

SUPPORTING STATEMENT
FOR THE PAPERWORK REDUCTION ACT INFORMATION COLLECTION
SUBMISSION FOR RULE 13e-1

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

Section 13(e) of the Securities Exchange Act of 1934 (the “Act”) makes it unlawful for an issuer to purchase its own equity securities unless the purchase is in compliance with such rules and regulations as set forth by the Commission for protection of public interest or for the protection of the investors.

In order to facilitate compliance with Section 13(e), the Commission adopted Rule 13e-1. Rule 13e-1 clearly states that an issuer that has received notice that it is the subject of a tender offer made under Section 14(d)(1) of the Act (15 U.S.C. 78n), that has commenced under Rule 14d-2, cannot purchase any of its equity securities during the tender offer unless the issuer first files a statement with the Commission containing the required information under Rule 13e-1. This rule is in keeping with the Commission’s statutory responsibility to prescribe rules and regulations that are necessary for the protection of investors.

2. Purpose and Use of the Information Collection

The principal function of rules under the Securities laws’ disclosure provisions is to make information available to the securities markets. The Commission uses very little of the collected information for itself, except on an occasional basis in the enforcement of the securities laws. The information required by the Commission assures the public availability and dissemination of such information.

3. Consideration Given to Information Technology

The Rule 13e-1 submissions are filed using the Electronic Data Gathering, Analysis and Retrieval System (EDGAR).

4. Duplication of Information

There is no other public source for the information collection under Rule 13e-1 of Securities Act of 1933.

5. Reducing the Burden on Small Entities

Small businesses are not required to file an information statement under Rule 13e-1 because the statement is only required by an issuer, that has a class of equity securities registered pursuant to Section 12 of the Exchange Act.

6. Consequences of Not Conducting Collection

The legislative intent behind this information collection requirement could not be met by fewer collections.

7. Special Circumstances

Not applicable.

8. Consultations with Persons Outside the Agency

Rule 13e-1 was proposed for public comment. No public comments were received during the 60-day comment period prior to OMB's review of this submission.

9. Payments 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

For purposes of the Paperwork Reduction Act ("PRA"), we estimate that Rule 13e-1 takes approximately 10 hours per response to comply with the collection of information requirements and is filed by 10 respondents. 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 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 issuer internally

and that 75% of the burden of preparation is carried by outside professionals retained by the issuer to assist in the preparation of the form. Based on our estimates, we calculated the total reporting burden to be 25 hours (0.25 x 10 hours per response) x 10 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 10 hours per response (7.5 outside hours) is prepared by the issuer's outside counsel. We estimate that it will cost \$400 per hour (\$400 x 7.5 hours per response x 10 responses) for a total cost of \$30,000. 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. 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 cost estimate is made solely for the purpose of the Paperwork Reduction Act.

14. Costs to Federal Government

The estimated cost to the Commission to review and process statements filed pursuant to Rule 13e-1 is approximately \$1,500.

15. Reason for Change in Burden

The decrease in burden of 25 hours and the decrease in cost burden of \$30,000 is due to an adjustment. Both the decrease in burden hours and cost burden are due to a decrease in the number of respondents providing the required information under Rule 13e-1.

16. Information Collection Planned for Statistical Purposes

Not applicable.

17. Approval to Omit OMB Expiration Date

The Commission is not seeking approval to omit the expiration date.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

Not applicable.

B. STATISTICAL METHODS

Not applicable.