

## SUPPORTING STATEMENT FOR REGULATION G

This submission, pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. §3501, et seq., consists of this supporting statement and the following exhibits:

### A. JUSTIFICATION

#### 1. Necessity of Information Collection

Regulation G, under the Securities Exchange Act of 1934 (the “Exchange Act”) requires registrants when publicly disclosing material information that includes non-GAAP financial measures to provide a reconciliation to comparable GAAP figures. Regulation G implemented the requirements of Section 401 of the Sarbanes-Oxley Act. Specifically, Regulation G is intended to provide investors with balanced financial disclosure when non-GAAP financial measures are presented.

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

Every issuer that is subject to Section 13(a) or 15(d) under the Exchange Act must file periodic and current reports with the Commission containing information about its business and financial condition. Regulation G is intended to implement the requirements of the Sarbanes-Oxley Act of 2002. Specifically, Section 401 of the Sarbanes Oxley Act of 2002 required “the Commission [to] issue final rules providing that pro forma financial information included in any periodic or other report filed with the Commission pursuant to the securities laws, or in any public disclosure or press or other release, shall be presented in a manner that: (1) does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the pro forma financial information, in light of the circumstances under which it is presented not misleading; and (2) reconciles it with the financial condition and results of operations of the issuer under generally accepted accounting principles.

#### 3. Role of Improved Information Technology

Regulation G information is not required to be filed with the Commission but may be disclosed in electronic format, such as on an Internet website.

#### 4. Efforts to Identify Duplication

Regulation G information does not duplicate, overlap, or conflict with other federal rules.

#### 5. Effect on Small Business

Most small businesses do not present non-GAAP financial information.

6. Consequences of Less Frequent Collection

Rules providing for less frequent disclosure than Regulation G requires would not be consistent with the intent of the Sarbanes-Oxley Act.

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

Not applicable.

8. Consultations Outside the Agency

Regulation G 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 14,000 public companies are required to comply with Regulation G approximately six times a year for a total of 84,00 filings annually. We estimate that it takes approximately .5 burden hours per response for a total of 42,000 burden hours annually. The estimated hours are made solely for the purpose 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

We estimate that an outside firm would charge approximately \$26 an hour for the services of a junior accountant (\$26 x 42,000 hours) for a total cost burden of \$1,092,000. The estimated cost burden is made solely for the purposes of the Paperwork Reduction Act. It is not derived from a comprehensive survey or study of the cost of Commission rules and forms.

14. Estimate of Cost to the Federal Government

The estimated cost to the federal government is approximately \$25,000.00.

15. Explanation of Changes in Burden and Costs

No applicable.

16. Information Collections Planned for Statistical Purposes

Not applicable.

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

Not applicable.

18. Exceptions to Certification

Not applicable.

B. Collection of Information Employing Statistical Methods

Not applicable.