

Supporting Statement for Form F-10

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Securities Act of 1933 (the “Securities Act”) was enacted in order to provide full and fair disclosure with respect to publicly offered securities and to prevent fraud in connection with such offerings. The Securities Act carries out this purpose by requiring the filing of a registration statement in connection with public distributions of securities by issuers and their control persons. Schedule A of the Securities Act specifies the general types of information that must be disclosed in registration statements filed with the Securities and Exchange Commission (“Commission”). The Commission has authority, under Section 19 of the Securities Act, to promulgate rules to carry out the provisions of the Securities Act.

Adopted as part of the Multijurisdictional Disclosure System between the United States and Canada, Form F-10 is a registration statement available for use by a foreign private issuer that: is incorporated or organized in Canada; has been subject to, and in compliance with, Canadian reporting requirements for at least 12 months; and has an aggregate market value of common stock held by non-affiliates of at least \$75 million. The purpose of this information collection is to encourage cross-border offerings, permit verification of compliance with securities law requirements, and assure the public availability of such information.

A Form F-10 registrant must comply with disclosure requirements of the appropriate Canadian securities administrator together with specified disclosure items on Form F-10. The disclosure items of Form F-10, combined with the disclosure that has already been approved by a Canadian securities commission, reflect the Commission’s experience and best judgment as to information regarding an issuer and the offering that should be required to be disclosed to prospective investors.

2. Purpose and Use of the Information Collection

The principal function of the Commission’s forms and rules under the securities laws’ disclosure provisions is to make information available to investors. The information required by the Commission permits verification of compliance with securities law requirements and assures the public availability and dissemination of such information. Private contractors reproduce much of the filed information and provide it to private parties. Many other persons obtain information directly from the Commission’s files located in the Public Reference Room. The information on Form F-10 can be used by security holders, investors and others in evaluating securities and making investment decisions with respect to such securities.

3. Consideration Given to Information Technology

Canadian issuers are required to file Form F-10 electronically using the Commission’s Electronic Data Gathering, Analysis and Retrieval (EDGAR) System.

4. Duplication of Information

Form F-10 is a document designed to provide investors in Canadian securities with information concerning the registered securities and the Canadian issuer. This information is not readily available in the United States. Also, because the disclosure regulations of the various jurisdictions differ, annual or similar reports may not contain all of the information mandated by Schedule A of the Securities Act as necessary for U.S. investors.

5. Reducing the Burden on Small Entities

All filings on Form F-10 are made by Canadian registrants having a public float with a market value of at least \$75 million. We believe these issuers have the resources available to prepare the necessary information for the Commission. However, those small entities that meet the public float and other form requirements are eligible to use Form F-10. As a result, they would be relieved of the burden of filing Form S-1, Form F-1, or other registration forms with the Commission.

6. Consequences of Not Conducting Collection

Persons considering investment in securities issued by Canadian companies would find it more difficult and expensive to obtain the necessary information without regulatory requirements imposed by the Commission. Also, to require less frequent reporting by foreign issuers would discriminate against domestic issuers.

7. Special Circumstances

Not applicable.

8. Consultations with Persons Outside the Agency

Form F-10 was proposed for public comments. No comments were received during the 60-day comment period prior to OMB's review of this submission.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality

Form F-10 is a public document.

11. Sensitive Questions

No information of a sensitive nature would be 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). The information collection is covered under the Systems of Records Notice (SORN), which may be found at the following link: <http://www.sec.gov/about/privacy/sorn/secsorn1.pdf>. The Privacy Impact Assessment (PIA) is provided as a supplemental document.

12. Estimate of Respondent Reporting Burden

Form F-10 takes approximately 25 hours per response to prepare and is filed by 40 respondents. We estimate that 25% of the 25 hours per response (6.25 hours) filer for annual reporting burden of 250 hours (6.25 hours per response x 40 responses). The estimated burden hours are made solely for the purposes of the Paperwork Reduction Act.

13. Estimate of Total Annualized Cost Burden

The remaining 75% of the 25 hours per response (18.75 hours) is prepared by outside counsel. We estimate the law firm cost to be \$400 per hour (\$400 per hour x 18.75 hours per response x 40 responses) for a total cost burden of \$300,000. The estimated cost 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 Commission rules and forms.

14. Costs to Federal Government

Regarding the costs to the federal government, the Commission costs associated with the multijurisdictional registration system are approximately \$12,000.

15. Reason for Change in Burden

The decrease in burden of 255 hours and the decrease of \$307,500 in cost burden are due to a decrease in the number of Form F-10 filed with the Commission.

16. Information Collections 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. Exception to Certification for Paperwork Reduction Act Submissions

Not applicable.

B. STATISTICAL METHODS

Not applicable.