

SUPPORTING STATEMENT
FOR THE PAPERWORK REDUCTION ACT INFORMATION COLLECTION
SUBMISSION FOR REGISTRATION FORM 40-F

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Securities Exchange Act of 1934 (“Exchange Act”) is intended to ensure that secondary markets for publicly traded securities are fair and honest. The principal means by which the Exchange Act carries out this purpose include regulation of broker-dealers, registration of exchange-traded and other securities, remedial provisions for fraud in securities transactions and manipulation of regulated securities markets, and limits on the extension of credit for securities purposes. In addition, they include issuer registration and periodic reporting requirements prescribed by the Securities and Exchange Commission (“Commission”) pursuant to its authority in Section 12(b), 12(g), 13(a) and 15(d) of the Exchange Act.

In connection with its multijurisdictional disclosure system, the Commission adopted Form 40-F to be used by Canadian issuers to file annual reports with the Commission pursuant to Section 15(d) of the Exchange Act. Form 40-F may also be used by certain Canadian issuers to register a class of securities with the Commission under Section 12(b) or (g) of the Exchange Act, and to file reports with the Commission pursuant to Section 13 of the Exchange Act. Form 40-F, along with the other Commission forms and schedules, is designed to facilitate cross-border offerings by specific Canadian issuers and permits these issuers to fulfill reporting obligations under the Exchange Act by filing with the Commission the annual disclosure documents required in Canada under cover of Form 40-F.

2. Purpose and Use of the Information Collection

The information required to be filed with the Commission permits verification of compliance with securities law requirements and assures the public availability and dissemination of such information. The information required in the Form 40-F is used by investors in making investment decisions with respect to the securities of such Canadian companies. In addition, all investors benefit indirectly from information required in Form 40-F, as direct users effect transactions in securities on the basis of current information about the issuer’s business and operations included in such filings, thereby causing the market prices of the securities to reflect such information.

3. Consideration Given to Information Technology

Form 40-F is filed electronically using the Commission’s Electronic Data Gathering, Analysis and Retrieval (EDGAR) system.

4. Duplication of Information

Form 40-F is a document designed to provide investors in Canadian securities with information concerning the subject securities and the Canadian issuer. This information is not otherwise readily available in the United States.

5. Reducing the Burden on Small Entities

Small reporting companies cannot use Form 40-F.

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 if the issuers were not required to file the information under cover of Form 40-F with the Commission.

7. Special Circumstances

Not applicable.

8. Consultations with Persons Outside the Agency

Form 40-F was proposed for public comment. No comments were received during the 60-days comment period prior to OMB's approval of this submission.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality

Form 40-F 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 System of Records Notices (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

For purposes of the Paperwork Reduction Act (“PRA”), we estimate that Form 40-F takes approximately 429.93 hours per response to comply with the collection of information requirements and is filed by 160 respondents. We derived our burden hour estimates by estimating the average number of hours it would take a foreign private issuer to compile the necessary information and data, prepare and review disclosure, file documents and retain records. In connection with rule amendments to the form, we occasionally receive PRA estimates from public commenters about incremental burdens that are used in our burden estimates. We believe that the actual burdens will likely vary among individual companies based on the size and complexity of their organization and the nature of their operations. We further estimate that 25% of the collection of information burden is carried by the foreign private issuer internally and that 75% of the burden of preparation is carried by outside professionals retained by the company to assist in the preparation of the form to reflect the fact that foreign private issuers rely more heavily on outside professionals. Based on our estimates, we calculated the total reporting burden to be 17,197 hours ((0.25×429.93) hours per response \times 160 responses). For administrative convenience, the presentation of the totals related to the paperwork burden hours have been rounded to the nearest whole number and the cost totals have been rounded to the nearest dollar. The estimated burden hours are made solely for the purpose of the Paperwork Reduction Act.

13. Estimate of Total Annualized Cost Burden

We estimate that 75% of the 429.93 hours per response (322.45 hours) is prepared by the company’s outside counsel. We estimate an hourly cost of \$400 for outside legal and accounting services used in connection with public company reporting. This estimate is based on our consultations with registrants and professional firms who regularly assist registrants in preparing and filing disclosure documents with the Commission. Our estimates reflect average burdens, and, therefore, some companies may experience costs in excess of our estimates and some companies may experience costs that are lower than our estimates. Based on our estimates, we calculated the total annual cost to be \$20,636,800 ($\400 per hour \times 322.45 hours per response \times 160 responses). For administrative convenience, the presentation of the totals related to the paperwork burden hours have been rounded to the nearest whole number and the cost totals have been rounded to the nearest dollar. The estimated cost burden is made solely for the purposes of the Paperwork Reduction Act.

14. Costs to Federal Government

The estimated cost to the Commission is approximately \$50,000 annually.

15. Reason for Change in Burden

The decrease in burden of (-4,837) and the decrease in cost burden of (\$5,803,700) are due to a decrease in the number of Form 40-Fs filed with the 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.