

SUPPORTING STATEMENT FOR FORM CB

A. JUSTIFICATION

1. CIRCUMSTANCES MAKING THE COLLECTION OF INFORMATION NECESSARY

The Commission rules exempt from the tender offer and registration rules cross-border tender offers, exchange offers, rights offerings and business combinations when U.S. ownership of the foreign company is not significant. The purpose of these exemptions is to facilitate inclusion of U.S. security holders of foreign companies in these types of transactions. The rules are intended to reduce the regulations applicable to some cross-border transactions.

2. PURPOSE AND USE OF THE INFORMATION COLLECTION

Rules 801(c)(4)(i) and 802(c)(3)(i) under the Securities Act of 1933 (the “Securities Act”) and Rules 13e-4(h)(8)(2)(i), 14d-1(c)(2)(i) and 14e-2(d)(l) under the Securities Exchange Act of 1934 (the “Exchange Act”) require an entity conducting an exempt tender or rights offering in connection with a cross-border transaction to file a Form CB. Form CB is a cover sheet that incorporates the offering documents sent to security holders pursuant to the requirements of the country in which the issuer is incorporated. It also requires disclosure of the identity of the entity conducting the tender offer or rights offering. This collection of information is necessary so that the Commission can determine whether the transaction meets the eligibility requirements of the exemptive rules. We also have to collect information to ensure that information about the transaction is publicly available. Security holders thus have the opportunity to make informed investment decisions, particularly since the transactions relate to potential changes in control. For the tender and exchange offer exemptions, domestic and foreign entities wishing to engage in cross-border transactions are the likely respondents. Also, the company that is the target of the tender offer is required to respond.

3. CONSIDERATION GIVEN TO INFORMATION TECHNOLOGY

Issuers are required to file Form CB electronically using the Electronic Data Gathering, Analysis and Retrieval System (EDGAR).

4. DUPLICATION OF INFORMATION

There are no other public sources for this information.

5. REDUCING THE BURDEN ON SMALL ENTITIES

Small entities can rely on the exemptions on the same basis as larger entities, provided that they meet the conditions for relying on them. The exemptions eliminate certain existing reporting requirements for entities conducting an exempt tender offer, business combination or rights offering. Form CB does not discriminate against, or otherwise unduly burden, small entities.

6. CONSEQUENCES OF NOT CONDUCTING COLLECTION

Persons considering investment in securities issued by foreign companies would find it more difficult and expensive to obtain the necessary information if the specified persons were not required to file the necessary information with the Commission.

7. SPECIAL CIRCUMSTANCES

Form CB is filed electronically as described in Item 3 above. Form CB may be filed in paper in accordance with Rule 101(b)(8) of Regulation S-T or a hardship exemption; filers must furnish five copies of the form in paper. Under current procedures for paper copies, one of the Form CB copies is sent to an independent contractor to be placed on microfiche. Another copy gets sent to the Commission's Public Reference Room. A third copy is used to update our records system. The other two copies are distributed to staff in the Office of Mergers and Acquisitions, Division of Corporation Finance.

8. CONSULTATION WITH PERSONS OUTSIDE THE AGENCY

Form CB 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

Form CB is a public document.

11. SENSITIVE QUESTIONS

Not applicable.

12. ESTIMATE OF RESPONDENT REPORTING BURDEN

Form CB takes approximately 0.5 hours per response to prepare and is filed by 200 filers annually. We estimate that 25% of the 0.5 hours per response (0.125 hours) is prepared by the filer for an annual reporting burden of 25 hours (0.125 hours per response x 200 responses). The estimated burden hours are made solely for the purposes of the Paperwork Reduction Act.

13. ESTIMATE OF TOTAL ANNUALIZED COST BURDEN

We estimate that 75% of the 0.5 hours per response (0.375 hours) is prepared by outside counsel. We estimate that it will cost \$400 per hour (\$400 per hour x 0.375 hours per response x 200 responses) for a total cost of \$30,000. The estimated cost burden is made solely for purposes of the Paperwork Reduction Act. The cost is not derived from a comprehensive or even representative survey or study of the cost of Commission rules and forms.

14. COSTS TO FEDERAL GOVERNMENT

The estimated cost to the federal government is \$50,000.

15. REASON FOR CHANGE IN BURDEN

There is no change in the burden.

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 this form for design and scheduling reasons. The OMB control number will be displayed.

18. EXCEPTIONS TO CERTIFICATION FOR PAPERWORK REDUCTION ACT SUBMISSIONS

Not applicable.

B. STATISTICAL METHODS

Not applicable.