

SUPPORTING STATEMENT  
FOR THE PAPERWORK REDUCTION ACT INFORMATION COLLECTION  
SUBMISSION FOR REGULATIONS 13D AND 13G

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The beneficial ownership reporting requirements embodied in Sections 13(d) and 13(g) of the Securities Exchange Act of 1934 and Regulations 13D and 13G thereunder are intended to provide investors, and the subject issuer with information about accumulations of equity securities that may have the potential to change or influence control of the issuer. Schedules 13D and 13G are filed by persons, including small entities, to report their ownership of more than 5 percent of a class of equity securities registered under Section 12 of the Exchange Act. The short-form Schedule 13G may be used by persons who beneficially own less than 20% of the outstanding class and have not acquired and do not hold the equity securities for the purpose of, or with the effect of, changing or influencing the control of the issuer of the securities.

2. Purpose and Use of the Information Collection

The principal function of Schedules 13D and 13G is to provide information to investors and the subject issuer of accumulations of securities that have the potential for influencing or changing control of the issuer. The information filed with the Commission permits verification of compliance with the federal securities laws and assures the public availability and dissemination of such information. The Commission only uses the information it collects to enforce the federal securities laws.

3. Consideration Given to Information Technology

Schedules 13D and 13G are to be filed through the Electronic Data Gathering Analysis and Retrieval (EDGAR) system. The EDGAR system is designed to automate the filing processing and dissemination of disclosure filings.

4. Duplication of Information

We are not aware of any rules or forms that conflict with or substantially duplicate the information required by Schedules 13D and 13G.

5. Reducing the Burden on Small Entities

All persons, including small entities that beneficially own five percent or more of a class of registered equity securities file Schedules 13D and 13G. The Schedule 13G in lieu of the long-form Schedule 13D is available to all persons, including small entities, who do not acquire or hold the securities with a purpose or effect of changing or influencing control of the issuer.

6. Consequences of Not Conducting Collection

Investors and the securities markets would not have regular access to individuals or business entities securities holdings that may have potential to influence or change control of issuers.

7. Special Circumstances

Not applicable.

8. Consultations with Persons Outside the Agency

Schedules 13D and 13G were proposed for public comment. No comments were received during the 60-day comment period prior to OMB's review.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality

Schedules 13D and 13G are available to the public for review. However, Rules 0-6 and 24b-2 (17 CFR 240.06 and 17 CFR 240.24b-2) under the Exchange Act permit reporting persons to request confidential treatment for certain sensitive information concerning national security, trade secrets, or privileged commercial or financial information.

11. Sensitive Questions

No information of a sensitive nature, including social security numbers, will be required under this collection of information. The information collection collects basic Personally Identifiable Information (PII) that may include a name. However, the agency has determined that the information collection does not constitute a system of record for purposes of the Privacy Act. Information is not retrieved by a personal identifier. In accordance with Section 208 of the E-Government Act of 2002, the agency has conducted a Privacy Impact Assessment (PIA) of the EDGAR system, in connection with this collection of information. The EDGAR PIA, published on January 29, 2016, is provided as a supplemental document and is also available at <https://www.sec.gov/privacy>.

## 12. Estimate of Respondent Reporting Burden

Schedule 13D takes approximately 14.5 hours per response to prepare and is filed by 1,508 filers for total of 21,866 burden hours. The filer prepares 25% of the 21,866 annual burden hours for a total annual reporting burden of 5,467 hours ( $0.25 \times 21,866$  total burden hours). The estimated burden hours are made solely for purposes of the Paperwork Reduction Act and are not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms.

Schedule 13G takes approximately 12.4 hours per response to prepare and is filed by 7,079 filers for a total of 87,779.6 burden hours. The filer prepares 25% of the 87,779.6 annual burden hours for a total annual reporting burden of 21,945 hours ( $0.25 \times 87,779.6$  total burden hours). The estimated burden hours are made solely for purposes of the Paperwork Reduction Act and are not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms.

The Schedules combined are filed by 8,587 filers. The total combined burdens for Schedules 13D and 13G is 109,646 hours. The total annual reporting burden for both schedules is 27,412 hours which is 25% of the total burden hours ( $0.25 \times 109,646$  total burden hours). The estimated burden hours are made solely for purposes of the Paperwork Reduction Act and are not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms.

## 13. Estimate of Total Annualized Cost Burden

Schedule 13D -- The remaining 75% of the 21,866 total annual burden hours (16,400 hours) is prepared by outside counsel. It is estimated that it will cost \$400 per hour to prepare ( $\$400 \times 16,400$  hours) for a total annual cost burden of \$6,560,000. The estimated cost burden is solely for the purposes of the Paperwork Reduction Act and is not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms.

Schedule 13G -- The remaining 75% of the 87,780 total annual burden hours (65,835 hours) are prepared by outside counsel. It is estimated that it will cost \$400 per hour to prepare ( $\$400 \times 65,835$  hours) for a total annual cost burden of \$26,334,000. The estimated cost burden is solely for the purposes of the Paperwork Reduction Act and is not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms.

It is estimated that the total 75% remaining cost burden for both Schedules 13D and 13G is 82,235 hours. These burden hours are prepared by outside counsel at a cost of \$400 per hour ( $\$400 \times 82,235$  hours) for a total annual cost burden of \$32,894,000. The estimated cost burden is solely for the purposes of the Paperwork Reduction Act and is not derived from a comprehensive or even a representative survey or study of the costs of Commission rules and forms.

14. Costs to Federal Government

The Commission estimates that its costs associated with the beneficial ownership reporting system are approximately \$31,050.

15. Reason for Change in Burden

The decrease of -364 reporting burden hours and the decrease of (\$437,200) in cost burden is due to an adjustment. The decrease in burden hours and cost burden were due to change in the number of respondents filing Schedule 13D and Schedule 13G 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.