

**SUPPORTING STATEMENT  
FOR THE PAPERWORK REDUCTION ACT INFORMATION COLLECTION  
SUBMISSION FOR REGISTRATION FORM S-3**

**A. JUSTIFICATION**

**1. Circumstances Making the Collection of Information Necessary**

The Securities Act of 1933 (“Securities Act”) was designed to prevent misrepresentation, deceit and other fraudulent acts and practices in the sale of securities. Section 5 of the Securities Act requires that a registration statement must be filed before any securities are publicly offered and that the statement must be effective before any securities may be sold. Also, the Securities Act further requires that investors be furnished with prospectus information to enable them to evaluate the securities and make informed investment decisions. Section 7 of the Securities Act and Schedule A outlines the information that must be contained in a registration statement. However, Section 7 gives the Commission the authority to vary such disclosure for various classes of issuers and securities. Section 10 of the Securities Act outlines which of the registration statement disclosure requirements are required to be included in the prospectus. The Commission has used its statutory authority to develop a number of specialized registration statement forms designed to tailor disclosure requirements to the type of offering or issuer of other parameters, thereby eliminating burdensome and unnecessary requirements while maintaining investor protection.

Form S-3 is generally available to issuers that have been reporting under the Exchange Act for at least 12 months for: (a) any primary offering (if the aggregate market value of the issuer’s voting stock held by non-affiliates is at least \$75 million); (b) secondary offering by selling shareholders; (c) primary offering of non-convertible investment grade securities; (d) securities offered upon the exercise of outstanding rights, convertible securities or outstanding transferable warrants of the issuer; (e) securities offered under dividend or interest reinvestment plans; and (f) offers of investment grade asset-backed securities.

**2. Purpose and Use of the Information Collection**

The purpose of information is to provide disclosure of financial and other information with which investors may evaluate the merits of securities in order to make investment decisions.

**3. Consideration Given to Information Technology**

Registrants are required to file Form S-3 electronically using the Commission’s Electronic Data Gathering, Analysis and Retrieval System (EDGAR).

**4. Duplication of Information**

Form S-3 is designed to provide information that is specific to that issuer or offering, thereby eliminating burdensome and unnecessary requirements.

5. Reducing the Burden on Small Entities

Small entities generally are not eligible to file Form S-3 because of the form's eligibility requirements.

6. Consequences of Not Conducting Collection

Not Applicable.

7. Special Circumstances

Not Applicable.

8. Consultations with Persons Outside the Agency

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

All documents filed with the Commission are public documents.

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

For purposes of the Paperwork Reduction Act ("PRA"), we estimate that Form S-3 takes approximately 472.48 hours per response to comply with the collection of information requirements and is filed by 1,657 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 issuers based on the nature of their operations. We further estimate that 25% of the collection of information burden is carried by the registrant 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 195,725 hours ((0.25 x 472.48 total hours per response) x 1,657 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 75% of the 472.48 hours per response (354.36 hours) is prepared by outside counsel hired by the company. We estimate that outside counsel cost to be \$400 per hours (\$400 per hour x 354.36 hours per response x 1,657 responses) for a total cost burden of \$234,869,808. 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 staff has estimated the cost to process Form S-3 filings is approximately \$300,000 per year.

15. Reason for Change in Burden

The increase of 67,919 burden hours and the increase of \$81,509,428 in cost burden is due to an adjustment. The change in burden hours and cost burden is due to an increase in the number of Forms S-3 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, although the OMB control number will be displayed. Including the expiration date on the electronic version of this 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.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

Not Applicable.

B. STATISTICAL METHODS

Not Applicable.