

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

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

Section 13(a) of the Securities Exchange Act of 1934 (“Exchange Act”) requires every issuer of a security registered pursuant to Section 12 to file periodic and current reports with the Commission. Section 15(d) of the Exchange Act requires each issuer that has filed a registration statement that has become effective under the Securities Act of 1933 to file periodic reports and documents pursuant to Section 13 of the Exchange Act.

Form 10-Q is the form used by issuers to satisfy their quarterly reporting obligations pursuant to Section 13 or 15(d) of the Securities Exchange Act. Form 10-Q requires financial and certain other information concerning the issuer.

2. Purpose and Use of the Information Collection

The report on Form 10-Q includes financial and other information that is intended to provide investors with fundamental and material information needed to make informed investment decisions and to promote confidence in the trading markets.

3. Consideration Given to Information Technology

All Form 10-Qs filed with the Commission are required to be filed electronically on the Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system.

4. Duplication of Information

No similar information is available from other sources.

5. Reducing the Burden on Small Entities

Form 10-Q is quarterly report that is not filed by small entities.

6. Consequences of Not Conducting Collection

Investors would not have timely information if less frequent collections are conducted.

7. Special Circumstances

There are no special circumstances.

8. Consultations with Persons Outside the Agency

No comments were received for this requesting during the 60-day comment period prior to OMB’s review of this extension request.

9. Payment of Gift to Respondents

No payment or gift has been provided to any respondents.

10. Confidentiality

Form 10-Q 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 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 10-Q | 3235-0070 | 22,925 | 3,130,752 |

For purposes of the Paperwork Reduction Act (“PRA”), we estimate that Form 10-Q takes approximately 182.0866302 hours per response to comply with the collection of information requirements and approximately 22,925 are filed with Commission annually. 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 companies based on the size and complexity of their organization and the nature of their operations. We further estimate that 75% of the collection of information burden is carried by the issuer internally and that 25% of the burden of preparation is carried by outside professionals retained by the company to assist in the preparation of the form. Based on our estimates, we calculated the total reporting burden to be 3,130,752 hours ((0.75 x 182.0866302) hours per response x 22,925 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 is 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 10-Q | 3235-0070 | 22,925 | \$414,613,154 |

We estimate that 25% of the 182.0866302 hours per response (45.52165755 hours) is prepared by outside parties. We estimate an hourly cost of approximately \$397.00 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. Based on our estimates, we calculated the total annual cost to be \$414,613,154 (\$397.2973466 per hour x 45.52165755 hours per response x 22,925 responses). For administrative convenience, the presentation of the total cost burden 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 \$125,800,170 in fiscal year 2021, 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 Collection Planned for Statistical Purposes

The information collection is not planned for statistical purposes.

17. Approval to Omit 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

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

B. STATISTICAL METHODS

The information collection does not employ statistical methods.