

**SUPPORTING STATEMENT FOR FINAL RULES
UNDER THE SECURITIES ACT OF 1933 AND
THE SECURITIES EXCHANGE ACT OF 1934**

This submission, pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. §3501, et seq., consists of this supporting statement and the following attachments:

- A. Statutory Authority
- B. Final Release

A. JUSTIFICATION

1. CIRCUMSTANCES MAKING THE COLLECTION OF INFORMATION NECESSARY

On August 26, 2020, the Securities and Exchange Commission (the “Commission”) adopted amendments to modernize the description of business (Item 101), legal proceedings (Item 103), and risk factor disclosures (Item 105) that registrants are required to make pursuant to Regulation S-K under the Securities Act of 1933 (the “Securities Act”) and the Securities Exchange Act of 1934 (the “Exchange Act”), and conforming amendments to Schedule 14A and Form S-4. A copy of Commission Release No. 33-10825 (“Adopting Release”), which contains the final amendments, is attached at Tab A.

The following collections of information (“affected forms”) will be affected by the final amendments:

- Form S-1 (OMB Control No. 3235-0065);
- Form S-3 (OMB Control No. 3235-0073);
- Form S-4 (OMB Control No. 3235-0324);
- Form S-11 (OMB Control No. 3235-0067);
- Form F-1 (OMB Control No. 3235-0258);
- Form F-3 (OMB Control No. 3235-0256);
- Form F-4 (OMB Control No. 3235-0325);
- Form SF-1 (OMB Control No. 3235-0707);
- Form SF-3 (OMB Control No. 3235-0690);
- Form 10 (OMB Control No. 3235-0064);
- Form 10-K (OMB Control No. 3235-0063);
- Form 10-Q (OMB Control No. 3235-0070);
- Schedule 14A (OMB Control No. 3235-0059); and
- Schedule 14C (OMB Control No. 3235-0057)

2. PURPOSE OF THE INFORMATION COLLECTION

The purpose of the final amendments rules is to modernize and simplify the disclosure requirements of Item 101(a) (description of the general development of the

business), 101(c) (narrative description of the business), Item 103 (legal proceedings), and Item 105 (risk factors). These disclosure items have not undergone significant revisions in over 30 years. The amendments update these items to reflect changes in the domestic and global economy. The modernization of Items 101, 103, and 105 should elicit more improved disclosures for investors, tailored to reflect a registrant's particular and simplify compliance for registrants.

3. CONSIDERATION GIVEN TO INFORMATION TECHNOLOGY

The collection of information requirements of the final rules are set forth in amended rules and forms. All of the affected forms are filed electronically with the Commission using the Commission's Electronic Data Gathering, Analysis and Retrieval ("EDGAR") system.

4. DUPLICATION OF INFORMATION

The final amendments do not duplicate, overlap, or conflict with other federal rules.

5. REDUCING THE BURDEN ON SMALL ENTITIES

Pursuant to Section 605(b) of the Regulatory Flexibility Act ("RFA"), the Commission certified in the proposing release that the amendments would not, if adopted, have a significant economic impact on a substantial number of small entities. The Commission solicited comments on this certification and received no comments. The Commission expects the final amendments will reduce the compliance and paperwork burden for all registrants, including small entities. Although, the Commission anticipates that the economic impact of the reduction in the burdens will be modest, the reduction in the burdens will be beneficial to all registrants, including small entities. Accordingly, the Commission has certified, pursuant to 5 U.S.C. 605(b), that the final amendments will not have a significant economic impact on a substantial number of small entities for purposes of the RFA. *See* Section VI of the Adopting Release.

6. CONSEQUENCES OF NOT CONDUCTING COLLECTION

The final amendments set forth disclosure requirements for registration statements, periodic and current reports, distribution reports, and proxy and information statements filed by registrants to help investors make informed investment and voting decisions. Less frequent collection would deprive investors of access to material information that is important to their voting and investment decisions.

7. SPECIAL CIRCUMSTANCE

There are no special circumstances in connection with these amendments.

8. CONSULTATIONS WITH PERSONS OUTSIDE THE AGENCY

The Commission issued a proposing release soliciting comment on the new “collection of information” requirements and the associated paperwork burdens.¹ Comments on Commission releases are generally received from registrants, investors, and other market participants. The Commission did not receive any comments that directly addressed the Paperwork Reduction Act (“PRA”) analysis of the proposed amendments. In addition, the Commission and staff participate in ongoing dialogue with representatives of various market participants through public conferences, roundtables and meetings. All comments received on the proposal are available at <https://www.sec.gov/comments/s7-19-18/s71918.htm>. The Commission considered all comments received prior to publishing the final rules, as required by 5 CFR 1320.11(f).

9. PAYMENT OR GIFT TO RESPONDENTS

No payment or gift has been provided to any respondents.

10. CONFIDENTIALITY

All documents submitted to the Commission are available to the public.

11. SENSITIVE QUESTIONS

No information of a sensitive nature will be required under the affected forms. These information collections collect basic Personally Identifiable Information (PII) that may include a name and job title. However, the agency has determined that these information collections do 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. and 13. ESTIMATES OF HOUR AND COST BURDENS

The amendments modernize and simplify the disclosure requirements in Items 101, 103, and 105 of Regulation S-K. The Commission anticipates that the final amendments will make these disclosures easier to understand, and reduce the compliance burdens to registrants.

¹ See *Modernization of Regulation S-K Items 101, 103, and 105*, Release No. 33-10668 (Aug. 8, 2019) [84 FR 44358 (Aug. 23, 2019)] (“Proposing Release”).

The tables below show the total annual compliance burden, in hours and in costs, of the collection of information resulting from the final amendments.² The burden estimates were calculated by multiplying the estimated number of responses by the estimated average amount of time it would take an issuer to prepare and review the exhibit hyperlinks. The portion of the burden carried by outside professionals is reflected as a cost, while the portion of the burden carried by the issuer internally is reflected in hours.

For purposes of the PRA, the burden is allocated between internal burden hours and outside professional costs. The table 1 below sets forth the percentage estimates the Commission typically uses for the burden allocation for each affected form. We also estimate that the average cost of retaining an outside professional is \$400 per hour.³

Table 1: Standard Estimated Burden Allocation for Specified Forms and Schedules.

Form / Schedule Type	Internal	Outside Professionals
Forms 10-K and 10-Q, and Schedules 14A and 14C	75%	25%
Forms S-1, S-3, S-4, S-11, F-1, F-3, F-4, SF-1, SF-3, and 10	25%	75%

Table 2 below illustrates the estimated net incremental change to the total annual compliance burdens for the affected forms, in hours and in costs, as a result of the final amendments.

² For convenience, the estimated hour and cost burdens in the table have been rounded to the nearest whole number.

³ We recognize that the costs of retaining outside professionals may vary depending on the nature of the professional services, but for purposes of this PRA analysis, we estimate that such costs would be an average of \$400 per hour. This estimate is based on consultations with several registrants, law firms, and other entities that regularly assist registrants in preparing and filing documents with the Commission.

Table 2: Calculation of the Net Incremental Change in Burden Estimates of Affected Responses Resulting from the Final Amendments

Form	Number of Estimated Affected Responses (A) ⁴	Estimated Burden Hour Reduction /Affected Response (B)	Total Incremental Reduction in Burden Hours (C) = (A) x (B) ⁵	Estimated Reduction in Internal Burden Hours (D) = (C) x (Allocation %)	Estimated Reduction in Outside Professional Hours (E) = (C) x (Allocation %)	Total Reduction in Outside Professional Costs (F) = (E) x \$400
S-1	898	5	4,490	1,123	3,367	\$1,347,000
S-3	1,651	3	4,953	1,238	3,715	\$1,486,000
S-4	588	5	2,940	735	2,205	\$882,000
S-11	67	3	201	50	151	\$60,400
F-1	66	3	198	50	148	\$59,200
F-3	113	3	339	85	254	\$101,600
F-4	39	3	117	29	88	\$35,200
SF-1	6	3	18	5	14	\$5,600
SF-3	71	3	213	53	160	\$64,000
10	216	4	864	216	648	\$259,200
10-K	8,292	4	33,168	24,876	8,292	\$3,316,800
10-Q	22,925	3	68,775	51,581	17,194	\$6,877,600
Sch. 14A	6,369	2.9	18,470	13,853	4,617	\$1,846,800
Sch. 14C	569	2.9	1,650	1,238	412	\$164,800
Total	41,870		136,396	95,132	41,265	\$16,506,200

14. COST TO FEDERAL GOVERNMENT

The estimated annual cost of reviewing and processing disclosure documents, including registration statements, post-effective amendments, proxy statements, annual report and other filings of operating companies amounted to \$119,447,840 in fiscal year 2020, based on the Commission’s computation of the value of staff time devoted to this activity and related overhead.

⁴ The number of estimated affected responses is based on the number of responses in the Commission’s current OMB PRA filing inventory. The OMB PRA filing inventory represents a three-year average.

⁵ The numbers in Columns (C), (D) and (E) have been rounded to the nearest whole number.

15. REASON FOR CHANGES IN BURDEN

Table 3 below illustrates the changes in cost and hour burdens from the burden estimates currently approved by OMB. Columns (A) and (B) represent the most recent burden estimates submitted to OMB. Columns (C) and (D) represent the new burden estimates under the final rules. Columns (E) and (F) represent the program change, which encompasses the change in the burden estimates attributable to the final rules.

Table 3:⁶

Form	Current Burden			Program Change			Requested Change in Burden		
	Current Annual Responses (A)	Current Burden Hours (B)	Current Cost Burden (C)	Number of Affected Responses (D)	Reduction in Company Hours (E)	Reduction in Professional Costs (F)	Annual Responses (G) = (A)	Burden Hours (H) = (B) + (E)	Cost Burden (I) = (C) + (F)
S-1	898	146,062	\$178,916,043	898	1,123	\$1,347,000	898	144,939	\$177,569,043
S-3	1,651	192,530	\$234,859,580	1,651	1,238	\$1,486,000	1,651	191,292	\$233,373,580
S-4	588	562,362	\$677,255,579	588	735	\$882,000	588	561,627	\$676,373,579
S-11	67	12,229	\$14,943,768	67	50	\$60,400	67	12,179	\$14,883,368
F-1	66	26,707	\$32,293,375	66	50	\$59,200	66	26,657	\$32,234,175
F-3	113	4,459	\$5,724,600	113	85	\$101,600	113	4,374	\$5,623,000
F-4	39	14,049	\$17,073,825	39	29	\$35,200	39	14,020	\$17,038,625
SF-1	6	2,076	\$2,491,200	6	5	\$5,600	6	2,071	\$2,485,600
SF-3	71	24,552	\$29,463,225	71	53	\$64,000	71	24,499	\$29,399,225
10	216	11,855	\$14,091,488	216	216	\$259,200	216	11,639	\$13,832,288
10-K	8,292	14,047,638	\$1,843,438,119	8,292	24,876	\$3,316,800	8,292	14,022,762	\$1,840,121,319
10-Q	22,925	3,182,333	\$421,490,754	22,925	51,581	\$6,877,600	22,925	3,130,752	\$414,613,154
Sch. 14A	6,369	778,802	\$103,805,312	6,369	13,853	\$1,846,800	6,369	764,949	\$101,958,512
Sch. 14C	569	56,356	\$7,514,944	569	1,238	\$164,800	569	55,118	\$7,350,144

16. INFORMATION COLLECTION PLANNED FOR STATISTICAL PURPOSES

The information collections do not employ statistical methods.

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.

⁶ Figures in Table 3 have been rounded to the nearest whole number.

18. EXCEPTIONS TO CERTIFICATION FOR PAPERWORK REDUCTION ACT SUBMISSIONS

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

B. STATISTICAL METHODS

The information collections do not employ statistical methods.

Short Statement Rel. No. 33-10825

Form S-1

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 1,123 burden hours and a net decrease of \$1,347,000 in the cost burden for Form S-1.

Form S-3

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 1,238 burden hours and a net decrease of \$1,486,000 in the cost burden for Form S-3.

Form S-4

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 735 burden hours and a net decrease of \$882,000 in the cost burden for Form S-4.

Form S-11

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 50 burden hours and a net decrease of \$60,400 in the cost burden for Form S-11.

Form F-1

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 50 burden hours and a net decrease of \$59,200 in the cost burden for Form F-1.

Form F-3

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 85 burden hours and a net increase of \$101,600 in the cost burden for Form F-3.

Form F-4

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 29 burden hours and a net decrease of \$35,200 in the cost burden for Form F-4.

Form SF-1

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of five burden hours and a net decrease of \$5,600 in the cost burden for Form SF-1.

Form SF-3

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 53 burden hours and a net decrease of \$64,000 in the cost burden for Form SF-3.

Form 10

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 216 burden hours and a net decrease of \$259,200 in the cost burden for Form 10.

Form 10-K

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 24,876 burden hours and a net decrease of \$3,316,800 in the cost burden for Form 10-K.

Form 10-Q

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 51,581 burden hours and a net decrease of \$6,877,600 in the cost burden for Form 10-Q.

Sch. 14A

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 13,853 burden hours and a net decrease of \$1,846,800 in the cost burden for Schedule 14A.

Sch. 14C

The amendments modernize and simplify disclosure requirements under Items 101(a), 101(c), 103, and 105 of Regulation S-K. The modernization of Items 101, 103, and 105 are intended to elicit improved disclosures, tailored to reflect registrants' particular circumstances, which should improve disclosures for investors and simplify compliance for registrants. Particularly, the amendments increase the flexibility of registrants to tailor their disclosures; eliminates or reduces disclosure about matters that are not material to an understanding of the business or to a registrant's legal proceedings; and encourages risk factor disclosure that is shorter and concerns only material risks. The Commission expects the final amendments will reduce the paperwork burden for all registrants. For purposes of the Paperwork Reduction Act, the Commission estimates that the final amendments will result in a net decrease of 1,238 burden hours and a net decrease of \$164,800 in the cost burden for Schedule 14C.