerning the nature of the transaction and the participants known so that security holders have the opportunity to make informed investment decisions. Disclosure of this information is required primarily by the rules adopted under the William's Act amendments to the Securities Exchange Act of 1934 ("Exchange Act") and the proxy rules promulgated under Section 14(a) of the Exchange Act.

Section 13(d) of the Exchange Act serves a pivotal role in this disclosure scheme. It requires that a Schedule 13D be filed by any person that acquires beneficial ownership of more than five percent of a class of equity securities. Section 14(d) and 14(e) of the Exchange Act provide for the regulation of tender offers and the filing of a Schedule 14D-1 by the bidder. Schedule 14D-1 requires that the bidder provide information about its identity and background, past contracts and transactions with the subject company, source and amount of funds, and purposes, plans, or proposals, among other items. Other required information includes the identity and background of the participants, the purpose of the company, the source and the amount of funds, and any borrowing to acquire the securities or engage in the solicitation. A summary of the information contained in the Schedule 14D-1 must be disseminated adequately to security holders, while the specific requirements of each of these disclosure schemes differ, each serves to provide material information to the marketplace, the shareholders, and the target issuer.

Schedule 14D-1F may be used by any person making a cash tender or exchange offer for securities of any issuer incorporated or organized under the laws of Canada or any Canadian province or territory that is a foreign private issuer, where less than 40 percent of the outstanding class of such issuer's securities that is the subject of the offer is held by U.S. holders. The disclosure items of Schedule 14D-1F, which incorporates the disclosure documents filed with one or more Canadian securities commissions, reflect the Commission's experience and best judgment as to the information regarding the tender offer that should be required to be disclosed to shareholders.

Schedule 14D-1F, along with the other forms and schedules under the multijurisdictional disclosure system, are designed to facilitate cross-border transactions in securities of Canadian issuers.

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

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. The information filed with Schedule 14D-1F can be used by security holders, investors, broker-dealers, investment banking firms, professional securities analysts and others in evaluating securities and making investment decisions with respect to such securities.

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

Schedule 14D-1F is filed electronically using the Commission's Electronic Data Gathering, Analysis and Retrieval (EDGAR) system.

4. Efforts to Identify Duplication

Schedule 14D-1F is a document designed to provide investors in securities of Canadian issuers with information concerning the bidder, and the Canadian issuer and its security subject to the tender offer. This information is not otherwise readily available in the United States.

5. Effect on Small Entities

Specified Canadian issuers, including small Canadian issuers, make all filings on Schedule 14D-1F. These issuers should have the resources available to prepare the necessary information for the Commission.

6. Consequences of Less Frequent Collection

Persons conducting tender offers for the securities of Canadian issuers would find it more difficult and expensive to comply with the Commission's rules and regulations in the absence of the Schedule which permits such persons to provide U.S. investors with the information required in Canada.

7. Inconsistencies with Guidelines in 5 CFR 1320.5(d) (2)

No applicable.

8. Consultations Outside the Agency

Before being adopted, Schedule 14D-1F 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. Assurances of Confidentiality

Schedule 14D-1F is a public document. However, confidential treatment is available in limited circumstances.

11. Sensitive Questions

Not applicable.

12. Estimate of Respondent Reporting Burden

Schedule 14D-1F takes approximately 2 hours to prepare and is filed by an estimated 5 respondents annually for a total reporting burden of 10 hours. 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

There is no separate cost burden associated with this Information collection.

14. Estimate Cost to the Federal Government

Regarding the cost to the Federal Government, the Commission costs associated with the multijurisdictional registration system are approximately \$200,000. This figure is based upon the computation of staff time devoted tot his activity and the related overhead cost, valued at 35 percent of staff time.

15. Explanation of Changes in Burden

Not applicable.

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.