

## SUPPORTING STATEMENT FOR REGULATION S-T

### A. Justification

#### 1. Necessity of Collection

Regulation S-T governs the Commission's Electronic Data Gathering, Analysis, and Retrieval ("EDGAR") system. The EDGAR system is used to electronically submit reports, schedules, forms and other filings. The cornerstone of the EDGAR rules is Regulation S-T, where the rules prescribing requirements for electronic filing and the procedures for making such filings are located. Examples of its coverage includes identification of filings that must be filed electronically, rules providing exemptions from electronic filing for specified types of hardships, and rules discussing treatment of graphic and image material.

Regulation S-T is designed as a supplement to the current paper rules, rather than as a replacement. Accordingly, a registrant that wants to amend a Securities Act registration statement, for example, looks to the Rule 470 series of Regulation C. In addition, existing rules where appropriate have been modified to present an "electronic filing" paragraph in the rule.

Electronic filers that obtain an exemption under Rule 202 of Regulation S-T must file the required information in paper in accordance with existing provisions of the Commission's regulations and forms.

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

The principal function of the Commission's forms and rules under the disclosure provisions of the federal securities laws is to make information available to the securities markets. 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; many other persons, such as broker-dealers, investment banking firms and professional securities analysts also obtain information directly from the Commission to evaluate securities and make investment and voting decisions with respect to such securities. One of the primary advantages of EDGAR is the ability to obtain financial and statistical information in filings. In order for EDGAR to recognize and extract such information, the information must be tagged in a specific manner.

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

The purpose of Regulation S-T is to implement the Commission's EDGAR system. The EDGAR system enables the Commission to receive, store, process and disseminate electronic format information more efficiently.

4. Effort to Identify Duplication

The Commission is involved in an on-going program designed to integrate the disclosure requirements of the Securities Act with the disclosure requirements of the Exchange Act. In so doing, the Commission examines new regulations or amendments to determine if duplication can be avoided by the integrated disclosure system.

5. Effect on Small Entities

Small entities are not required to file electronically if they satisfy the requirements of a temporary or continuing hardship exemption which are outlined in Regulation S-T. The EDGAR system has been designed to accommodate small entities to the greatest degree possible while still carrying out the Commission's mandate to develop a system for the electronic dissemination of information to the public.

6. Consequences of Less Frequent Collection

Regulation S-T does not directly impose any information collection requirements.

7. Inconsistencies with Guidelines in 5 CFR 1320.6

Not applicable.

8. Consultation Outside the Agency

Regulation S-T was proposed for public comment. No comments were received during the 60-day comment period prior to OMB's approval of this submission.

9. Payment or Gift to Respondent

Not applicable.

10. Assurance of confidentiality

Not applicable.

11. Sensitive Question

Not applicable.

12. Estimate of Respondent Reporting Burden

Because Regulation S-T governs the procedure for filing of forms, reports, schedules and other documents, but not the substance of the information contained in those forms, reports, schedules and other documents, it is more feasible and appropriate to report the burden hours associated with each form, report, schedule or other document. A separate burden estimate is made for each form, report, schedule and other document that is filed through EDGAR. Accordingly, a burden estimate for Regulation S-T of one hour is being submitted for administrative convenience.

13. Estimate of Total Annualized Cost Burden

Not applicable.

14. Estimate of Cost to the Federal Government

Regulation S-T is self-executing so the staff time associated is limited to interpretation and review. It is estimated that the cost associated with the staff's limited interpretation and review is less than \$100,000.

15. Explanation of Change in Burden

Not applicable.

16. Information Collection 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.