

SUPPORTING STATEMENT FOR REGISTRATION FORM 40-F

A. Justification

1. Necessity of Information Collection

The Securities Exchange Act of 1934 (“Exchange Act”) is intended to ensure that secondary markets for publicly traded securities are fair and honest. The principal means by which the Exchange Act carries out this purpose include regulation of broker-dealers, registration of exchange-traded and other securities, remedial provisions for fraud in securities transactions and manipulation of regulated securities markets, and limits on the extension of credit for securities purposes. In addition, they include issuer registration and periodic reporting requirements prescribed by the Securities and Exchange Commission (“Commission”) pursuant to its authority in Section 12(b), 12(g), 13(a) and 15(d) of the Exchange Act.

In connection with its multijurisdictional disclosure system, the Commission adopted Form 40-F to be used by Canadian issuers to file annual reports with the Commission pursuant to Section 15(d) of the Exchange Act. Form 40-F may also be used by certain Canadian issuers to register securities with the Commission pursuant to Section 12(b) or (g) of the Exchange Act, and to file reports with Commission pursuant to Section 13 of the Exchange Act. The Form provides that a Section 15(d) reporting obligation not arising from the use the multijurisdictional disclosure system registration forms (and, in the case of certain Canadian issuers, a Section 15(d) reporting obligation not arising from the use of such forms) can be met by filing the periodic disclosure documents required in Canada with the Commission under cover of Form 40-F. Form 40-F, along with the other Commission forms and schedules, is designed to facilitate cross-border offerings by specific Canadian issuers.

2. Purposes of 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. The information filed with the Commission under cover of Form 40-F, can be used by security holders, investors, broker-dealers, investment banking firms, professional securities analysts and other in evaluating securities and making investment decisions with respect to securities of certain Canadian companies. In addition, all investors benefit indirectly from submissions under cover of Form 40-F, as direct users effect transactions in securities on the basis of current information about the issuer’s business and operations included in such filings, thereby causing the market prices of the securities to reflect such information.

3. Use of Electronic Media

Form 40-F is filed electronically using the Commission’s Electronic Data Gathering, Analysis and Retrieval (EDGAR) system.

4. Efforts to Identify Duplication

Form 40-F is a document designed to provide investors in Canadian securities with information concerning the subject securities and the Canadian issuer. This information is not otherwise readily available in the United States.

5. Methods Used to Minimize Burden on Small Entities

Many small businesses do not have a class of securities registered pursuant to Section 12 of the Exchange Act and therefore are exempt from the requirements of Form 40-F.

6. Description of Consequences of Less Frequent Collection

Persons considering investment in securities issued by Canadian companies would find it more difficult and expensive to obtain the necessary information if the issuers were not required to file the information under cover of Form 40-F with the Commission.

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

Not applicable.

8. Consultations Outside the Agency

Form 40-F was proposed for public comment. No comments were received during the 60-days comment period prior to OMB's approval of this submission.

9. Payment or Gift to Respondents

Not applicable.

10. Assurance of Confidentiality

Form 40-F is a public document.

11. Sensitive Questions

Not applicable.

12. Estimate of Respondent Reporting and Cost Burden

Form 40-F takes approximately 427 hours per response and is filed by approximately 205 respondents. We estimate that 25% of the 427 hours per response (106.75 hours) is prepared by the issuer for a total reporting burden of 21,884 hours (106.75 hours per response x 205 responses). The estimated burden hours are for the sole purpose of the Paperwork Reduction Act and are not derived from a comprehensive or even a representative survey or study of Commission rules and forms.

13. Estimate of Total Annualized Cost Burden

We estimate that 75% of the 427 hours per response (320.25 hours) is prepared by the company's outside counsel. We estimate that it will cost \$400 per hour (\$400 per hour x 320.25 hours per response x 205 responses) for a total cost of \$26,260,500. The estimated cost burden is made solely for the purposes of the Paperwork Reduction Act. The cost burden is not derived from a comprehensive or even a representative survey or study of the cost of Commission rules and forms.

14. Estimate of Cost to the Federal Government

Regarding the costs to the federal government, the Commission costs associated with the multijurisdictional disclosure system are approximately \$200,000. This figure is based upon the computation of staff time devoted to this project 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. Exception to Certification

Not applicable.

B. Collection of Information Employing Statistical Methods

Not applicable.