

## SUPPORTING STATEMENT FOR REGISTRATION FORM S-3

### A. Justification

#### 1. Circumstances Making the Collection of Information Necessary

The Securities Act of 1933 (“Securities Act”) was designed to prevent misrepresentation, deceit and other fraudulent acts and practices in the sale of securities. Section 5 of the Securities Act requires that a registration statement must be filed before any securities are publicly offered and that the statement must be effective before any securities may be sold. Also, the Securities Act further requires that investors be furnished with prospectus information to enable them to evaluate the securities and make informed investment decisions. Section 7 of the Securities Act and Schedule A outlines the information that must be contained in a registration statement. However, Section 7 gives the Commission the authority to vary such disclosure for various classes of issuers and securities. Section 10 of the Securities Act outlines which of the registration statement disclosure requirements are required to be included in the prospectus. The Commission has used its statutory authority to develop a number of specialized registration statement forms designed to tailor disclosure requirements to the type of offering or issuer of other parameters, thereby eliminating burdensome and unnecessary requirements while maintaining investor protection.

Form S-3 (17 CFR 239.13) is generally available to issuers that have been reporting under the Exchange Act for at least 12 months for: (a) any primary offering (if the aggregate market value of the issuer’s voting stock held by non-affiliates is at least \$75 million); (b) secondary offering by selling shareholders; (c) primary offering of non-convertible investment grade securities; (d) securities offered upon the exercise of outstanding rights, convertible securities or outstanding transferable warrants of the issuer; (e) securities offered under dividend or interest reinvestment plans; and (f) offers of investment grade asset-backed securities.

#### 2. Purposes and Use of the Information Collection

The purpose of information is to provide disclosure of financial and other information with which investors may evaluate the merits of securities in order to make investment decisions.

#### 3. Consideration Given to Information Technology

Registrants are required to file Form S-3 electronically using the Commission’s Electronic Data Gathering, Analysis and Retrieval System (EDGAR).

#### 4. Duplication of Information

Form S-3 is designed to provide information that is specific to that issuer or offering, thereby eliminating burdensome and unnecessary requirements.

5. Reducing the Burden on Small Entities

Small entities generally are not eligible to file Form S-3 because of the form's eligibility requirements.

6. Consequences of Not Conducting Collection

Not Applicable.

7. Special Circumstances

Not Applicable.

8. Consultations with Persons Outside the Agency

Form S-3 was proposed for public comment. No comments were received on this request during the 60-day comment period prior to OMB's review.

9. Payment or Gift to Respondents

Not Applicable.

10. Confidentiality

All documents filed with the Commission are public documents.

11. Sensitive Questions

Not Applicable.

12. Estimate of Respondent Reporting Burden

Form S-3 takes approximately 459 hours per response to prepared and is filed by approximately 2,065 issuers annually. We estimate 25% of the 459 hours per response (114.75 hours) is prepared by the issuers for a total annual reporting burden of 236,959 hours (114.75 hours per response x 2,065 responses). The estimated hours are made solely for the purposes of the Paperwork Reduction Act. They are not derived from a comprehensive or even a representative survey or study of the cost of Commission rules and forms.

13. Estimate of Total Annualized Cost Burden

We estimate 75% of the 459 hours per response (344.25 hours) is prepared by outside counsel hired by the company. We estimate that outside counsel cost to be \$400 per hours (\$400 per hour x 344.25 hours per response x 2,065 responses) for a total cost burden of \$284,350,500. The estimated cost is made solely for the purposes of the Paperwork Reduction Act. The cost is not derived from a comprehensive or even a representative survey or study of the cost of Commission rules and forms.

14. Costs to Federal Government

The staff has estimated the cost to process Form S-3 filings is approximately \$300,000 per year.

15. Reason for Change in Burden

Not applicable.

16. Information Collection Planned for Statistical Purposes

Not Applicable.

17. Display of OMB Approval Date

We request authorization to omit the expiration date on the electronic version of the form, although the OMB control number will be displayed. Including the expiration date on the electronic version of this form will result in increased costs, because the need to make changes to the form may not follow the application's scheduled version release dates.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

Not Applicable.

B. Statistical Methods

Not Applicable.