

SUPPORTING STATEMENT
FOR THE PAPERWORK REDUCTION ACT INFORMATION COLLECTION
REGULATION 14A AND SCHEDULE 14A

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Securities Exchange Act of 1934 (“Exchange Act”) grants the Securities and Exchange Commission (“Commission”) authority over the solicitation of proxies for the purpose of ensuring fair corporate voting. Section 14(a) of the Exchange Act assures that shareholders have sufficient information upon which to make their voting decisions or decisions to authorize a proxy. Section 14(a) of the Exchange Act operates to make it unlawful for an issuer with a class of securities registered pursuant to Section 12 of the Exchange Act to solicit proxies in contravention of such rules and regulations as the Commission has prescribed as necessary or appropriate in the public interest or for the protection of investors. The Commission has promulgated Regulation 14A to regulate the solicitation of proxies or consents. Regulation 14A (Exchange Act Rules 14a-1 through 14a-21 and Schedule 14A) (17 CFR 240.14a-1 through 240.14a-21 and 240.14a-101) sets forth the requirements for the dissemination, content and filing of proxy or consent solicitation materials in connection with annual or other meetings of holders of a Section 12-registered class of securities.

2. Propose and Use of the Information Collection

When a shareholder vote is required, persons soliciting proxies with respect to securities registered under Section 12 of the Exchange act must furnish a proxy statement containing the information specified by Schedule 14A. The proxy statement is intended to provide security holders with the information necessary to enable them to vote in an informed manner on matters intended to be acted upon at security holders meetings, whether the traditional annual meeting or a special meeting. In addition, issuers with securities registered under Section 12 of the Exchange Act must send an information statement to every holder of a registered security that is entitled to vote on any matter for which a security holder vote is held, but proxies not solicited. Also, proxy information filed with the Commission permits verification of compliance with securities law requirements and assures the public availability and dissemination of such information.

3. Consideration Given to Information Technology

Schedule 14A information is filed electronically with the Commission using the Commission’s Electronic Data Gathering, Analysis and Retrieval (EDGAR) system.

4. Duplication of Information

We are not aware of any rules that conflict with or substantially duplicate Schedule 14A.

5. Reducing the Burden on Small Entities

Regulation 14A applies to all companies including any small entities that meet requirements set forth in Section 12 of the Exchange Act are subject to the proxy rules.

6. Consequences of Not Conducting Collection

Regulation 14A is an annual disclosure requirement and less frequent collection would deprive investors of information that is important to their investment and voting decisions.

7. Special Circumstances

There are none.

8. Consultations with Persons Outside the Agency

Regulation 14A and Schedule 14A was proposed for public comment. 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

Schedule 14A 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/secsorn8.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 Schedule 14A takes approximately 130.52 hours per response to comply with the collection of information requirements and is filed by 5,586 issuers. We derived our burden hour estimates by estimating the average number of hours it would take an issuer to compile the necessary information and data, prepare and review disclosure, file documents and retain records. In connection with rule amendments to the Schedule 14A, 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 75% of 130.52 hours per response (97.89 hours) is prepared by the issuer internally. Based on our estimates, we calculated the total reporting burden to be 546,814 hours ((75% x 130.52) x 5,586 responses). For administrative convenience, the presentation of the totals related to the paperwork burden hours have been rounded to the nearest whole number. 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 25% of the 130.52 hours per response (32.63 hours) is prepared by outside professionals retained by the issuer to assist in preparation of the form. 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 issuers and professional firms who regularly assist issuers in preparing and filing disclosure documents to 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. We calculated that total annual cost to be \$72,908,472 (\$400 per hour x 32.63 hours per response x 5,586 responses). For administrative convenience, the cost burden totals have been rounded to the nearest dollar. The cost estimate is made solely for the purposes of the Paperwork Reduction Act.

14. Costs to Federal Government

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

15. Reason for Change in Burden

The decrease of -167,772 annual reporting burden hours and the decrease of (\$12,755,805) in cost burden are due to adjustments. The change in burden hours is due to an adjustment in the number of Schedule 14A filings made with the Commission and the decrease in cost burden is due to a change in how the Commission calculates the cost burden.

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.