

SUPPORTING STATEMENT FOR REGULATIONS 14D AND 14E
AND SCHEDULE 14D-9

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The disclosure requirements for persons engaging in corporate control transactions are designed to make material facts concerning the nature of the transaction and the participants involved public so that security holders have the opportunity to make informed investment decisions. Disclosure of this information is required primarily by the rules adopted under the Williams Act amendments to the Securities Exchange Act of 1934 (“Exchange Act”) and the proxy rules promulgated under Section 14(a) of the Exchange Act.

Regulation 14D applies to any tender offer which is subject to Section 14(d)(1) of the Exchange Act, including, but not limited to, any tender offer for securities of a class described in that section that is made by an affiliate of the issuer. Regulation 14E applies generally to tender offers for securities, other than exempted securities.

Sections 14(d) and 14(e) of the Exchange Act of 1934 provide for the filing of Schedule 14D-9. Schedule 14D-9 requires persons publishing or distributing to security holders a solicitation or recommendation concerning tender offers for securities to disclose related information.

2. Purpose and Use of the Information Collection

The primary purpose of the Commission’s forms and rules under the disclosure provisions of the federal securities laws is to ensure public availability and dissemination of material information to security holders and the securities markets. Except on an occasional basis in the enforcement of the securities laws, the Commission uses very little of the collected information. In this respect, these information collections differ significantly from most other federal information collections that are primarily for the use and benefit of the collecting agency. Security holders, investors, broker-dealers, investment banking firms, professional securities analysts and others can use the information on Schedule 14D-9 in evaluating transactions and making investment decisions.

3. Consideration Given to Information Technology

Schedule 14D-9 is filed using the Electronic Data Gathering, Analysis and Retrieval (EDGAR) system.

4. Duplication of Information

Information provided on Schedule 14D-9 is not duplicative of any other disclosure requirements. This information is not otherwise readily available to investors or the securities markets.

5. Reducing the Burden on Small Entities

A small entity may be required to file a Schedule 14D-9 if it has significant equity participation in a control transaction.

6. Consequences of Not Conducting Collection

Schedule 14D-9 elicits disclosure concerning substantial equity participants in control transactions and identifies indirect control that is difficult to prove factually. This disclosure helps the Commission to carry out its mission to protect the investing public. The legislative intent for this information collection would not be satisfied by fewer collections.

7. Special Circumstances

Not applicable.

8. Consultations with Persons Outside the Agency

Before it was adopted, Schedule 14D-9 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 extension request.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality

All information filed with the Commission is provided to the public upon request.

11. Sensitive Questions

No information of a sensitive nature is required under this collection of information. Basic Personally Identifiable Information (PII) is required that may include name, business address, and residential address (for sole proprietor only), telephone/cellular/facsimile number, email address, and Tax ID Number (TIN). Records of Notice may be found at the following link: <http://www.sec.gov/about/privacy/sorn/secsorn4.pdf> The Privacy Impact Assessment (PIA) is provided as a supplementary document.

12. Estimate of Respondent Reporting Burden

Schedule 14D-9 takes approximately 260.56 hours per response to prepare and is filed by 150 companies annually. We estimate that 25% of the hours per response (65.14 hours) is prepared by the company for an annual reporting burden of 9,771 hours (65.14 hours per response x 150 responses). The estimated burden hours are solely for the purpose of the Paperwork Reduction Act.

13. Estimate of Total Annualized Cost Burden

We estimated that 75% of the 260.56 hours per response (195.42 hours) is prepared by outside counsel. We estimate that it will cost \$400 per hour (\$400 per hour x 195.42 hours per response x 150 responses) for a total cost burden of \$11,725,200. The estimated cost burden is made solely for the purpose of the Paperwork Reduction Act.

14. Costs to Federal Government

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

15. Reason for Change in Burden

The decrease of 29,314 burden hours and the decrease of \$35,176,800 in cost burden are due to adjustments. The change in burden hours and cost burden is due to a decrease in the number of Schedule 14D-9 reports filed with Commission.

16. Information Collection Planned for Statistical Purposes

Not applicable.

17. Approval to Omit OMB Expiration Date

We request authorization to omit the expiration date on the electronic version of the form. Including the expiration date on the electronic version of the 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. The OMB control number will be displayed.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

Not applicable.

B. STATISTICAL METHODS

Not applicable.