

SUPPORTING STATEMENT
FOR THE PAPERWORK REDUCTION ACT INFORMATION COLLECTION
SUBMISSION FOR REGULATION G

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

Regulation G, under the Securities Exchange Act of 1934 (the “Exchange Act”) requires registrants when publicly disclosing material information that includes non-GAAP financial measures to provide a reconciliation to comparable GAAP figures. Regulation G implemented the requirements of Section 401 of the Sarbanes-Oxley Act. Specifically, Regulation G is intended to provide investors with balanced financial disclosure when non-GAAP financial measures are presented.

2. Purpose and Use of the Information Collection

Every issuer that is subject to Section 13(a) or 15(d) under the Exchange Act must file periodic and current reports with the Commission containing information about its business and financial condition. Regulation G is intended to implement the requirements of the Sarbanes-Oxley Act of 2002. Specifically, Section 401 of the Sarbanes Oxley Act of 2002 required the Commission to issue rules providing that pro forma financial information included in any periodic or other report filed with the Commission pursuant to the securities laws, or in any public disclosure or press or other release, shall be presented in a manner that: (1) does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the pro forma financial information, in light of the circumstances under which it is presented not misleading; and (2) reconciles it with the financial condition and results of operations of the issuer under generally accepted accounting principles.

3. Consideration Given to Information Technology

Regulation G information is not required to be filed with the Commission but may be disclosed in electronic format, such as on an Internet website.

4. Duplication of Information

Regulation G information does not duplicate, overlap, or conflict with other federal rules.

5. Reducing the Burden on Small Entities

Most small businesses do not present non-GAAP financial information.

6. Consequences of Not Conducting Collection

Rules providing for less frequent disclosure than Regulation G requires would not be consistent with the intent of the Sarbanes-Oxley Act.

7. Special Circumstances

Not applicable.

8. Consultations with Persons Outside the Agency

Regulation G 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 submission.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality

Not applicable.

11. Sensitive Questions

This collection does not contain any personal identifiable Information (PII). The Privacy Impact Assessment (PIA) is provided as a supplemental document.

12. Estimate of Respondent Reporting Burden

We estimate that approximately 14,000 public companies are required to comply with Regulation G approximately six times a year for a total of 84,00 filings annually. We estimate that it takes approximately 0.5 burden hours per response for a total of 42,000 burden hours annually. The estimated hours are made solely for the purpose of the Paperwork Reduction Act. They are not derived from a comprehensive survey or study of the cost of Commission rules and forms.

13. Estimate of Total Annualized Cost Burden

We estimate that an outside firm would charge approximately \$26 an hour for the services of a junior accountant (\$26 x 42,000 hours) for a total cost burden of \$1,092,000. The estimated cost burden is made solely for the purposes of the Paperwork Reduction Act. It is not derived from a comprehensive survey or study of the cost of Commission rules and forms.

14. Costs to Federal Government

The estimated cost to the federal government is approximately \$25,000.00.

15. Reason for Change in Burden

No applicable.

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.