

SUPPORTING STATEMENT FOR SCHEDULE TO

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

In 1999, in Release No. 33-7760, the Commission adopted comprehensive revisions to its rules and regulations applicable to takeover transactions (including tender offers, mergers, acquisitions and similar extraordinary transactions). In addition, the revised rules integrate forms and disclosure requirements applicable to issuer tender offers, third-party tender offers and going private transactions. The revised rules also consolidated the disclosure requirements. As part of the comprehensive revisions, the Commission created Schedule TO which contains information concerning a reporting company that make tender offer for its own securities and information concerning any persons, other than the reporting company, that makes a tender offer for a company's equity securities registered under Section 12 of the Exchange Act (which offer, if consummated, would cause that person to own over 5 percent of that class of the securities) must file at the time of the offer and send to certain other parties, such as the issuer and any competing bidders.

2. Purpose and Use of the Information Collection

The purpose of Schedule TO is to improve communications between public companies and investors before companies file registration statements involving tender offer statements. The information is needed so that security holders may make informed tender and voting decisions in tender offers, mergers, acquisitions, and other extraordinary transactions.

3. Consideration Given to Information Technology

Schedule TO is filed electronically on EDGAR.

4. Duplication of Information

Schedule TO consolidated the requirements of Schedule 13E-4 and Schedule 14D-1 under the Securities Exchange Act of 1934. There are no other publicly filed sources of this information.

5. Reducing the Burden on Small Entities

Many small businesses do not have a class of securities registered pursuant to Section 12 of the Exchange Act and therefore are generally not subject to from the requirements of Schedule TO. A small entity may be required to file a Schedule TO if it has significant equity participation in a control transaction. Schedule TO is designed to reduce the costs and burdens for all registrants, including small businesses.

6. Consequences of Not Conducting Collection

The purpose of collecting information on Schedule TO is to elicit disclosure concerning substantial equity participants in control transactions and to identify indirect control. Less frequent collection could compromise investor protection and the legislative intent behind this information collection.

7. Special Circumstances

Not applicable.

8. Consultations with Persons Outside the Agency

Before it was adopted, Schedule TO was proposed for public comment. No comments were received during the 60-day comment period prior to OMB's approval of this extension request.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality

Schedule TO is a public document.

11. Sensitive Questions

No information of a sensitive nature is required under this collection of information. The information collection collects basic Personally Identifiable Information (PII) 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 TO takes approximately 43.5 hours per response and is filed by approximately 820 issuers annually. We estimate that 50% of the 43.5 hours per response (21.75 hours) is prepared by the issuer for an annual reporting burden of 17,835 hours (21.75 hours per response x 820 responses). The estimated burden hours are for the sole purpose of the Paperwork Reduction Act and are not derived from a comprehensive or even a representative survey or study of SEC rules and forms.

13. Estimate of total annualized cost burden

We estimated that 50% of the 43.5 hours per response (21.75 hours) is prepared by an outside counsel hired by the company. We estimate the cost to be \$400 per hour (\$400 x 21.75 hours x 820 responses) for a total cost burden of \$7,134,000. The estimated cost burden is made solely for the purposes of the Paperwork Reduction Act. The cost burden is not derived from a comprehensive or even a representative survey or study of the cost of SEC rules and forms.

14. Estimate of Cost to Federal Government

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

15. Explanation of Changes in Burden

The decrease of 36,540 burden hours and the decrease of \$14,616,000 in cost burden is due to an adjustment. The change in burden hours and cost burden is due to a decrease in the number of Schedule TO filings filed with the Commission.

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 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.

B. STATISTICAL METHODS

Not applicable.