

SUPPORTING STATEMENT
Form S-1

This submission, pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. §3501, et seq., consists of this supporting statement and Release No. 33-9152 (October 14, 2010).

A. JUSTIFICATION

1. Necessity for the Information Collection

In Release No. 33-9152, the Securities and Exchange Commission withdrew rule 151A under the Securities Act of 1933. The withdrawal of Rule 151A contains no new “collection of information” requirements within the meaning of the Paperwork Reduction Act of 1995. However, we believe that the withdrawal of rule 151A will result in a decrease in the burden estimates that are currently approved by OMB for existing Form S-1 as a result of a reduction in filings that would be made on Form S-1.¹ Form S-1 contains “collection of information” requirements within the meaning of the Paperwork Reduction Act of 1995 (“PRA”). The title for the collection of information is:

“Form S-1” (OMB Control No. 3235-0065)

This collection of information is necessary for the Commission to carry out the provisions of the Securities Act of 1933. It governs the information required to be included in registration statements on Form S-1. This form sets forth the disclosure requirements for registration statements that are prepared by eligible issuers to provide investors with the information they need to make informed investment decisions in registered offerings.

2. Purpose of the Information Collection

In Release No. 33-9152, the Commission withdrew rule 151A under the Securities Act of 1933 (“Act”). Rule 151A defines the terms “annuity contract” and “optional annuity contract” under the Act. The rule was intended to clarify the status under the federal securities laws of indexed annuities, under which payments to the purchaser are dependent on the performance of a securities index. The rule was withdrawn because on July 12, 2010, the United States Court of Appeals for the District of Columbia Circuit issued an order vacating the rule.² The withdrawal of rule 151A would not change Form S-1 and contains no new “collection of information” requirements within the meaning of the PRA.

¹ We anticipate that the withdrawal of rule 151A would affect the annual number of Forms S-1 filed and the number of hours per Form S-1. As such, we are required to include Form S-1 in the titles of information collections even though we are not proposing to amend it in this release.

² American Equity Investment Life Insurance Company, et al., v. Securities and Exchange Commission, No. 09-1021 (D.C. Cir.).

3. Role of Improved Information Technology

Registration statements on Form S-1 are filed electronically with the Commission using the Commission's Electronic Data Gathering and Retrieval (EDGAR) system.

4. Efforts to Identify Duplication

The Commission believes that there are no rules that conflict with or duplicate the adopted rule or its withdrawal.

5. Effect on Small Entities

The withdrawal of the rule would not affect small businesses and other small entities, because withdrawal of the rule is ministerial and therefore will have no separate economic effect.

6. Consequences of Less Frequent Collection

Less frequent collection would mean that current information may not be available to investors and may potentially decrease investor confidence in the full and fair disclosure system that is the hallmark of the U.S. capital markets.

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

Not applicable.

8. Consultation Outside the Agency

The Commission release that withdraws the rule also solicits comment on the accuracy of its estimate of the change in burden for Form S-1 that we anticipate will result from the withdrawal of rule 151A.³ The withdrawal of rule 151A does not change Form S-1 and contains no new "collection of information" requirements within the meaning of the Paperwork Reduction Act of 1995. A copy of the release is attached. Comments on Commission releases are generally received from registrants, investors, and other market participants. In addition, the Commission and staff of the Division of Investment Management participate in an ongoing dialogue with representatives of various market participants through public conferences, meetings, and informal exchanges. Since the final rule was published in October, 2010, the Commission has received no public comments related to this court ordered reduction. The Commission will consider all comments received.

9. Payment or Gift to Respondents

Not applicable.

³ 75 FR 64642 (Oct. 20, 2010).

10. Assurance of Confidentiality

Not applicable.

11. Sensitive Questions

Not applicable.

12. Estimate of Hour Burden & 13. Estimate of Total Annual Cost Burden

The paperwork burden estimates associated with the withdrawal of rule 151A reflect a reduction in the time and the cost of preparing and reviewing disclosure, filing documents or otherwise publicizing information, and retaining records, as certain issuers will no longer be required to file registration statements on Form S-1.

These estimates represent the average burden for all companies, both large and small. We expect that the burdens and costs of preparing and filing Form S-1 could be greater for larger companies and lower for smaller companies. For Securities Act registration statements on Form S-1, we estimate that 25% of the burden of preparation is carried by the company internally and that 75% of the burden is carried by outside professionals retained by the company at an average cost of \$400 per hour. The portion of the burden carried by outside professionals is reflected as a cost, while the portion of the burden carried by the company internally is reflected in hours.

We estimate that there would be an annual decrease of 400 responses on Form S-1 as a result of the withdrawal of the rule. We estimate that there would be an increase of approximately 120 hours per response on Form S-1 as a result of the withdrawal of the rule.

14. Estimate of Cost to the Federal Government

The annual cost of reviewing and processing new registration statements, post effective amendments, proxy statements, and shareholder reports of investment companies amounted to approximately \$20.4 million in fiscal year 2009, based on the Commission's computation of the value of staff time devoted to this activity and related overhead.

15. Explanation of Changes in Burden

To determine the change in burden resulting from the withdrawal of rule 151A, we used a two-step approach. First we reduced the current burden by the amount that the PRA burden was increased as a result of rule 151A. Then, the burden was adjusted to reflect any subsequent rulemaking that may have affected the Form S-1 burden.

1. Burden added by rule 151A amendments: The rule 151A amendments added 400 responses, 59,968 burden hours, and \$71,961,200 in burden cost.⁴ The table below

⁴ These numbers are rounded in the rule 151A adopting release and accordingly are shown as 60,000 and \$72,000,000.

reflects what the PRA burden would be if we remove the additional burden imposed by rule 151A from the current burden:

	Current Burden (A)	Change (B)	Burden Absent the Burden added by Rule 151A (C = A+B)
Responses	1,168	-400	768
Hour Burden	247,982	-59,968	188,014
Cost Burden	\$ 297,578,400	\$ -71,961,200	\$ 225,617,200

2. Subsequent rulemakings added a certain number of burden hours per response. Because we are removing 400 responses, we also have to remove the incremental burden assigned to those 400 responses because of the subsequent rulemaking. Two rulemakings were approved by OMB after rule 151A was adopted.⁵ The first modified reporting requirements for oil and gas companies only. None of the 400 responses removed belonged to oil and gas companies and so none of the additional burden from that amendment were assigned to these responses. The second rulemaking was related to proxy disclosure enhancement. This rulemaking assigned an incremental internal burden increase of 4 hours and an incremental external cost increase of \$4,800 to each response, including the 400 that were removed as a result of the withdrawal of rule 151A. Thus, the 400 entities that were removed were assigned additional total burdens of 1,600 hours (400 x 4 hours) and \$1,920,000 (400 x \$4,800). The table below illustrates the changes in cost and hour burdens from the burden estimates currently approved by OMB.

	Current Burden (A)	Change due to removal of vacated rule 151A (B)⁶	Change due to removal of oil and gas reporting amendments for the 400 entities (C)	Change due to removal of proxy disclosure enhancement burden for the 400 entities (D)	Total Change E = (B+C+D)⁷	Requested Burden F = (A+E)
Responses	1,168	-400	0	0	-400	768

⁵ Release No. 33-8995 (Modernization of Oil and Gas Reporting) and Release No. 33-9089 (Proxy Disclosure Enhancements)

⁶ These numbers are rounded in the rule 151A adopting release and accordingly are shown as 60,000 and \$72,000,000.

⁷ These numbers are rounded in the release withdrawing rule 151A and accordingly are shown as 61,600 and \$73,920,000.

Hour Burden	247,982	-59,968	0	-1,600	-61,568	186,414
Cost Burden	\$297,578,400	\$ -71,961,200	0	\$ -1,920,000	\$ -73,881,200	\$223,697,200

16. Information Collection Planned for Statistical Purposes

Not applicable.

17. Approval to not Display Expiration Date

Not applicable.

18. Exceptions to Certification Statement

Not applicable.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Not applicable.