

SUPPORTING STATEMENT  
FOR THE PAPERWORK REDUCTION ACT INFORMATION COLLECTION  
SUBMISSION FOR FORM F-10

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Securities Act of 1933 (the “Securities Act”) was enacted in order to provide full and fair disclosure with respect to publicly offered securities and to prevent fraud in connection with such offerings. The Securities Act carries out this purpose by requiring the filing of a registration statement in connection with public distributions of securities by issuers and their control persons. Schedule A of the Securities Act specifies the general types of information that must be disclosed in registration statements filed with the Securities and Exchange Commission (“Commission”). The Commission has authority, under Section 19 of the Securities Act, to promulgate rules to carry out the provisions of the Securities Act.

Adopted as part of the Multijurisdictional Disclosure System between the United States and Canada, Form F-10 is a registration statement available for use by a foreign private issuer that: is incorporated or organized in Canada; has been subject to, and in compliance with, Canadian reporting requirements for at least 12 months; and has an aggregate market value of common stock held by non-affiliates of at least \$75 million. The purpose of this information collection is to encourage cross-border offerings, permit verification of compliance with securities law requirements, and assure the public availability of such information.

A Form F-10 registrant must comply with disclosure requirements of the appropriate Canadian securities administrator together with specified disclosure items on Form F-10. The disclosure items of Form F-10, combined with the disclosure that has already been approved by a Canadian securities commission, reflect the Commission’s experience and best judgment as to information regarding an issuer and the offering that should be required to be disclosed to prospective investors.

2. Purpose and Use of the Information Collection

The principal function of the Commission’s forms and rules under the securities laws’ disclosure provisions is to make information available to investors. The information required by the Commission permits verification of compliance with securities law requirements and assures the public availability and dissemination of such information. Private contractors reproduce much of the filed information and provide it to private parties. Many other persons obtain information directly from the Commission’s files located in the Public Reference Room. The information on Form F-10 can be used by security holders, investors and others in evaluating securities and making investment decisions with respect to such securities.

3. Consideration Given to Information Technology

Canadian issuers are required to file Form F-10 electronically using the Commission's Electronic Data Gathering, Analysis and Retrieval (EDGAR) System.

4. Duplication of Information

Form F-10 is a document designed to provide investors in Canadian securities with information concerning the registered securities and the Canadian issuer. This information is not readily available in the United States. Also, because the disclosure regulations of the various jurisdictions differ, annual or similar reports may not contain all of the information mandated by Schedule A of the Securities Act as necessary for U.S. investors.

5. Reducing the Burden on Small Entities

All filings on Form F-10 are made by Canadian registrants having a public float with a market value of at least \$75 million. We believe these issuers have the resources available to prepare the necessary information for the Commission. However, those small entities that meet the public float and other form requirements are eligible to use Form F-10. As a result, they would be relieved of the burden of filing Form S-1, Form F-1, or other registration forms with the Commission.

6. Consequences of Not Conducting Collection

Persons considering investment in securities issued by Canadian companies would find it more difficult and expensive to obtain the necessary information without regulatory requirements imposed by the Commission. Also, to require less frequent reporting by foreign issuers would discriminate against domestic issuers.

7. Special Circumstances

There are no special circumstances.

8. Consultations with Persons Outside the Agency

No comments were received during the 60-day comment period prior to OMB's review of this submission.

9. Payment or Gift to Respondents

No payment or gift has been provided to any respondents.

10. Confidentiality

Form F-10 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 a name and job title. 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 February 5, 2020, is provided as a supplemental document and is also available at <https://www.sec.gov/privacy>.

12. Estimate of Respondent Reporting Burden

**Estimated Reporting Burden**

Information Collection Title	OMB Control Number	Number of Responses	Burden Hours
Form F-10	3235-0380	77	558

For purposes of the Paperwork Reduction Act (“PRA”), we estimate that Form F-10 takes approximately 28.99 hours per response to comply with the collection of information requirements and is filed by 77 respondents. 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 foreign private 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 issuers 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 558 hours ((0.25 x 28.99 total burden hours per response) x 77 responses). For administrative convenience, the presentation of the total related to the paperwork burden hours has 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**Estimated Cost Burden**

Information Collection Title	OMB Control Number	Number of Responses	Cost Burden
Form F-10	3235-0380	77	\$669,900

The remaining 75% of the 28.99 hours per response (21.74 hours) is prepared by outside counsel. We estimate the law firm cost to be \$400.184 per hour (\$400.184 per hour x 21.74 hours per response x 77 responses) for a total cost burden of \$669,900. We estimate an hourly cost of \$400.184 on average 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 total related to the paperwork cost burden total has 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 annual cost of reviewing and processing disclosure documents, including registration statements, post-effective amendments, proxy statements, annual reports and other filings of operating companies amounted to approximately \$103,479,690 in fiscal year 2019, based on the Commission's computation of the value of staff time devoted to this activity and related overhead.

15. Reason for Change in Burden

There is no change in burden.

16. Information Collections Planned for Statistical Purposes

The information collection is not planned for statistical purposes.

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. Exception to Certification for Paperwork Reduction Act Submissions

There are no exceptions to certification for Paperwork Reduction Act submissions.

B. STATISTICAL METHODS

The information collection does not employ statistical methods.