

SUPPORTING STATEMENT FOR RULES UNDER THE SECURITIES ACT OF 1933 AND THE SECURITIES EXCHANGE ACT OF 1934

This supporting statement is part of a submission under the Paperwork Reduction Act of 1995, 44 U.S.C. §3501, et seq.

A. JUSTIFICATION

1. CIRCUMSTANCES MAKING THE COLLECTION OF INFORMATION NECESSARY

In Release No. 33-9638,¹ the Securities and Exchange Commission (the “Commission”) adopted amendments to several rules and form requirements under the Securities Act of 1933 (the “Securities Act”) and the Securities Exchange Act of 1934 (the “Exchange Act”) relating to asset-backed securities (“ABS”). The amendments are designed to enhance investor protection in the ABS market, in light of the role that ABS played in the recent financial crisis. The amendments are intended to provide investors with timely and sufficient information, reduce the likelihood of undue reliance on credit ratings, and help restore investor confidence in the representations and warranties regarding the assets. Although these revisions are comprehensive and therefore will impose new burdens, the Commission believes that they will protect investors and promote efficient capital formation.²

The amendments contain “collection of information” requirements within the meaning of the Paperwork Reduction Act of 1995. The titles for the collections of information contained by the amendments are:

- “Form S-1” (OMB Control No. 3235-0065);
- “Form S-3” (OMB Control No. 3235-0073);
- “Form 10-K” (OMB Control No. 3235-0063);
- “Form 10-D” (OMB Control No. 3235-0604);
- “Form 8-K” (OMB Control No. 3235-0060);³
- “Regulation S-K” (OMB Control No. 3235-0071);
- “Regulation S-T” (OMB Control No. 3235-0424);
- “Form SF-1” (OMB Control No. 3235-0707);
- “Form SF-3” (OMB Control No. 3235-0690); and

¹ Asset-Backed Securities Disclosure and Registration, Release No. 33-9638 (September 4, 2014) [79 FR 57184] (the “2014 ABS Adopting Release”).

² See Section I.A of the 2014 ABS Adopting Release.

³ We are amending Form 8-K to include a specific item number under which static pool information that is filed on Form 8-K must be reported. Because the static pool requirement is included in the existing burden estimate for Form S-3, which we are transferring to the new Form SF-3, we are not assigning any additional burden hours to the Form 8-K for this new requirement.

- “Form ABS-EE”⁴ (OMB Control No. 3235-0706).⁵

“Form SF-1” and “Form SF-3” are new collections of information created by the amendments. The amendments revise the shelf registration offering process and criteria for asset-backed securities. Because the registered process, criteria, and disclosure for ABS differ from offerings of other types of securities, the Commission adopted rules that require ABS offerings to be registered on new forms, “Form SF-1” and “Form SF-3.” The Commission added these forms in order to distinguish the ABS registration system from the registration system for other securities. Because ABS issuers will register offerings on these new registration forms, the number of respondents for existing registration forms, Form S-1 and Form S-3, will decrease.

“Form 10-K” and “Form 10-D” are collections of information related to the periodic reports that are filed on an ongoing basis under the Exchange Act. The new requirements will provide important transparency for investors on an ongoing basis.

“Form ABS-EE” is a new collection of information that will require filing of asset-level disclosure. It will provide ABS investors with important information that issuers currently are not required to provide to investors. This information must be filed in eXtensible Markup Language (“XML”) format because it will make the information more useful to investors.

The Commission received several comment letters discussing privacy concerns related to the asset-level data requirements.⁶ Commenters were concerned particularly about the risk that asset-level data could be combined with other publicly available information to discover, or “re-identify,” the identities of the obligors in ABS pools, thereby revealing potentially sensitive personal and financial information about an obligor. This issue is further discussed in Question 8 below.

⁴ In the proposing release, Form ABS-EE was titled “Asset Data File,” but the information being collected by the form has not changed. See Asset-Backed Securities, Release No. 33-9117 (April 7, 2010) [75 FR 23328] (the “2010 ABS Proposing Release”). Subsequent to the 2010 ABS Proposing Release, Congress passed the Dodd-Frank Act. Section 942(b) of the Dodd-Frank Act added Section 7(c) to the Securities Act, which requires, in relevant part, that the Commission adopt regulations requiring an issuer of an asset-backed security to disclose, for each tranche or class of security, information regarding the assets backing that security, including asset-level or loan-level data, if such data is necessary for investors to independently perform due diligence. In the re-proposing release, we requested comment on whether the asset-level disclosure requirements in the 2010 ABS Proposals implemented Section 7(c) effectively and whether there were any changes or additions that would better implement Section 7(c). See Re-Proposal of Shelf Eligibility Conditions for Asset-Backed Securities, Release No. 33-9244 (July 26, 2011) [76 FR 47948] (the “2011 ABS Re-Proposal”).

⁵ As noted in Section X of the 2014 ABS Adopting Release and also below (#12 and #13), we believe that the amendments will not change the burden hours and costs associated with Form 8-K, Regulation S-K, and Regulation S-T.

⁶ See Section III.A.3(b) of the 2014 ABS Adopting Release (79 FR 57184, 57232-35) for a detailed summary of the comments received about privacy concerns.

2. PURPOSE AND USE OF THE INFORMATION COLLECTION

The purpose of the collections of information is to provide enhanced disclosure and transparency to investors and participants in the ABS market.

3. CONSIDERATION GIVEN TO INFORMATION TECHNOLOGY

The information in each of the collections of information discussed above is filed electronically with the Commission using Commission's Electronic Data Gathering and Retrieval ("EDGAR") system.

4. DUPLICATION OF INFORMATION

We are not aware of any rules that conflict with or substantially duplicate these rules.

5. REDUCING THE BURDEN ON SMALL ENTITIES

The amendments will not impact a significant number of small entities. Rules in the Securities Act and the Exchange Act define an issuer, other than an investment company, to be a "small business" or a "small organization" if it had total assets of \$5 million or less on the last day of its most recent fiscal year. As the depositor and issuing entity are most often limited purpose entities in an ABS transaction, we focused on the sponsor in analyzing the potential impact on small entities. Based on our data, we only found one sponsor that could meet the definition of a small broker-dealer.

6. CONSEQUENCES OF NOT CONDUCTING COLLECTION

The objectives of offering disclosure requirements under the Securities Act and the ongoing disclosure requirements under the Exchange Act could not be met with less frequent collection of this information for asset-backed securities.

7. SPECIAL CIRCUMSTANCES

None.

8. CONSULTATIONS WITH PERSONS OUTSIDE THE AGENCY

The Commission issued a proposing release⁷ and a re-proposing release,⁸ both soliciting comment on the new "collection of information" requirements and associated paperwork burdens. A copy of the proposing release and re-proposing release are attached.

⁷ See the 2010 ABS Proposing Release.

⁸ See the 2011 ABS Re-Proposal.

In response to the solicitations for comment in the proposing and re-proposing releases, registrants, investors, and other market participants provided comments. In addition, the Commission and staff participated in ongoing dialogue with representatives of various market participants through public conferences, roundtables, and meetings. The Commission considered all comments received prior to publishing the final rule as required by 1320.11(f).

While many commenters provided qualitative comments on the possible costs of the proposed rules and amendments, we received limited quantitative comments on our PRA analysis. The only quantitative comment we received on asset-level disclosure came from a commenter representing a group of Auto ABS sponsors.⁹ This commenter estimated that, if we adopted each of the Auto ABS data points originally proposed, the average costs and employee hours per sponsor necessary to comply with the asset-level requirements would be approximately \$2 million and 12,000 hours, respectively. This commenter also noted that if we adopted the reduced number of data points proposed in their comment letter, the burden would decrease to \$750,000 and 3,500 hours.

We received only one comment letter with quantitative comments on the additional burden to complete Form SF-3.¹⁰ This commenter stated that the 100 burden hour estimate for asset-backed issuers to complete the disclosure requirements for Form SF-3, prepare the information, and file it with the Commission is “inadequate” and “not realistic.” This commenter believed that at least 100 burden hours should be separately allocated to certain of the shelf transaction requirements, including the certification provision, the asset review provision, and the dispute resolution provision. With respect to the certification requirement, the commenter contended that there would be an increased burden of at least 100 hours because the certifying officer would likely need to rely on an independent evaluator or hire an additional executive officer with the expertise necessary in order to provide the certification. The commenter also argued that there will be additional burden in retaining a reviewer and its counsel to comply with the asset review provision. Finally, the commenter made a similar argument that the dispute resolution provision alone could exceed our 100 burden hour estimate without providing any quantitative analysis.

We considered all of the comments we received, as we considered how to quantify and possibly mitigate the burdens that could potentially be imposed by the new requirements. For example, in order to address commenters’ concerns about the asset-level requirements for Auto ABS, we have significantly reduced the scope of the asset-level data required from the proposal. Additionally, with respect to privacy concerns raised by some commenters, the Commission modified or omitted certain asset-level disclosures relating to RMBS and

⁹ See letter from Ally Financial Inc. et al dated August 3, 2012 submitted in response to the 2011 ABS Re-Proposing Release, available at: <http://www.sec.gov/comments/s7-08-10/s70810-247.pdf>.

¹⁰ See letter from Kutak Rock, LLP dated September 27, 2011 submitted in response to the 2011 ABS Re-Proposing Release, available at: <http://www.sec.gov/comments/s7-08-10/s70810-204.pdf>.

Auto ABS to reduce both the amount of potentially sensitive data about the underlying obligors and the potential risk that the obligors could be re-identified.¹¹

For the new shelf eligibility criteria, we have made several changes to address cost concerns – for example, we revised the certification to indicate that the certification is not a guarantee about the future performance of the assets and have clarified that the certifying officer has any and all defenses available under the securities laws. We also note, in response to one commenter’s concern discussed above, that we do not believe that an additional executive officer or independent evaluator will need to be hired as a result of the new rules to actually structure the transaction because the certifying officer may rely on senior officers under his or her supervision that may be more familiar with the structuring of the transaction. We do expect, however, that the certifying officer will provide appropriate oversight over the transaction, including supervision of the structuring, so that he or she is able to make the certification. Finally, we believe that providing the certification should not impose any additional significant burden in terms of preparing additional disclosure, as such burden is already accounted for in the preparation of prospectus disclosure that is part of the Form SF-3 registration statement.

We acknowledge that the asset review provision will impose an upfront cost on the transaction since we are requiring that the reviewer be named in the prospectus. We believe, however, that most of the costs will be incurred in connection with reviews, which will occur during the life of the securitization only if the triggering events have been met. Consequently, if the reviewer does not perform any reviews, then the costs will be limited to the retainer fee. Recognizing that the bulk of the cost will be incurred with the actual reviews, we have attempted to reduce the burden of ongoing compliance with this shelf transaction requirement by requiring that a delinquency threshold must first be reached or exceeded before investors will be able to vote for a review. Disclosure is required in a Form 10-D only if a review is triggered.

We do not agree with a commenter that the dispute resolution provision could exceed the 100 burden hour estimate to collect the information. Under the final rules, a dispute resolution provision is required in the pooling and servicing agreement and disclosure of that provision is required in the prospectus. We acknowledge that additional costs may be incurred as a result of the number of hours that will be expended by certain personnel, including counsel, to come to a resolution if a dispute occurs. Because we are not requiring additional disclosures about the dispute resolution provision, we are not increasing our burden estimates. Accordingly, while we recognize that the new shelf conditions will impose additional costs on issuers, these costs are not primarily disclosure or record keeping burdens. Thus, we do not believe that we need to increase the 100 burden hour estimate to complete and file Form SF-3.

¹¹ See Section III.A.3(c) of the 2014 ABS Adopting Release (79 FR 57184, 57235-41) for a detailed discussion of how the Commission addressed privacy concerns, including pricing and competition.

We have also made a number of changes in response to more general qualitative comments in an effort to avoid potential unintended consequences and reduce potential additional costs or burdens identified by commenters. For example, for the asset-level requirements, we have attempted to reduce burden and cost concerns by aligning the requirements with industry standards where feasible. We have also revised how we are calculating the burden hours and costs for data collection to more accurately reflect how data will be captured and organized in the industry, as described by commenters. Further, we are providing for an extended implementation timeframe, which we also believe will reduce the burden of implementing the requirements.

Comments received on both the proposal and the re-proposal are available at <http://www.sec.gov/comments/s7-08-10/s70810.shtml>. A copy of the adopting release is attached. We are also attaching separately the portion of the adopting release where the Commission addressed, in detail, privacy concerns as a supplement to the supporting statement named “Privacy Discussion Attachment.”

9. PAYMENT OR GIFT TO RESPONDENTS

Not applicable.

10. CONFIDENTIALITY

Responses to the information collection will not be kept confidential, and there is no mandatory retention period for the information disclosed.

11. SENSITIVE QUESTIONS

No information of a sensitive nature will be required under these collections of information. These information collections collect basic Personally Identifiable Information (PII) that may include name, business address, and residential address (for sole proprietor only), telephone/cellular/facsimile numbers, email address, and Tax ID Number (TIN). The information collections are covered under the following System of Records Notices (SORN):

- For Form S-1, Form S-3, Form SF-1, Form SF-3, and Form ABS-EE, SEC-1 – Registration Statements Filed Pursuant to Provisions of the Securities Act of 1933, Securities Exchange Act of 1934, Public Utility Holding Company Act of 1935, and Investment Company Act of 1940 (<http://www.sec.gov/about/privacy/sorn/secsorn1.pdf>).
- For Form 10-K, Form 10-D, and Form ABS-EE, SEC-6 – Periodic Reports Filed under the Securities Act of 1933, Securities Exchange Act of 1934, Public Utility Holding Company Act of 1935, and Investment Company Act of 1940 and Investment Advisors Act of 1940 (<http://www.sec.gov/about/privacy/sorn/secsorn6.pdf>).

For Regulation S-K and Regulation S-T, these collections do not contain any PII. The Privacy Impact Assessment (PIA) is provided as a supplemental document.

12. AND 13. ESTIMATES OF HOUR AND BURDEN COSTS

The paperwork burden estimates associated with the amendments include the burdens attributable to preparing, reviewing and reporting information to the Commission and retaining records. The burden also includes filing the information with the Commission on EDGAR, and for the asset-level information, we are requiring that the information be filed in a tagged, eXtensible Markup Language format.

Our PRA burden estimate for each of the existing collections of information, except for Form 10-D, are based on an average of the time and cost incurred by all types of public companies, not just asset-backed issuers, to prepare a particular collection of information. Form 10-D is a form that is prepared and filed only by asset-backed issuers. In 2004, we codified requirements for asset-backed issuers in these regulations and forms, recognizing that the information relevant to asset-backed securities differs substantially from that relevant to other securities.

Our PRA burden estimates for the new rules and rule amendments are based on information that we receive on entities assigned to Standard Industrial Classification Code 6189, the code used for asset-backed securities, as well as information from outside data sources.¹² When possible, we base our estimates on an average of the data that we have available for years 2004 through 2013.¹³ In some cases, our estimates for the number of asset-backed issuers that file Form 10-D with the Commission are based on an average of the number of ABS offerings from 2006 through 2013.¹⁴

a. Form ABS-EE

The asset-level reporting requirement that we are adopting for issuances of certain ABS is a new collection of information.¹⁵ As proposed, under the new rules the asset-level

¹² We rely on two outside sources of ABS issuance data. We use the ABS issuance data from AB Alert and CM Alert (for commercial mortgage-backed securities only).

¹³ We selected this time period in order to account for the market disruption caused by the financial crisis by using data that captures both pre-crisis and post-crisis filings.

¹⁴ Form 10-D was not implemented until 2006. Before implementation of Form 10-D, asset-backed issuers often filed their distribution reports under cover of Form 8-K.

¹⁵ We proposed this new collection of information in the 2010 ABS Proposing Release under the title "Asset Level Data." We are revising the title to reflect that the asset-level information will be filed as an exhibit to new Form ABS-EE. Also, the proposed requirements would have required asset-level data across all asset types, except for credit card receivables and stranded costs. We proposed that credit card ABS issuers would be required to provide grouped account data, both at the time of securitization and on an ongoing basis. The rules we are adopting at this time, however, only require asset-level data for ABS where the underlying assets consist of residential mortgages, commercial

information will be provided at the time the ABS is issued and on an ongoing basis. The rules also require the information be filed as an exhibit to new Form ABS-EE.

Our estimates in the 2010 ABS Proposing Release were based on the costs to provide the required data at the time of securitization and on an ongoing basis. We estimated that each unique sponsor¹⁶ would incur a one-time setup cost for the initial filing of asset-level data.¹⁷ Software costs and costs associated with adjusting existing systems in order to provide the data are included in the one-time setup costs. The burden estimate also included costs associated with tagging the data and filing it with the Commission. After the first filing of asset-level information, we estimated that sponsors would incur costs to provide the required data with subsequent offerings of ABS and with each Form 10-D.

mortgages, auto loans or auto leases, resecuritizations of ABS, or of debt securities. Also, we are not adopting at this time the proposed requirement that credit card ABS issuers provide grouped account data. Because of the number of data points involved, our estimates for the asset-level requirements in the proposal were based on data for RMBS, CMBS and credit card ABS issuers. In line with the requirements we are adopting, we have revised our burden hour estimate to base the estimate on the hours that sponsors of RMBS, CMBS, Auto ABS, debt security ABS or resecuritizations may incur to provide the required data.

¹⁶ In the proposal, we estimated that the number of unique ABS sponsors from 2004 to 2009 was 343, for an average of 57 unique sponsors per year. We have updated our estimate of the total number of unique sponsors among the relevant assets classes. Based on our updated estimate, we estimate 60 as the average number of unique sponsors of registered ABS subject to the rules we are adopting per year (23 RMBS sponsors, 25 CMBS sponsors, 20 Auto ABS sponsors, two debt security ABS sponsors, and one resecuritization sponsor (the total of these numbers for all asset classes is greater than the 60 unique sponsors estimate due to the fact that a single sponsor often sponsors ABS from different asset classes). For purposes of our updated estimate, the average annual number of unique sponsors for RMBS, CMBS and Auto ABS is based on data from outside databases for the period of 2004 through 2013. See footnote 12. We believe the time period selected provides a conservative estimate of the average annual number of unique sponsors for these asset classes as the 2004 through 2013 timeframe captures both the time period prior to the financial crisis when there was a larger number of unique ABS sponsors per year and the more recent time period when the number of unique sponsors per year has been substantially lower. For debt security ABS and resecuritizations, we were unable to obtain from outside databases the average annual number of unique debt security ABS or resecuritization sponsors. Based on data available through EDGAR for the period of 2010 to 2013, we estimate that for each year there will be two unique debt security ABS sponsors. There have been no registered resecuritization offerings over the past several years. We assume for this estimate, however, that for each year there will be at least one unique resecuritization sponsor.

¹⁷ Under the proposal, the asset-level information outlined in proposed Schedule L would be required at the time of issuance. On an ongoing basis, the asset-level information outlined in proposed Schedule L-D would be required. Under the final rules, we are condensing these schedules into one schedule titled Schedule AL. See Section III.B.2 The Scope of New Schedule AL of the 2014 ABS Adopting Release. The burden estimate in the proposal provided an estimate for the one-time burden cost for issuers to provide the asset-level disclosures required at issuance and a separate estimate for the one-time burden cost for issuers to provide the ongoing disclosures. For purposes of our updated estimate and in line with the condensed schedule format we are adopting, we combined the estimates for one-time setup costs into one calculation. This change resulted in a substantially lower estimate of average annual burden hours for filing asset-level data on an ongoing basis, but a higher amount of professional costs associated with the first filing of asset-level data at issuance.

Some comments on the asset-level proposal suggested that sponsors would incur substantial costs to capture the required data and to provide it in the format requested.¹⁸ We continue to assume that asset-backed issuers currently required by Regulation AB to file pool-level information on the assets in the underlying pool have access to a substantial portion of the required asset-level information, although we acknowledge that sponsors may incur additional costs to provide the data currently collected in the format required by the rules we are adopting. We recognize that some of the required data is not currently collected by sponsors and that sponsors will incur costs to capture and provide some of the required data in the format requested.

To address concerns about the costs to provide the data, we revised our calculation of the estimated number of burden hours a sponsor may incur to acknowledge that a sponsor may need to revise its existing systems or procedures for each required data point. The burden estimate in the proposal assumed that approximately two percent of the proposed asset-level data points would require a sponsor to adjust its existing systems and procedures for capturing and reporting data. For each data point that required the sponsor to adjust its existing systems and procedures, a sponsor would expend at least 18 minutes per adjustment for each asset in the pool. We have revised our estimate to assume that before the first filing of asset-level information a sponsor will need to adjust its existing systems and procedures in some way for each required data point in order to provide the response to the data point based on our definitions and that each adjustment will require ten hours.¹⁹

The burden estimate in the proposal for the initial filing of asset-level data included ten hours to tag and file the data with the Commission.²⁰ We continue to believe that a sponsor will incur approximately ten hours to tag, review, and file the required data the first time the sponsor files the asset-level data to comply with our rules. Based on comments received raising concerns about the burden to provide the asset-level data in XML, we are also estimating that each sponsor will also expend approximately 10 hours per data point in

¹⁸ See, e.g., letters from Ally Financial Inc. et al dated August 2, 2010 submitted in response to the 2010 ABS Proposing Release, American Bar Association dated August 17, 2010 submitted in response to the 2010 ABS Proposing Release, American Bankers Association/ABA Securities Association dated August 2, 2010 submitted in response to the 2010 ABS Proposing Release, and Securities Industry and Financial Markets Association dated August 2, 2010 submitted in response to the 2010 ABS Proposing Release (expressed views of dealer and sponsors only).

¹⁹ For instance, the requirements for RMBS include 270 data points, and we estimate that for each of these 270 data points a sponsor will need to adjust its systems and procedures in some way and that each adjustment will require ten hours. In the proposal, our calculation considered the number of assets in each pool. Since we continue to assume that a sponsor will need to make a one-time change to its existing systems and procedures before the first filing of asset-level information, the number of assets in the pool is less relevant because the revisions to a sponsor's existing systems and procedures will be completed before it provides asset-level data for any ABS. The revised estimate focuses on the changes each required data point will cause to a sponsor's existing systems and procedures before it must provide asset-level information.

²⁰ See the 2010 ABS Proposing Release at 23404.

order to adjust its systems to be able to provide the data in XML with the first filing of asset-level data.²¹ Based on the asset-level requirements applicable to each asset class and our estimates for the XML conversion costs and filing costs, we estimate that each RMBS sponsor will incur 5,410 hours, each CMBS sponsor will incur 3,050 hours, each Auto ABS sponsor will incur 2,770 hours and each debt security ABS sponsor or resecuritization sponsor will incur 1,210 hours²² in one-time setup costs and to provide the asset-level data for the first time.²³ Based on the average number of unique sponsors in each asset class, we estimate that the total burden estimate for the initial filing of asset-level data, including the one-time setup cost to be 259,711 hours.²⁴ We allocate 25% of those hours (64,928) to internal burden hours and 75% of the hours (194,783) to out-of-pocket expenses for software consulting and filing agent costs at a rate of \$250 per hour for a total cost of \$48,695,625.

After a sponsor has made an initial filing of asset-level data, we estimate that each subsequent filing of asset-level data will take approximately 10 hours to prepare, review, tag, and file the information. Based on the number of offerings after the first filing of asset-level data²⁵ and the number of Form 10-D filings per year,²⁶ we estimate the average annual hours

²¹ The estimated per hour cost to convert the required data into an XML format is based on the estimate of the cost to provide the required asset-level data in XML provided in Section III.B.3 of the 2014 ABS Adopting Release. See footnote 748 of the 2014 ABS Adopting Release. For purposes of that estimate, we assumed that a sponsor would work with all asset types and would need to convert the data for all asset classes into an XML format and that conversion would require 6,283 hours. With a combined 680 unique data points (RMBS = 270, CMBS = 152, Auto ABS = 138, debt security ABS = 60 and resecuritizations = 60), we estimate that responding to each data point in XML for the first time will require approximately 10 hours per data point.

²² For each resecuritization, the asset pool is comprised of one or more ABS. The final rules require disclosures about the ABS in the pool, and if the ABS in the asset pool is an RMBS, CMBS or Auto ABS, issuers are also required to provide asset-level disclosures about the assets underlying the ABS. For purposes of this estimate, the one-time setup costs for resecuritizations is based on the number of data points each resecuritization sponsor must respond to for each ABS in the pool. Our estimate for the one-time setup cost for providing asset-level data for resecuritizations does not include the cost to provide asset-level data if the ABS in the pool is an RMBS, CMBS or Auto ABS since these one-time setup costs are already included in the one-time setup estimates for RMBS, CMBS and Auto ABS and sponsors of resecuritizations may be able to reference asset-level information about the assets underlying the securities in the pool.

²³ In the 2010 ABS Proposal, we estimated that an RMBS sponsor would incur a total of 7,005 hours (3,194 hours for the data required at securitization and 3,811 hours for the data required on an ongoing basis), and a CMBS sponsor would incur a total of 178 hours (86 hours for the data required at securitization and 92 hours for the data required on an ongoing basis). See the 2010 ABS Proposing Release at 23404.

²⁴ The burden estimate in the proposal estimated the total annual burden hours for preparing, tagging and filing asset-level disclosure at the time of securitization for all ABS issuers to be 151,368 with 25% of those hours allocated to internal burden costs and 75% of those hours allocated to external burden hours. For a description of the factors that contributed to differences between the proposed and final estimates, see footnotes 17 and 28.

²⁵ The burden estimate in the proposal estimated the average number of offerings for all asset classes to be 958 per year. For purposes of comparison, we have adjusted the average number of offerings from 958 to 629 to account for the fact that we are adopting asset-level requirements for fewer asset classes

to prepare and file asset-level disclosure after the first filing of asset-level data will be 140,215 hours.²⁷ We allocate 75% of those hours (105,161) to internal burden hours and 25% of the hours (35,054) to out-of-pocket expenses for software consulting and filing agent costs at a rate of \$250 per hour totaling \$8,763,438. Thus, we estimate the total annual burden hours for the asset-level disclosure requirements at 170,089 hours²⁸ and the total amount of out-of-pocket expenses for software and filing agent costs at \$57,459,063.²⁹

b. Form S-3 and Form SF-3

Our current PRA burden estimate for Form S-3 is 150,526 annual burden hours. This estimate is based on the assumption that most disclosures required of the issuer are

than we had proposed. For purposes of this burden estimate because we are adopting requirements only for certain asset classes, we estimate there will be an average of 431 registered ABS offerings per year (RMBS = 343, CMBS = 33, Auto ABS = 51, debt security ABS and resecuritizations = 4). For purposes of this estimate, the average annual number of registered RMBS, CMBS and Auto ABS offerings is based on data from outside databases for the period of 2004 through 2013. We believe the time period selected provides a conservative estimate of the average annual number of registered offerings for these asset classes as the 2004-2013 timeframe captures both the time prior to the financial crisis when there was a larger number of registered ABS offerings per year and the more recent time period when the number of registered ABS offerings per year has been substantially lower. For debt security ABS and resecuritizations, we are unable to obtain from outside databases the average annual number of registered offerings of debt security ABS or resecuritizations between 2004 and 2013. Based on data available through EDGAR for the period of 2010 to 2013, we estimate there will be three registered debt security ABS offerings per year. There have been no registered resecuritization offerings over the past several years. We assume for this estimate, however, that each year there will be at least one registered resecuritization offering.

²⁶ For purposes of estimating the number of expected Form 10-D filings, we are using the actual average annual number of Form 10-D filings, which was 13,014. We apportioned the burden of Form 10-D filings across each asset class based on the average number of offerings per year for each asset class. We believe this results in a conservative estimate because the rules we are adopting do not require that all asset classes provide asset-level disclosure and therefore not every Form 10-D filed will include asset-level data.

²⁷ We estimated in the 2010 ABS Proposing Release that the average annual burden hours to provide the asset-level data with Form 10-D on an ongoing basis would be 207,009 hours for all ABS issuers with 75% of those hours allocated to internal burden hours and 25% allocated to external burden hours. The final estimate reflects the cost of ongoing maintenance for XML, which we estimated to be 5% of the initial XML conversion costs. For a description of the factors that contributed to differences between the proposed and final estimate and the proposed estimate, see footnotes 17 and 28.

²⁸ $170,089 = 64,928 + 105,161$. The proposal estimated that the total average annual burden hours to provide the asset-level data or grouped asset data would be 193,099 hours and the total amount of out-of-pocket expenses for software and filing agent costs would be \$41,319,571. The drop in total average annual burden hours can be attributed to changes in the average annual number of unique RMBS sponsors and the expected annual number of registered ABS offerings. Also, other changes to our calculation to address comments received (e.g., XML conversion cost and system changes) and differences between the proposed requirements and the final requirements (e.g., combining the initial and ongoing disclosure schedules into one schedule) also impacted our estimate.

²⁹ $\$57,459,063 = \$48,695,625 + 8,763,438$.

incorporated by reference from separately filed Exchange Act reports. However, because an Exchange Act reporting history is not a condition for Form S-3 eligibility for ABS, asset-backed issuers using Form S-3 often must present all of the relevant disclosure in the registration statement rather than incorporate relevant disclosure by reference. Thus, our current burden estimate for asset-backed issuers using Form S-3 under existing requirements is similar to our current burden estimate for asset-backed issuers using Form S-1. During 2004 through 2013, we received an average of 71 Form S-3 filings annually related to asset-backed securities.

Under the rules that we are adopting, we are moving the requirements for asset-backed issuers into new forms that will be used solely to register offerings of asset-backed securities. New Form SF-3 is the ABS equivalent of existing Form S-3. For purposes of our calculations, we estimate that the provisions relating to shelf eligibility will cause a 5% movement in the number of filers (i.e., a decrease of four registration statements) out of the shelf system due to the new requirements, which include the certification, the asset review provision, the dispute resolution provision, the investor communications provision, and the annual evaluations of compliance with timely Exchange Act reporting and timely filing of the transaction agreements and the related certifications.³⁰ On the other hand, we estimate the number of shelf registration statements for asset-backed issuers will increase by four as a result of the amendments eliminating the practice of providing a base prospectus and a prospectus supplement for ABS offerings.³¹ Thus, we estimate that the annual number of shelf registration statements concerning ABS offerings will remain the same. Accordingly, since the rule amendments will shift all shelf-eligible ABS filings from Form S-3 to Form SF-3, we estimate that the amendments will cause a decrease of 71 ABS filings on Form S-3 and a corresponding increase of 71 ABS filings on Form SF-3 filed annually.³²

In 2004, we estimated that an asset-backed issuer, under the 2004 amendments to Form S-3, would take an average of 1,250 hours to prepare a Form S-3 to register ABS.³³ Additionally, in the January 2011 ABS Issuer Review Release, we estimated that the requirements described in that release would increase the annual incremental burden to asset-backed issuers by 30 hours per form.³⁴ For registration statements, we estimate that 25% of

³⁰ We calculated the decrease of four Form SF-3s by multiplying the average number of Form S-3s filed (71) by 5%.

³¹ Based on staff reviews, we believe that it is unusual to see ABS registration statements with multiple unrelated collateral types such as auto loans and student loans. There are occasionally multiple related collateral types such as HELOCs, subprime mortgages, and Alt-A mortgages in ABS registration statements.

³² This is based on the number of registration statements for asset-backed issuers currently filed on Form S-3 and the new shelf eligibility requirements.

³³ See Asset-Backed Securities, Release No. 33-8518 (January 7, 2005) [70 FR 1506] (the “2004 ABS Adopting Release”).

³⁴ See Issuer Review of Assets in Offerings of Asset-Backed Securities, Release No. 33-9176 (January 20, 2011) [76 FR 4231].

the burden of preparation is carried by the company internally and that 75% of the burden is carried by outside professionals retained by the registrant at an average cost of \$400 per hour.

We are also adopting additional disclosure requirements that will impose some additional costs to asset-backed issuers with respect to registration statements, which we have included as part of our burden estimate for Form SF-3. We do not believe, however, that the shelf eligibility requirements that we are adopting will substantially increase the burden hours of filing a Form SF-3 since they generally do not impose significant new disclosure or record-keeping obligations.³⁵ We note that we have added a disclosure component to the asset review provision to require information about the reasonableness of the delinquency trigger selected by the transaction parties. We did not increase the total burden hours for this additional disclosure because the additional burden to provide this information should be minimal since issuers already have the required information.

We estimate that the incremental burden for asset-backed issuers to complete the additional disclosure requirements for Form SF-3, prepare the information, and file it with the Commission will be 100 burden hours per response on Form SF-3. As a result, we estimate that each Form SF-3 will take approximately 1,380 hours to complete and file.³⁶ We estimate the total internal burden for Form SF-3 to be 24,495 hours and the total related professional costs to be \$29,394,000.³⁷ This would result in a corresponding decrease in Form S-3 burden hours of 22,720 and \$27,264,000 in professional costs.³⁸

c. Form S-1 and Form SF-1

New Form SF-1 is the ABS equivalent of existing Form S-1. As noted above, for purposes of our calculation, we estimate that the new requirements for shelf eligibility and new shelf procedures will cause some movement in the number of filers from the shelf system to the non-shelf system. For purposes of the PRA, we estimate four asset-backed

³⁵ In connection with the new shelf eligibility requirements, we are adopting a number of ongoing disclosure requirements that will be triggered at the time a particular provision (e.g., the asset review or investor communications provision) is invoked. As discussed below, the burden of these additional disclosure requirements is reflected in the revised burden estimate for Form 10-D.

³⁶ The total burden hours to file Form SF-3 are calculated by adding the existing burden hours of 1,280 that we estimate for Form S-3 and the incremental burden of 100 hours imposed by our new requirements for a total of 1,380 total burden hours.

³⁷ To calculate these values, we first multiply the total burden hours per Form SF-3 (1,380) by the number of Forms SF-3 expected under the new requirements (71), resulting in 97,980 total burden hours. Then, we allocate 25% of those hours to internal burden, resulting in 24,495 hours. We allocate the remaining 75% of the total burden hours to related professional costs and use a rate of \$400 per hour to calculate the external professional costs of \$29,394,000.

³⁸ To calculate these values, we first multiply the total burden hours per Form S-3 (1,280) by the average number of Forms S-3 over the period 2004-2013 (71), resulting in 90,880 total burden hours. Then, we allocate 25% of these hours to internal burden, resulting in 22,720 hours. We allocate the remaining 75% of the total burden hours to related professional costs and use a rate of \$400 per hour to calculate the external professional costs of \$27,264,000.

issuers will move from the shelf system to the non-shelf system of Form SF-1.³⁹ From 2004 through 2013, an average of two Forms S-1 were filed annually by asset-backed issuers. Correspondingly, we estimate that the number of filings on Form SF-1 will be six, which is the sum of the two average filings per year and the estimated incremental four filings from shelf to Form SF-1.

For ABS filings on Form S-1, we have used the same estimate of burden per response that we used for Form S-3, because the disclosures in both filings are similar.⁴⁰ Even under the new requirements, the disclosures will continue to be similar for shelf registration statements and non-shelf registration statements. The burden for the new requirements for the Asset Data File to be filed as an exhibit to Forms SF-1 and SF-3 is included in the new Form ABS-EE collection of information discussed above. Thus, we estimate that an ABS Form SF-1 filing will impose an incremental burden of 100 hours per response, which is equal to the incremental burden to file Form SF-3. We estimate the total number of hours to prepare and file each Form SF-1 to be 1,380, the total annual burden to be 2,070 hours and added costs for professional expenses to be \$2,484,000.⁴¹ This will result in a corresponding decrease in Form S-1 burden hours of 640 and \$768,000 in professional costs.⁴²

d. Form 10-K

The ongoing periodic and current reporting requirements applicable to operating companies differ substantially from the reporting that is most relevant to investors in asset-backed securities. For asset-backed issuers, in addition to a specified set of Form 10-K disclosure items, the issuer must file a servicer compliance statement, a servicer's assessment of compliance with servicing criteria, and an attestation of an independent public accountant as exhibits to the Form 10-K. In 2004, we estimated that 120 hours would be needed to complete and file a Form 10-K for an asset-backed issuer. We believe that our revisions

³⁹ We estimate in the section above that the requirements relating to shelf eligibility and new shelf procedures will cause a 5% movement in the number of ABS filers out of the shelf system. We assume, for the purposes of our PRA estimates, that the other filers that do not move to Form SF-1 will utilize unregistered offerings or offshore offerings for offerings of ABS.

⁴⁰ See Section IV.B.2 of Asset-Backed Securities, Release No. 33-8419 (May 13, 2004) [69 FR 26650] (the "2004 ABS Proposing Release").

⁴¹ The total burden hours to file Form SF-1 are calculated by adding the existing burden hours of 1,280 and the incremental burden of 100 hours imposed by the new requirements for total of 1,380 hours. To calculate the annual internal and external costs, we first multiply the total burden hours per Form SF-1 (1,380) by the number of Forms SF-1 expected under the new requirements (six), resulting in 8,280 total burden hours. Then, we allocate 25% of these hours to internal burden, resulting in 2,070 hours. We allocate the remaining 75% of the total burden hours to related professional costs and use a rate of \$400 per hour to calculate the external professional costs of \$2,484,000.

⁴² To calculate these values, we first multiply the total burden hours per Form S-1 (1,280) by the average number of Form S-1s filed during 2004-2013 (two), resulting in 2,560 total burden hours. Then, we allocate 25% of these hours to internal burden, resulting in 640 hours. We allocate the remaining 75% of the total burden hours to related professional costs and use a rate of \$400 per hour to calculate the external professional costs of \$768,000.

related to the disclosure requirements for material instances of noncompliance will cause an increase in the number of hours incurred to prepare, review, and file Form 10-K by five hours. We estimate that, for Exchange Act reports, 75% of the burden of preparation is carried by the company internally and that 25% of the burden is carried by outside professionals retained by the registrant at an average rate of \$400 per hour. We also estimate that 1,046 Form 10-K filings for asset-backed issuers are filed per year, based on the average number of Forms 10-K filed over the period 2004-2013. Therefore, we estimate for PRA purposes that the increase in total annual number of hours to prepare, review, and file Form 10-K for asset-backed issuers will be 5,230 hours.⁴³ We allocate 75% of those hours (3,923) to internal burden and the remaining 25% to external costs totaling \$523,000 using a rate of \$400 per hour.

e. Form 10-D

In 2004, we adopted Form 10-D as a new form for only asset-backed issuers. This form is filed within 15 days of each required distribution date on the asset-backed securities, as specified in the governing documents for such securities. The form contains periodic distribution and pool performance information.

In 2004, we estimated that it would take 30 hours to complete and file Form 10-D.⁴⁴ We also estimate that 13,014 Form 10-D filings are filed per year based on current annual responses.⁴⁵ As discussed above, we are adopting asset-level disclosure requirements that relate to ongoing performance of the assets to be filed at the same time as Form 10-D; the burden of this requirement is included in our estimate of the asset-level disclosure collection of information requirements. We estimate that the new Regulation AB disclosure requirements that will be included in Form 10-D related to the asset review (Item 1121(d)), investor communications (Item 1121(e)), and material changes to the sponsor's interest in the transaction (Item 1124) will result in an additional burden of five hours for Items 1121(d) & (e), plus two hours for Item 1124 per filing to prepare. Therefore, we estimate that the new requirements will increase the number of hours to prepare, review, and file a Form 10-D to 37 hours, thereby increasing the total burden hours for all Form 10-Ds filed annually to

⁴³ To calculate the annual internal and external costs, we first multiply the incremental burden of five hours imposed by the new requirements by the number of Forms 10-K (1,046), resulting in an increase of 5,230 burden hours.

⁴⁴ See the 2004 ABS Adopting Release.

⁴⁵ To calculate current annual responses, we used the average number of respondents that filed Form 10-Ds between 2011 and 2013, which was 2,169. We then multiplied the average number of respondents (2,169) by the average number of times that a respondent would file a Form 10-D per year (6) for a total of 13,014 Form 10-Ds per year. Different types of asset-backed securities have different distribution periods, and the Form 10-D is filed for each distribution period. We derived the multiplier of six by comparing the number of Forms 10-D that have been filed since 2006 with the number of Forms 10-K (which are only required to be filed once a year) that have been filed.

481,518 hours. We allocate 75% of those hours (361,139) to internal burden and the remaining 25% to external costs totaling \$48,151,800 using a rating of \$400 per hour.

f. Regulation S-K and Regulation S-T

Regulation S-K, which includes the item requirements in Regulation AB, contains the requirements for disclosure that an issuer must provide in filings under both the Securities Act and the Exchange Act. As noted above, Regulation S-T contains the requirements that govern the electronic submission of documents.

The new rules and rule amendments that we are adopting will result in revisions to Regulation S-K and Regulation S-T. The collection of information requirements, however, are reflected in the burden hours estimated for the various Securities Act and Exchange Act forms related to asset-backed issuers. The rules in Regulation S-K and Regulation S-T do not impose any separate burden. Consistent with historical practice, we have retained an estimate of one burden hour each to Regulation S-T and Regulation S-K for administrative convenience.

g. Summary of Proposed Changes to Annual Burden Compliance in Collection of Information

The table below illustrates the changes in annual compliance burden in the collection of information in hours and costs for existing reports and registration statements and for the new registration statements and forms for asset-backed issuers. Bracketed numbers indicate a decrease in the estimate.

Form	Current Annual Responses⁴⁶	Final Annual Responses	Current Burden Hours	Decrease or Increase in Burden Hours	Final Burden Hours	Current Professional Costs	Decrease or Increase in Professional Costs	Final Professional Costs
S-3	1,153	1,082	150,526	[22,720]	127,806	180,631,008	[27,264,000]	153,367,008
S-1	903	901	219,655	[640]	219,015	263,586,096	[768,000]	262,818,096
SF-3	--	71	--	24,495	24,495	--	29,394,000	29,394,000
SF-1	--	6	--	2,070	2,070	--	2,484,000	2,484,000
10-K	8,137	8,137	12,194,172	3,923	12,198,095	1,626,877,000	523,000	1,627,400,000
10-D	13,014	13,014	292,815	68,324	361,139	39,042,000	9,109,800	48,151,800
Form ABS-EE	--	13,374	--	170,089	170,089	--	57,459,063	57,459,063

14. COSTS TO FEDERAL GOVERNMENT

We estimate annualized cost to the government will be \$200,000 per year for the collections of information changes discussed above.

⁴⁶ The current annual responses reflect the average number of filings that the Commission has received from 2011 to 2013.

15. REASON FOR CHANGE IN BURDEN

a. Form ABS-EE

The burden for Form ABS-EE has increased because it is a new collection of information. See paragraph (a) of Question 12 and 13.

b. Form S-3 and Form SF-3

The burden for Form S-3 has decreased because asset-backed issuers will be moving to new Forms SF-1 and SF-3. The burden for Form SF-3 has increased because it is a new collection of information. See paragraph (b) of Question 12 and 13.

c. Form S-1 and Form SF-1

The burden for Form S-1 has decreased because asset-backed issuers will be moving to new Form SF-1. The burden for Form SF-1 has increased because it is a new collection of information. See paragraph (c) of Question 12 and 13.

d. Form 10-K

The burden for Form 10-K will increase due to our revisions related to the disclosure requirements for material instances of noncompliance. See paragraph (d) of Questions 12 and 13.

e. Form 10-D

The burden for Form 10-D will increase due to new disclosure requirements related to the asset review (Item 1121(d)), investor communications (Item 1121(e)), and material changes to the sponsor's interest in the transaction (Item 1124). See paragraph (e) of Questions 12 and 13.

f. Regulation S-K and Regulation S-T

The burden for Regulation S-K and Regulation S-T will not change. However, consistent with historical practice, we have retained an estimate of one burden hour each to Regulation S-T and Regulation S-K for administrative convenience. See paragraph (f) of Questions 12 and 13.

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.