

SUPPORTING STATEMENT FOR RULE 14f-1

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

Section 14(f) of the Securities Exchange Act of 1934 (the “1934 Act”) relates to the replacement of a majority of the directors of an issuer in connection with an acquisition subject to Section 14(d) of such Act. Section 14(f) requires the issuer to provide its shareholders and the Commission, in accordance with the rules and regulations prescribed by this Commission, information concerning the replacement of directors that is substantially equivalent to that information which would be required by Section 14(a) or Section 14(c) if such persons were nominees for election as directors at a meeting of security holders. In order to facilitate compliance with Section 14(f), the Commission adopted Rule 14f-1, pursuant to Sections 13(d) and 13(e) as well as Sections 14(d) and 14(f). The rule requires that, not less than 10 days prior to the time the persons elected or designated as directors of the issuer take office, or such shorter period as the Commission may authorize, the issuer shall file with the Commission and transmit to holders of securities of the issuer, information required by certain items of the Commission’s proxy rules. The rule is needed by the Commission to fulfill its statutory responsibility to prescribe the necessary rules and regulations for the protection of investors by requiring an issuer to apprise its shareholders and the Commission of a change in the majority of the board of directors of the company where such change is effected other than at a meeting of security holders.

2. Purposes and Use of the Information Collection

The information filed with the Commission assures the public availability and disseminations of such information. Private contractors reproduce much of the filed information; and provide it to private parties; and many other persons obtain information directly from the Commission’s public file. This information is needed by security holders, investors, brokers, dealers, investment banking firms, professional securities analysts and others in evaluating securities and making investment and voting decisions. If the information were not collected, the information the Commission deems necessary for the protection of investors regarding a prospective change in directors would not be available to the investing public prior to the time the prospective change was actually effected.

3. Consideration Given to Information Technology

The information required by Rule 14f-1 is filed electronically using the EDGAR System.

4. Duplication of Information

Duplication does not occur, since the specific information required by Rule 14f-1 regarding changes to be effected in the composition of the board of directors is not required by any other rule administered by the Commission.

5. Reducing the Burden on Small Entities

Small businesses having a class of securities registered under the Act would be subject to the same burdens in providing the information required by Rule 14f-1. However, many small businesses are exempt from the securities registration provisions of the 1934 Act.

6. Consequences of Not Conducting Collection

Rule 14f-1 information is required to be submitted only when a change in the majority of the directors of an issuer will be effected, otherwise than at a meeting of security holders, pursuant to an arrangement or understanding with persons acquiring securities of the issuer in a transaction subject to Section 13(d) or Section 14(d) of the 1934 Act. If the information required by Rule 14f-1 were collected less frequently, such a change would occur without the investing public having access to the information the Commission deems necessary for the protection of investors.

7. Special Circumstances

Not applicable.

8. Consultations with Persons Outside the Agency

Rule 14f-1 was proposed for public comment. No comments were received during the 60-day comment period prior to OMB's review for this submission this submission.

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

We estimate that it takes approximately 18 hours per response to provide the information required under Rule 14f-1. The information is filed by 172 respondents for a total annual reporting burden of 3,096 hours (18 hours per response x 172 responses). We believe that generally the filer prepares the entire reporting burden. The estimate of burden hours is made solely for the purpose of the Paperwork Reduction Act. It is 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 that the filer prepares 100% of the 3,096 total burden hours and there is no additional cost associated with the information collection. The cost estimate is made solely for the purpose of the Paperwork Reduction Act.

14. Costs to Federal Government

The estimated cost to the federal government is \$1,000 a year to process the information collection pursuant to Rule 14f-1. This estimate is based on computation of the staff time devoted to this activity and related overhead cost, valued at 35% of the value of the staff time.

15. Reason for Change in Burden

No change in burden.

16. Information Collection Planned for Statistical Purposes

Not applicable.

17. Approval to Omit Expiration 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.