

SUPPORTING STATEMENT
FOR THE PAPERWORK REDUCTION ACT INFORMATION COLLECTION
SUBMISSION FOR FORM CB

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Commission rules exempt from the tender offer and registration rules cross-border tender offers, exchange offers, rights offerings and business combinations when U.S. ownership of the foreign company is not significant. The purpose of these exemptions is to facilitate inclusion of U.S. security holders of foreign companies in these types of transactions. The rules are intended to reduce the regulations applicable to some cross-border transactions.

2. Purpose and Use the Information Collection

Rules 801(c)(4)(i) and 802(c)(3)(i) under the Securities Act of 1933 (the “Securities Act”) and Rules 13e-3(g)(6), 13e-4(h)(8)(2)(i), 14d-1(c)(2)(i) and 14e-2(d)(1) under the Securities Exchange Act of 1934 (the “Exchange Act”) require an entity conducting an exempt cross-border business combination or rights offering to file a Form CB to the extent the party would have had a filing obligation if the transaction were not eligible for the exemption. Form CB is a cover sheet that incorporates the offering documents sent to security holders pursuant to the requirements of the country in which the issuer is incorporated. It also requires disclosure of the identity of the entity conducting the tender offer or rights offering. This collection of information is necessary so that the Commission can determine whether the transaction meets the eligibility requirements of the exemptive rules. We also have to collect information to ensure that information about the transaction is publicly available. Security holders thus have the opportunity to make informed investment decisions, particularly since the transactions relate to potential changes in control. For the business combination exemptions, domestic and foreign entities engaged in cross-border transactions are the likely respondents. Also, the company that is the target of the tender offer is required to respond.

3. Consideration Given to Information Technology

Issuers are required to file Form CB electronically using the Electronic Data Gathering, Analysis and Retrieval System (EDGAR).

4. Duplication of Information

There are no other public sources for this information.

5. Reducing the Burden on Small Entities

Small entities can rely on the exemptions on the same basis as larger entities, provided that they meet the conditions for relying on them. The exemptions eliminate certain existing reporting requirements for entities conducting an exempt tender offer, business combination or rights offering. Form CB does not discriminate against, or otherwise unduly burden, small entities.

6. Consequences of Not Conducting Collection

Persons considering investment in securities issued by foreign companies would find it more difficult and expensive to obtain the necessary information if the specified persons were not required to file the necessary information with the Commission.

7. Special Circumstances

Form CB is filed electronically as described in Item 3 above. Form CB may be filed in paper in accordance with Rule 101(b)(8) of Regulation S-T or a hardship exemption; filers must furnish five copies of the form in paper. Under current procedures for paper copies, one of the Form CB copies is sent to an independent contractor to be placed on microfiche. Another copy gets sent to the Commission's Public Reference Room. A third copy is used to update our records system. The other two copies are distributed to staff in the Office of Mergers and Acquisitions, Division of Corporation Finance.

8. Consultations with Persons Outside the Agency

Form CB was proposed for public comment. No comments were received on this request during the 60-day comment period prior to OMB's review.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality

Form CB is a public document.

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 signature of the official signing on behalf of the entity. 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

Form CB takes approximately 0.5 hours per response to prepare and is filed by 111 foreign private issuers annually. 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 issuers based on 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. Based on our estimates, we calculated the total reporting burden to be 14 hours (0.125 hours per response x 111 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 0.5 hours per response (0.375 hours) is prepared by outside counsel. We estimate that it will cost \$400 per hour (\$400 per hour x 0.375 hours per response x 111 responses) for a total cost of \$16,650. 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 federal government is \$50,000.

15. Reason for Change in Burden

The decrease of -11 burden hours and the decrease of (\$13,350) in cost burden is due to an adjustment. The change in burden hours and cost burden is due a decrease in the number of Form CB filings 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.