

## SUPPORTING STATEMENT FOR SECURITIES ACT RULE 425

This submission, pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. Section 3501 et seq., consists of this supporting statement and Securities Act Rules 425, 165 and 135.

### A. Justification

#### 1 and 2 Necessity of Information Collection/Purpose of and, Consequences of Not Requiring, the Information Collection

Securities Act Rule 425 requires written communications made in reliance on Rule 165 and other communications containing no more than the information specified in Rule 135 concerning business combination transactions to be filed with the Commission. A primary purpose of the rule is to relax existing restrictions on oral and written communications with shareholders about tender offers, mergers and other business combination transactions by permitting the dissemination of more information on a timely basis as long as the written communications are filed on the date of first use.

Much of the burden associated with Securities Act Rule 425 in connection with certain types of business combination transactions and communications before the filing of proxy statements has been indirectly reflected through various Exchange Act information collection files approved by OMB. Other communications under Rule 425 related to securities-based business combination offerings may also have been indirectly reflected through other Securities Act information collection files, but we are requesting extension of the Rule 425 information collection file (with an adjustment to the previous burden estimate as described in Item 15 of this supporting statement) to directly reflect the burden hours associated with these communications.

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

Rule 425 communications are filed electronically on EDGAR.

#### 4. Efforts to Identify Duplication

Although the filer of the Rule 425 information may choose to publicly disseminate it, there are no other filing requirements that duplicate this information.

#### 5. Effect on Small Entities

All issuers, including small businesses have discretion as to whether or not they want to disseminate written communications require to be filed under Rule 425. Furthermore, Rule 425 was adopted in connection with other revisions, all of which were intended to decrease costs and burdens for all issuers, including small business issuers, and enhance communications between issuers and investors.

#### 6. Consequences of Less Frequent Collection

Rule 425 requires filing of written communications only when issuers choose to disseminate them and only in connection with business combination transactions. Less frequent collection could compromise investor protection.

7. Inconsistencies with Guidelines in 5 CFR 1320.6

Not applicable.

8. Consultations Outside the Agency

Rule 425 was proposed for public comment. No comments were received on this request during the 60-day comment period prior to OMB's review of this submission.

9. Payment or Gift to Respondents

Not applicable.

10. Assurance of Confidentiality

Not applicable.

11. Sensitive Questions

Not applicable.

12. Estimate of Respondent Reporting Burden

We estimate that approximately 3,700 issuers file communications under Rule 425 in connection with securities-based business combination transactions at an estimated .25 hours per response for a total of 925 annual burden hours. The estimated burden hours are solely for the purpose of the Paperwork Reduction Act.

13. Estimate of total annualized cost burden

Not applicable.

14. Estimate of Cost to Federal Government

Not applicable.

15. Explanation of Changes in Burden

The increase of 425 burden hours is due to an adjustment. The change in burden hours is due to an increase in the number of Rule 425 communications.

16. Information Collections Planned for Statistical Purposes

Not applicable.

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

Not applicable.

B. Collection of Information Employing Statistical Methods

Not applicable.