

SUPPORTING STATEMENT FOR FORM ID

A. Justification

1. Necessity of Information Collection

Regulation S-T¹ provides the general requirements and procedures for electronic filing using the Electronic Data Gathering, Analysis and Retrieval (“EDGAR”) system. It further mandates that all domestic registrants, foreign private issuers and foreign governments generally file their securities documents electronically with the Commission. This includes registration statements under the Securities Act of 1933² and registration statements, reports and other documents under the Securities Exchange Act of 1934.³ To facilitate the electronic filing requirements, the Commission developed certain procedures and forms that were unique to the EDGAR filing system, including Form ID⁴ to be used by EDGAR filers.

In Securities Act Releases 8814⁵ and 8891,⁶ the Commission proposed and adopted, respectively, amendments that will restructure, and mandate the electronic filing on a new online filing system that will be part of EDGAR, information required by Securities Act Form D⁷ that currently must be filed in paper. We expect that mandated electronic filing of Form D will require additional filings of Form ID.

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

The information provided on Form ID allows the Commission to assign company identification numbers (“CIKs”) and passwords to registrants and others, providing access to the EDGAR system. These are essential to the security of the EDGAR system.

The main purpose of the amendments is to address deficiencies in the Form D data collection process. We believe the amendments, in general, will address the deficiencies in the Form D data collection process by clarifying, simplifying and updating the information requirements of Form D and modernizing the related information capture

¹ 17 CFR 232.10 et seq.

² 15 U.S.C. 77a et seq.

³ 15 U.S.C. 78a et seq.

⁴ 17 CFR 239.63, 249.446, 269.7 and 274.402.

⁵ Release No. 33-8814 (June 29, 2007) [72 FR 37376].

⁶ Release No. 33-8891 (Feb. 6, 2008) [73 FR 10592]

⁷ 17 CFR 239.500.

process. The data filed will be available on our Web site and will be interactive and easily searchable by regulators and members of the public.

3. Role of Improved Technology and Obstacles to Reducing Burden

Form ID is used to implement improved information dissemination technology. The EDGAR system is designed to reduce the regulatory burdens of paper filings with the Commission.

We believe that the amendments will implement improved technology in a manner that will address deficiencies in the Form D data collection process by, among other things, mandating electronic filing and, thereby, reducing the regulatory burden of otherwise filing in paper the information required by Form D.

4. Efforts to Identify Duplication

EDGAR system function is unique to the Commission; consequently, no duplication of Form ID exists.

There is insufficient information already available that can be used or modified for use to achieve the purposes of the amendments.

5. Effect on Small Entities

The EDGAR system is designed to provide all registrants, including small businesses, with greater efficiencies in filing information with the Commission.

6. Consequences of Less Frequent Collection

Form ID must be used by registrants and other persons to whom the Commission has not assigned a CIK to obtain the access codes needed to file on EDGAR. Form ID must be filed only once by a filer to get access to the EDGAR system. Less frequent collection could compromise the security of the EDGAR system.

7. Inconsistencies with Guidelines in 5 C.F.R. 1320.5(d)(2)

The Form ID collection of information is not inconsistent with the guidelines in 5 CFR 1320.5(d)(2).

The amendments will eliminate an inconsistency between the Form D collection of information and the guidelines in 5 CFR 1320.5(d)(2). The mandated electronic filing of the information required by Form D will be coupled with elimination of the requirement to file multiple paper copies of such information.

8. Consultations Outside the Agency

Both the proposing and adopting releases solicit comment on the amendments' expected Paperwork Reduction Act effects.

The comment period ended on September 7, 2007 for the proposing release. One commenter on the proposing release expressly addressed our PRA estimate of the amount of the estimated burden per response for Form ID and that commenter and another commenter expressed concern about the potential burdens resulting from the requirement to file Form ID in order to obtain the access codes necessary to file a Form D on EDGAR. The commenter that expressly addressed our PRA estimate of .15 hours per response for Form ID stated that the estimate is not consistent with the experiences of several members of the committees that together provided the comment. We are not aware of respondents generally incurring response time in excess of our estimate of .15 hours per response for Form ID and continue to believe the estimate to be appropriate. We acknowledge the general concerns with the Form ID process but we believe it should be required for Form D filers as it is for other filers on EDGAR.

We believe that the new online system should be as secure as our EDGAR system in general because it will be a part of the EDGAR system and, as such, its filings will be disseminated on EDGAR and displayed on the Commission's public Web site. In order to achieve that uniform degree of security, we believe it is appropriate to require issuers that seek to file Form D to complete the same Form ID authentication process to obtain the same access codes as those persons or entities who seek to file with the Commission for many other reasons.

To date, we have not received any comments in response to the adopting release's solicitation of comment on the amendments' expected Paperwork Reduction Act effects.

9. Payment or Gift to Respondent

Not applicable.

10. Assurance of Confidentiality

Form ID is used solely for registering filers on the EDGAR system.

The information required by Form ID is not made public but is subject to a request under the Freedom of Information Act (5 U.S.C. 552 *et. seq.*).

11. Sensitive Questions

Not applicable.

12. Estimate of Respondent Reporting Burden

We previously estimated that 196,800 registrants and other persons file Form ID each year at an estimated burden of .15 hours per response all of which is borne internally by the respondent for a total annual burden of 29,520 hours. We now estimate, however, that 46,400 respondents file Form ID each year at an estimated burden of .15 hours per response all of which is borne internally by the respondent for a total annual burden of 6960 hours. We estimate that the amendments will cause an additional 19,300 respondents to file a Form ID each year (resulting in a total of 65,700 respondents each year) and, as a result, will cause an additional annual burden of 2895 hours (resulting in a total annual burden of 9855 hours). The estimates of hours are made solely for the purposes of the Paperwork Reduction Act. They are not derived from a comprehensive survey or study of the cost of Commission rules and forms.

13. Estimate of Total Annualized Cost Burden

It is estimated that the respondent will prepare 100% of the total reporting burden imposed by the forms and there is no additional cost associated with the information collection.

14. Estimate of Cost to the Federal Government

The Commission has no specific information available concerning the cost for staff processing of Form ID; however, cost is not significant because the Commission has automated most of the processing required.

15. Explanation of Changes in Burden

The changes in burden arise from a change in our estimate of the current burden and our expectation of the effect of the amendments' mandating electronic filing on EDGAR of the information required by Form D.

As discussed in item 12 of this supporting statement, we have changed from 196,800 to 46,400 our estimate of the number of respondents that file Form ID each year but still estimate a burden of .15 hours per response all of which is borne internally by the respondent. Consequently, we have changed our estimate of the current annual burden from 29,520 to 6960 hours. The primary reason for our change in estimate is that the number of Forms ID we actually received in the last fiscal year is much lower than the number we previously have estimated.

We believe that the amendments' mandating electronic filing on EDGAR of the information required by Form D would cause issuers to whom the

Commission has not assigned a CIK to file Form ID to obtain the access codes needed to file on EDGAR. As discussed in response to Item 12 of this supporting statement, we estimate that the amendments will cause an additional 19,300 respondents to file a Form ID each year (resulting in a total of 65,700 respondents each year) and, consequently, based on an estimated burden per response of .15 hours (all of which would be borne internally) will cause an additional annual burden of 2895 hours (resulting in a total annual burden of 9855 hours).

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.