

**SUPPORTING STATEMENT FOR FINAL RULES
UNDER THE SECURITIES ACT OF 1933 AND THE SECURITIES EXCHANGE
ACT OF 1934**

This submission, pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. §3501, et seq., consists of this supporting statement and Release No. 33-8760 (Dec. 15, 2006).

A. JUSTIFICATION

1. NECESSITY FOR THE INFORMATION COLLECTION

In Release No. 33-8760, the Securities and Exchange Commission adopted rules and amendments that contain “collection of information” requirements within the meaning of the Paperwork Reduction Act of 1995. The titles for the collections of information are:

- (1) “Regulation S-B” (OMB Control No. 3235-0417);
- (2) “Regulation S-K” (OMB Control No. 3235-0071);
- (3) “Form 10-K” (OMB Control No. 3235-0063);
- (4) “Form 10-KSB” (OMB Control No. 3235-0420);
- (5) “Form 20-F” (OMB Control No. 3235-0288); and
- (6) “Form 40-F” (OMB Control No. 3235-0381).

These collections of information are necessary for the Commission to carry out the provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934. They set forth the disclosure requirements for periodic and current reports. These documents are prepared by companies to ensure that investors have the information they need to make informed investment decisions in registered offerings and secondary market transactions.

2. PURPOSE OF THE INFORMATION COLLECTION

The requirements are designed to avoid investor confusion regarding application of the internal control over financial reporting requirements to non-accelerated filers for their fiscal years ending on or after December 15, 2007 but before December 15, 2008; to foreign private issuers that are accelerated filers (but not large accelerated filers) for their fiscal years ending on or after July 15, 2006 but before July 15, 2007; and to newly public companies for the first annual report that they are required to file.

3. USE OF ELECTRONIC MEDIA

Periodic reports on Forms 10-K, 10-KSB, 20-F, and 40-F are filed electronically with the Commission using the Commission’s Electronic Data Gathering and Retrieval (EDGAR) system.

4. DUPLICATION

The Commission believes that there are no rules that conflict with or completely duplicate the new rules.

5. METHODS USED TO MINIMIZE BURDEN ON SMALL BUSINESSES

The Commission is extending further for smaller public companies the dates for complying with the internal control requirements mandated by Section 404 of the Sarbanes-Oxley Act and adopting amendments that provide for a one-year transition period for a newly public company before it becomes subject to the internal control over financial reporting requirements. Smaller companies are only required to provide disclosure increasing their paperwork burden if they only provide management's report on internal control over financial reporting and not the auditor's attestation pursuant to the newly adopted extension. Newly public companies are required to provide disclosure increasing their paperwork burden in the first annual report that they file. We have tried to minimize the burden on smaller companies by minimizing the disclosure that must be included in the annual report and by requiring only that the disclosure be in substantially the form that has been provided under the rules.

6. DESCRIPTION OF CONSEQUENCES OF LESS FREQUENT COLLECTION

Less frequent collection would mean that current information may not be available to investors and may potentially decrease investor confidence in the full and fair disclosure system that is the hallmark of the U.S. capital markets.

7. EXPLANATION OF SPECIAL CIRCUMSTANCES

Not applicable.

8. CONSULTATION OUTSIDE THE AGENCY

The Commission has issued a release soliciting comment on the new "collection of information" requirements and the associated paperwork burdens. A copy of this release is attached. Comments on Commission releases are generally received from registrants, investors and other market participants. In addition, the Commission and staff of the Division of Corporation Finance and of the Division of Investment Management participate in an ongoing dialogue with representatives of various market participants through public conferences, meetings, and informal exchanges. The Commission will consider all comments received.

9. PAYMENT OR GIFT TO RESPONDENTS

Not applicable.

10. ASSURANCE OF CONFIDENTIALITY

Not applicable.

11. SENSITIVE QUESTIONS

Not applicable.

12. and 13. ESTIMATES OF HOUR AND COST BURDENS

The paperwork burden estimates associated with the proposals include the time and the cost of preparing and reviewing disclosure, filing documents or otherwise publicizing information, and retaining records.

Our estimates represent the average burden for all companies, both large and small. We expect that the burdens and costs could be greater for larger companies and lower for smaller companies. For Forms 10-K and 10-KSB, we estimate that 75% of the burden of preparation is carried by the company internally and that 25% of the burden is carried by outside professionals retained by the company at an average cost of \$400 per hour. The burden allocation for Forms 20-F and 40-F, however, use a 25% internal to 75% outside professional allocation (at an average cost of \$400 per hour) to reflect the fact that foreign private issuers rely more heavily on outside professionals for the preparation of these forms. The portion of the burden carried by outside professionals is reflected as a cost, while the portion of the burden carried by the company internally is reflected in hours.

Tables 1A and 1B below illustrate the incremental annual compliance burdens of the collection of information in hours and in cost for the amendments. Table 1A illustrates the incremental annual compliance burdens of the collection of information requirements for the amendments that require disclosure from non-accelerated filers, while Table 1B illustrates the same for the amendments that require disclosure from newly public companies. We have based our estimated number of annual responses on the actual number of filings during the 2006 fiscal year (10/1/2005 – 9/30/2006). We estimate that, over a three-year period, the annual incremental burden imposed by the disclosure amendments will average 15 minutes per form for each of the respondents. We have based our estimates of the effects that the disclosure requirements would have on the Form 10-K, 10-KSB, 20-F and 40-F primarily based on our review of the most recently completed PRA submissions for those collections of information, and the requirements in those Regulations and Forms. The burden was calculated by multiplying the estimated number of responses by the estimated average number of incremental hours each entity will spend completing the form or complying with the requirements of the rules.¹

¹ The number of respondents to the disclosure requirements for non-accelerated filers is based on a review into the number of non-accelerated filers filing in 2004 and 2005. The number of respondents to the disclosure requirements for newly public companies is based into our review into the number of newly public companies in 2005.

Table 1A: Calculation of Incremental PRA Burden Estimates due to Disclosure Requirement for Non-Accelerated Filers

	Annual Responses (A)	Estimated Responses ² (B)	Incremental Hours/Form (C)	Incremental Burden (D)=(B) X (C)	Company Hours ³ (E)	Professional Hours ⁴ (F)	Professional Cost (1000s) (G)=(F) X \$400
Form 10-K	10,041	6,025	0.25	1,506	1129.50	376.50	\$151
Form 10-KSB	4,819	4,819	0.25	1,205	903.75	301.25	\$120
Form 20-F	1,177	471	0.25	118	29.5	88.5	\$35
Form 40-F	220	88	0.25	22	5.5	16.5	\$7
Regulation S-K ⁵	1	0.00	0.00	0.00	1.00	0.00	\$0.00
Regulation S-B	1	0.00	0.00	0.00	1.00	0.00	\$0.00

Table 1B: Calculation of Incremental PRA Burden Estimates due to Disclosure Requirement for Newly Public Companies

	Annual Responses (A)	Estimated Responses ⁶ (B)	Incremental Hours/Form (C)	Incremental Burden (D)=(B) X (C)	Company Hours ⁷ (D)	Professional Hours ⁸ (E)	Professional Cost (1000s) (F)=(E) X \$400
Form 10-K	10,041	853	0.25	213	159.75	53.25	\$21
Form 10-KSB	3,504	409	0.25	102	76.50	25.50	\$10
Form 20-F	1,177	100	0.25	25	6.25	18.75	\$8
Form 40-F	220	19	0.25	5	1.25	3.75	\$2
Regulation S-K	1		0.00	0.00	1.00	0.00	\$0.00
Regulation S-B	1		0.00	0.00	1.00	0.00	\$0.00

The total personnel time estimate for the collections of information requirements are: 1289 hours for Form 10-K, 980 hours for Form 10-KSB, 36 hours for Form 20-F and 7 hours for Form 40-F. The total professional cost estimate for the collection of information requirements are: \$171,924 for Form 10-K, \$130,709 for Form 10-KSB,

² Based on our review into the number of non-accelerated filers in 2004 and 2005, we estimate that 60% of 10-K filers, 100% of 10-KSB filers, 40% of 20-F filers and 40% of 40-F filers will be respondents to the disclosure requirements for non-accelerated filers.

³ This column is calculated by multiplying column (D) by either 25% or 75%, depending on our determination (discussed in text above) of the proportion of the burden that is borne in-house by company personnel, or borne as the cost of outside professionals.

⁴ This column is calculated by multiplying column (D) by either 25% or 75%, depending on our determination (discussed in text above) of the proportion of the burden that is borne in-house by company personnel, or borne as the cost of outside professionals.

⁵ The paperwork burden from Regulations S-K and S-B are imposed through the forms that are subject to the requirements in those Regulations and reflected in the analysis of those forms. To avoid a Paperwork Reduction Act inventory reflecting duplicative burdens, for administrative convenience we estimate the burdens imposed by Regulations S-K and S-B to be a total of one hour each.

⁶ Based on our review into the number of newly public companies in 2005, we estimate that 62% of 10-K filers, 30% of 10-KSB filers, 7% of 20-F filers, and 1% of 40-F filers will be respondents to the disclosure requirements for newly public companies.

⁷ This column is calculated by multiplying column (C) by either 25% or 75%, depending on our determination (discussed in text above) of the proportion of the burden that is borne in-house by company personnel, or borne as the cost of outside professionals.

⁸ This column is calculated by multiplying column (C) by either 25% or 75%, depending on our determination (discussed in text above) of the proportion of the burden that is borne in-house by company personnel, or borne as the cost of outside professionals.

\$42,809 for Form 20-F and \$8,002 for Form 40-F.

Table 2 below illustrates the total annual compliance burden of the collection of information in hours and in cost. The burden was calculated by adding the incremental burdens to the existing burdens. We have based our estimated number of annual responses on the actual number of filings during the 2006 fiscal year.

Table 2: Estimates of Hour and Cost Burdens

	Annual Responses (A)	Current Hours/Form (B)	Current Burden Hours (C)=(A)*(B)	Incremental Burden Hours (D)	Total Burden Hours (E)=(C)+(D)	Company Hours ⁹ (F)	Professional Hours ¹⁰ (G)	Professional Cost (1000s) (H)=(G)*\$400
Form 10-K	10,041	2,297	23,064,177	1,719	23,065,896	17,299,422	5,766,474	\$2,306,590
Form 10-KSB	3,504	1,696	8,173,024	1,307	8,174,331	6,130,748	2,043,583	\$817,433
Form 20-F	1,177	2,630	3,095,510	143	3,095,653	773,913	2,321,740	\$928,696
Form 40-F	220	427	93,940	27	93,967	23,492	70,475	\$28,190
Regulation S-K	1	1.00	1.00	0.00	1.00	1.00	0.00	\$0.00
Regulation S-B	1	1.00	1.00	0.00	1.00	1.00	0.00	\$0.00

14. ESTIMATE OF COST TO FEDERAL GOVERNMENT

The estimated cost of preparing the amendments is approximately \$37,000.

15. EXPLANATION OF CHANGES IN BURDEN

Table 3 below illustrates the changes in cost and hour burdens from the burden estimates currently approved by OMB. Columns (A) and (B) represent the total hour and cost burden estimates for the respective forms under the rules. Columns (C) and (D) represent the previous burden estimates most recently submitted to OMB. Columns (E) and (F) represent the change in burden from the previous estimates. Columns (G) and (H) represent the incremental hour and cost burden under the rules. Columns (I) and (J) represent the adjustment, which encompasses any change in burden that is not attributable to the rules. This submission uses the actual number of filings for fiscal year 2006.

	Requested Burdens		Current Burden		Change in Burden		Program Change		Adjustment	
	Burden Hours (A)	Cost (1,000s) (B)	Burden Hours (C)	Cost (1,000s) (D)	Burden Hours (E)=(A)-(C)	Cost (1,000s) (F)=(B)-(D)	Burden Hours (G)	Cost (1,000s) (H)	Burden Hours (I)=(A)-(C)-(G)	Cost (1,000s) (J)=(B)-(D)-(H)
Form 10-K	17,299,422	\$2,306,590	14,819,096	\$1,975,979	2,480,326	\$330,611	1289	\$172	2,479,037	\$330,469
Form 10-KSB	6,130,748	\$817,433	4,457,088	\$594,278	1,673,660	\$223,155	980	\$131	1,672,680	\$223,027
Form 20-F	773,913	\$928,696	650,925	\$585,833	122,988	\$342,863	36	\$43	122,952	\$342,820
Form 40-F	23,492	\$28,190	13,344	\$12,009	10,148	\$16,181	7	\$8	10,141	\$16,173
Regulation	1.00	\$0.00	1.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00

⁹ Except as discussed below, this column is calculated by multiplying column (C) by either 25% or 75%, depending on our determination (discussed in text above) of the proportion of the burden that is borne in-house by company personnel, or borne as the cost of outside professionals. The burden hours for Form N-2 are calculated by adding the estimated increase in burden hours resulting from the amendments (391.5 hours from Column D of Table 1) to the estimated hour burden in Column E (120,281.40). See footnote 12.

¹⁰ This column is calculated by multiplying column (C) by either 25% or 75%, depending on our determination (discussed in text above) of the proportion of the burden that is borne in-house by company personnel, or borne as the cost of outside professionals.

S-K										
Regulation										
S-B	1.00	\$0.00	1.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	

Table 3: Explanation of Changes in Burden

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.