**SUPPORTING STATEMENT FOR UPDATE OF STATISTICAL DISCLOSURES FOR BANK AND SAVINGS AND LOAN REGISTRANTS**

This supporting statement is part of a submission under the Paperwork Reduction Act of 1995 (“PRA”).[[1]](#footnote-1)

**A. JUSTIFICATION**

1. **CIRCUMSTANCES MAKING THE COLLECTION OF INFORMATION NECESSARY**

In Release No. 33-10835 (“Adopting Release”),[[2]](#footnote-2) the Securities and Exchange Commission (“Commission”) adopted rules to update the disclosure of information for banks, bank holding companies (“BHCs”), savings and loan associations, and savings and loan holding companies (together, “bank and savings and loan registrants”). Prior to adoption, these registrants provided many disclosures in response to the items set forth in Industry Guide 3 (“Guide 3”), *Statistical Disclosure by Bank Holding Companies,* which were not Commission rules.[[3]](#footnote-3) The rules update and expand the disclosures that registrants are required to provide; codify certain Guide 3 disclosure items; and eliminate other Guide 3 disclosure items that overlap with Commission rules, U.S. Generally Accepted Accounting Principles (“U.S. GAAP”), or International Financial Reporting Standards (“IFRS”). In addition, the Commission relocated the codified disclosure requirements to a new subpart of Regulation S-K[[4]](#footnote-4) and rescinded Guide 3.[[5]](#footnote-5)

The rules contain “collection of information” requirements within the meaning of the PRA. The titles of the collections of information impacted by the amendments are:[[6]](#footnote-6)

* Form S-1[[7]](#footnote-7) (OMB Control No. 3235-0065);[[8]](#footnote-8)
* Form S-4[[9]](#footnote-9) (OMB Control No. 3235-0324);
* Form F-1[[10]](#footnote-10) (OMB Control No. 3235-0258);
* Form F-4[[11]](#footnote-11) (OMB Control No. 3235-0325);
* Form 10[[12]](#footnote-12) (OMB Control No. 3235-0064);
* Form 10-K[[13]](#footnote-13) (OMB Control No. 3235-0064);
* Form 20-F (OMB Control No. 3235-0063); and
* Regulation A (Form 1-A)[[14]](#footnote-14) (OMB Control No. 3235-0286).

**2.** **PURPOSE AND USE OF THE INFORMATION COLLECTION**

The Commission adopted rules to update the statistical disclosures for bank and savings and loan registrants. By its terms, Guide 3 applies to BHCs[[15]](#footnote-15) and calls for disclosure in seven areas: (1) “distribution of assets, liabilities and stockholders’ equity; interest rates and interest differential", (2) investment portfolios; (3) loan portfolios; (4) summary of loan loss experience; (5) deposits; (6) return on equity and assets; and (7) short-term borrowings.

The rules rescind Guide 3 and update and codify into a new Subpart 1400 of Regulation S-K certain the Guide 3 disclosure items that do not overlap with existing disclosure requirements in Commission rules, U.S. GAAP, or IFRS, while adding to that Subpart certain credit ratio disclosure requirements. New Subpart 1400 applies to bank and savings and loan registrants. The rules are expected to streamline bank and savings and loan registrants’ compliance efforts and may enhance comparability across issuers to the benefit of both registrants and investors.

**3.** **CONSIDERATION GIVEN TO INFORMATION TECHNOLOGY**

The forms affected by the amendments are filed electronically with the Commission using the Commission’s Electronic Data Gathering and Retrieval (“EDGAR”) system.

1. **DUPLICATION OF INFORMATION**

The rules eliminate the Guide 3 disclosures that overlap with Commission rules, U.S. GAAP, or IFRS. Similarly, the rules do not codify the disclosures called for by Guide 3 that have similar objectives as the disclosures called for by Commission rules, U.S. GAAP, or IFRS.

1. **REDUCING THE BURDEN ON SMALL ENTITIES**

In Release No. 33-10688 (“Proposing Release”),[[16]](#footnote-16) the Commission certified, under section 605(b) of the Regulatory Flexibility Act (“RFA”), that, when adopted, the proposed amendments to the rules would not have a significant economic impact on a substantial number of small entities. The Commission solicited comments regarding this certification and received no comments. The Commission adopted rules as proposed with one substantive change relating to the new credit ratio disclosure requirements. The Commission does not believe that this change alters the basis upon which the certification in the Proposing Release was made. Accordingly, as part of its RFA Act Analysis, the Commission determined that the rules do not have a significant economic impact on a substantial number of small entities.

1. **CONSEQUENCES OF NOT CONDUCTING COLLECTION**

The regulations and forms set forth the disclosure requirements for registration statements and periodic and current reports filed by companies to help investors make informed investment decisions. Not conducting this collection would deprive investors of access to information that is important to their voting and investment decisions.

1. **SPECIAL CIRCUMSTANCES**

There are no special circumstances in connection with these amendments.

1. **CONSULTATIONS WITH PERSONS OUTSIDE THE AGENCY**

In the Proposing Release, the Commission proposed amendments to update the statistical disclosures for banking registrants and solicited comment on the new “collection of information” requirements and associated paperwork burdens. In addition, the Commission submitted the proposed amendments to the Office of Management and Budget (“OMB”) for review in accordance with the PRA.[[17]](#footnote-17) The Commission considered all comments received prior to adopting the amendments as required by 5 C.F.R. 1320.11(f). While several commenters provided comments on the possible costs of the proposed amendments, no commenters specifically addressed the PRA analysis. The comment letters are available to the public on the Commission’s website at <https://www.sec.gov/comments/s7-02-17/s70217.htm>. Where appropriate, the Commission has revised its burden estimates after considering these comments as well as differences between the proposed and final rules.

1. **PAYMENT OR GIFT TO RESPONDENTS**

No payment or gift to respondents.

1. **CONFIDENTIALITY**

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

1. **SENSITIVE QUESTIONS**

No information of a sensitive nature would be required under the information collections that are affected by these rulemaking amendments. The information collections collect basic Personally Identifiable Information that may include a name and job title. However, the agency has determined that the 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 paperwork burden estimates associated with the rules include the burdens attributable to collecting, preparing, reviewing, and retaining records.

The Commission estimates that, currently, approximately 493 bank and savings and loan registrants provide the disclosures set forth in Guide 3. These registrants have to provide the disclosures required by the rules in Securities Act registration statements filed on Forms S-1, S-3, S-4, F-1, F-3, and F-4, Exchange Act registration statements on Forms 10 and 20-F, Exchange Act annual reports on Forms 10-K and 20-F, Exchange Act quarterly reports on Form 10-Q, and Regulation A offering statements on Form 1-A. These registrants are referred to in this analysis as “affected registrants.”

The rules update and expand the disclosures that registrants are required to provide, codify certain disclosure items set forth in Guide 3, and eliminate other Guide 3 disclosure items that overlap with Commission rules, U.S. GAAP, or IFRS. In addition, the rules relocate codified disclosure requirements into a new Subpart 1400 of Regulation S-K, which applies to bank and savings and loan registrants.

The Commission estimates the burden changes for specific portions of the rules as follows:

1. Item 1402 requires additional disclosure related to the distribution of assets, liabilities, and stockholders’ equity and interest rate and interest differential. The Commission estimates that this aspect of the rules will increase the burdens and costs of an affected annual report by two hours per year and increase the burdens and costs of an affected registration or offering statement by one hour per year.
2. Item 1403 requires disclosure related to investment portfolios that is consistent with the current disclosures in Item II of Guide 3. The Commission estimates that there will be no change to the burdens and costs of an affected annual report or registration or offering statement as a result of this aspect of the rules.
3. Item 1404 requires additional disclosure related to interest rates for all loan categories. The Commission estimates that this aspect of the rules will increase the burdens and costs of an affected annual report by three hours per year and increase the burdens and costs of an affected registration or offering statement by one hour per year.
4. Item 1405(c) requires disclosure related to allowance for credit losses that is consistent with the disclosures in Item IV of Guide 3. The Commission estimates that there will be no change to the burdens and costs of an affected annual report or registration or offering statement as a result of this aspect of the rules.
5. Item 1406 requires additional disclosure related to deposits. The Commission estimates that this aspect of the rules will increase the burdens and costs of an affected annual report by three burden hours per year and will increase the burdens and costs of an affected registration or offering statement by one hour per year.
6. The rules do not require the disclosure related to return on equity and assets that was in Item VI of Guide 3. The Commission estimates that not requiring this disclosure will decrease the burdens and costs of an affected annual report by two burden hours per year and decrease the burdens and costs of an affected registration or offering statement by one hour per year.
7. Rule 1402 requires the disclosure related to average amount outstanding and interest paid, but does not require the remaining short-term borrowings disclosure set forth in Item VII of Guide 3. The Commission estimates that not requiring the latter disclosure will decrease the burdens and costs of an affected annual report by four burden hours per year and decrease the burdens and costs of an affected registration or offering statement by one hour per year.
8. Rules 1405(a) and (b) require credit ratios and related disclosure for the same periods for which the Commission’s rules require financial statements for those filings. The Commission estimates that this aspect of the rules will increase the burdens and costs of an affected annual report by six burden hours per year and increase the burdens and costs of an affected registration or offering statement by one hour per year.

The table below shows the estimated changes in internal burden hours and costs for outside professionals from the changes described above. For purposes of the PRA, total burden is to be allocated between internal burden hours and outside professional costs. The Commission estimates that, for Form 10-K and Form 1-A, 75% of the burden of preparation is carried by the company internally and 25% of the burden is carried by outside professionals; for Forms 20-F, S-1, S-4, F-1, F-4 and 10, 25% of the burden of preparation is carried by the company internally and 75% of the burden is carried by outside professionals. A registrant’s internal burden is estimated in internal burden hours and its outside professional costs are estimated at $400 per hour.[[18]](#footnote-18)

**Table 1. Estimated Total Increase in Internal Burden Hours and Costs for Outside Professional as a Result of the Rules.**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Form** | **Total Number of Affected Forms**  **(A)** | | **Burden Hour Change Per Form**  **(B)** | | **Calculations for Burden Hour Change Per Form**  **(C)** | **Total Change in Internal Burden Hours**  **(D)**  [(A) x (B) = (D)] | **Outside Professional Costs Change**  **Per Form**  **(E)** | **Calculations for Burden Hour Change Per Form**  **(F)** | **Total Change in Outside Professional Cost**  **(G)**  [(A) x (E) = (G)] |
|  |  | |  | |  |  |  |  |  |
| **Form 10-K** |  | |  | |  |  |  |  |  |
| Subsection a (Item 1402 of S-K) | 450 | | 1.5 | | Two hours x 0.75 = 1.5 hours | 675 | $200 | (Two hours x 0.25) x $400 = $200 | $90,000 |
| Subsection b (Item 1403 of S-K) | 0 | | 0 | | n/a | 0 | $0 | n/a | 0 |
| Subsection c (Item 1404 of S-K) | 450 | | 2.25 | | Three hours x 0.75 = 2.25 hours | 1,012.5 | $300 | (Three hours x 0.25) x $400 = $300 | $135,000 |
| Subsection d (Item 1405(c) of S-K) | 0 | | 0 | | n/a | 0 | $0 | n/a | 0 |
| Subsection e (Item 1406 of S-K) | 450 | | 2.25 | | Three hours x 0.75 = 2.25 hours | 1,012.5 | $300 | (Three hours x 0.25) x $400 = $300 | $135,000 |
| Subsection f (Item VI of Guide 3) | 450 | | (1.5) | | Two hours x 0.75 = 1.5 hours | (675) | ($200) | (Two hours x 0.25) x $400 = $200 | ($90,000) |
| Subsection g (Item 1402 of S-K) | 450 | | (3) | | Four hours x 0.75 = 3 hours | (1,350) | ($400) | (Four hours x 0.25) x $400 = $400 | ($180,000) |
| Subsection h (Items 1405(a) and (b) of S-K) | 450 | | 4.5 | | Six hours x 0.75 = 4.5 hours | 2,025 | $600 | (Six hours x 0.25) x $400 = $600 | 270,000 |
| **Form 10-K**  **TOTAL** |  | |  | |  | **2,700** |  |  | **$360,000** |
|  | |  | |  | | | | | |
| **Form 20-F** |  | |  | |  |  |  |  |  |
| ***Form 20-F***  ***(Ann. Report)*** |  | |  | |  |  |  |  |  |
| Subsection a (Item 1402 of S-K) | 43 | | 0.5 | | Two hours x 0.25 = 0.5 hours | 21.5 | $600 | (Two hours x 0.75) x $400 = $600 | $25,800 |
| Subsection b (Item 1403 of S-K) | 0 | | 0 | | n/a | 0 | $0 | n/a | 0 |
| Subsection c (Item 1404 of S-K) | 43 | | 0.75 | | Three hours x 0.25 = .75 hours | 32.25 | $900 | (Three hours x 0.75) x $400 = $900 | $38,700 |
| Subsection d (Item 1405(c) of S-K) | 0 | | 0 | | n/a | 0 | $0 | n/a | 0 |
| Subsection e (Item 1406 of S-K) | 43 | | 0.75 | | Three hours x 0.25 = 0.75 hours | 32.25 | $900 | (Three hours x 0.75) x $400 = $900 | $38,700 |
| Subsection f (Item VI of Guide 3) | 43 | | (0.5) | | Two hours x 0.25 = 0.5 hours | (21.5) | ($600) | (Two hours x 0.75) x $400 = $600 | ($25,800) |
| Subsection g (Item 1402 of S-K) | 43 | | (1) | | Four hours x 0.25 = 1 hours | (43) | ($1,200) | (Four hours x 0.75) x $400 = $1,200 | ($51,600) |
| Subsection h (Items 1405(a) and (b) of S-K) | 43 | | 1.5 | | Six hours x 0.25 = 1.5 hours | 64.5 | $1,800 | (Six hours x 0.75) x $400 = $1,800 | $77,400 |
| *Form 20-F*  *(Ann. Report) TOTAL* |  | |  | |  | *86* |  |  | *$103,200* |
| ***Form 20-F***  ***(Reg. Statement)*** |  | |  | |  |  |  |  |  |
| Subsection a (Item 1402 of S-K) | 1 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.25 | $300 | (One hour x 0.75) x $400 = $300 | $300 |
| Subsection b (Item 1403 of S-K) | 0 | | 0 | | n/a | 0 | $0 | n/a | $0 |
| Subsection c (Item 1404 of S-K) | 1 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.25 | $300 | One hour x 0.75) x $400 = $300 | $300 |
| Subsection d (Item 1405(c) of S-K) | 0 | | 0 | | n/a | 0 | $0 | n/a | $0 |
| Subsection e (Item 1406 of S-K) | 1 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.25 | $300 | One hour x 0.75) x $400 = $300 | $300 |
| Subsection f (Item VI of Guide 3) | 1 | | (0.25) | | One hour x 0.25 = 0.25 hours | (0.25) | ($300) | One hour x 0.75) x $400 = $300 | ($300) |
| Subsection g (Item 1402 of S-K) | 1 | | (0.25) | | One hour x 0.25 = 0.25 hours | (0.25) | ($300) | One hour x 0.75) x $400 = $300 | ($300) |
| Subsection h (Items 1405(a) and (b) of S-K) | 1 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.25 | $300 | One hour x 0.75) x $400 = $300 | $300 |
| *Form 20-F*  *(Reg. Statement)*  *TOTAL* |  | |  | |  | *0.50* |  |  | *$600* |
| **Form 20-F**  **TOTAL**  *[20-F Ann. Report Total + 20-F Reg. Statement Total]* |  | |  | |  | **86.5** |  |  | **$103,800** |
|  |  | |  | |  |  |  |  |  |
| ***Form S-1*** |  | |  | |  |  |  |  |  |
| Subsection a (Item 1402 of S-K) | 15 | | 0.25 | | One hour x 0.25 = 0.25 hours | 3.75 | $300 | (One hour x 0.75) x $400 = $300 | $4,500 |
| Subsection b (Item 1403 of S-K) | 0 | | 0 | | n/a | 0 | 0 | n/a | 0 |
| Subsection c (Item 1404 of S-K) | 15 | | 0.25 | | One hour x 0.25 = 0.25 hours | 3.75 | $300 | (One hour x 0.75) x $400 = $300 | $4,500 |
| Subsection d (Item 1405(c) of S-K) | 0 | | 0 | | n/a | 0 | 0 | n/a | 0 |
| Subsection e (Item 1406 of S-K) | 15 | | 0.25 | | One hour x 0.25 = 0.25 hours | 3.75 | $300 | (One hour x 0.75) x $400 = $300 | $4,500 |
| Subsection f (Item VI of Guide 3) | 15 | | (0.25) | | One hour x 0.25 = 0.25 hours | (3.75) | ($300) | (One hour x 0.75) x $400 = $300 | ($4,500) |
| Subsection g (Item 1402 of S-K) | 15 | | (0.25) | | One hour x 0.25 = 0.25 hours | (3.75) | ($300) | (One hour x 0.75) x $400 = $300 | ($4,500) |
| Subsection h (Items 1405(a) and (b) of S-K) | 15 | | 0.25 | | One hour x 0.25 = 0.25 hours | 3.75 | $300 | (One hour x 0.75) x $400 = $300 | $4,500 |
| **Form S-1**  **TOTAL** |  | |  | |  | **7.5** |  |  | **$9,000** |
|  |  | |  | |  |  |  |  |  |
| **Form S-4** |  | |  | |  |  |  |  |  |
| Subsection a (Item 1402 of S-K) | 87 | | 0.25 | | One hour x 0.25 = 0.25 hours | 21.75 | $300 | (One hour x 0.75) x $400 = $300 | $26,100 |
| Subsection b (Item 1403 of S-K) | 0 | | 0 | | n/a | 0 | 0 | n/a | 0 |
| Subsection c (Item 1404 of S-K) | 87 | | 0.25 | | One hour x 0.25 = 0.25 hours | 21.75 | $300 | (One hour x 0.75) x $400 = $300 | $26,100 |
| Subsection d (Item 1405(c) of S-K) | 0 | | 0 | | n/a | 0 | 0 | n/a | 0 |
| Subsection e (Item 1406 of S-K) | 87 | | 0.25 | | One hour x 0.25 = 0.25 hours | 21.75 | $300 | (One hour x 0.75) x $400 = $300 | $26,100 |
| Subsection f (Item VI of Guide 3) | 87 | | (0.25) | | One hour x 0.25 = 0.25 hours | (21.75) | ($300) | (One hour x 0.75) x $400 = $300 | ($26,100) |
| Subsection g (Item 1402 of S-K) | 87 | | (0.25) | | One hour x 0.25 = 0.25 hours | (21.75) | ($300) | (One hour x 0.75) x $400 = $300 | ($26,100) |
| Subsection h (Items 1405(a) and (b) of S-K) | 87 | | 0.25 | | One hour x 0.25 = 0.25 hours | 21.75 | $300 | (One hour x 0.75) x $400 = $300 | $26,100 |
| **Form S-4**  **TOTAL** |  | |  | |  | **43.5** |  |  | **$52,200** |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Form F-1** |  | |  | |  |  |  |  |  |
| Subsection a (Item 1402 of S-K) | 1 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.25 | $300 | (One hour x 0.75) x $400 = $300 | $300 |
| Subsection b (Item 1403 of S-K) | 0 | | 0 | | n/a | 0 | 0 | n/a | $0 |
| Subsection c (Item 1404 of S-K) | 1 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.25 | $300 | (One hour x 0.75) x $400 = $300 | $300 |
| Subsection d (Item 1405(c) of S-K) | 0 | | 0 | | n/a | 0 | 0 | n/a | $0 |
| Subsection e (Item 1406 of S-K) | 1 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.25 | $300 | (One hour x 0.75) x $400 = $300 | $300 |
| Subsection f (Item VI of Guide 3) | 1 | | (0.25) | | One hour x 0.25 = 0.25 hours | (0.25) | ($300) | (One hour x 0.75) x $400 = $300 | ($300) |
| Subsection g (Item 1402 of S-K) | 1 | | (0.25) | | One hour x 0.25 = 0.25 hours | (0.25) | ($300) | (One hour x 0.75) x $400 = $300 | ($300) |
| Subsection h (Items 1405(a) and (b) of S-K) | 1 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.25 | $300 | (One hour x 0.75) x $400 = $300 | $300 |
| **Form F-1**  **TOTAL** |  | |  | |  | **0.5** |  |  | **$600** |
|  |  | |  | |  |  |  |  |  |
| **Form F-4** |  | |  | |  |  |  |  |  |
| Subsection a (Item 1402 of S-K) | 2 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.5 | $300 | (One hour x 0.75) x $400 = $300 | $600 |
| Subsection b (Item 1403 of S-K) | 0 | | 0 | | n/a | 0 | 0 | n/a | $0 |
| Subsection c (Item 1404 of S-K) | 2 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.5 | $300 | (One hour x 0.75) x $400 = $300 | $600 |
| Subsection d (Item 1405(c) of S-K) | 0 | | 0 | | n/a | 0 | 0 | n/a | $0 |
| Subsection e (Item 1406 of S-K) | 2 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.5 | $300 | (One hour x 0.75) x $400 = $300 | $600 |
| Subsection f (Item VI of Guide 3) | 2 | | (0.25) | | One hour x 0.25 = 0.25 hours | (0.5) | ($300) | (One hour x 0.75) x $400 = $300 | ($600) |
| Subsection g (Item 1402 of S-K) | 2 | | (0.25) | | One hour x 0.25 = 0.25 hours | (0.5) | ($300) | (One hour x 0.75) x $400 = $300 | ($600) |
| Subsection h (Items 1405(a) and (b) of S-K) | 2 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.5 | $300 | (One hour x 0.75) x $400 = $300 | $600 |
| **Form F-4**  **TOTAL** |  | |  | |  | **1.0** |  |  | **$1,200** |
|  | |  | |  | | | | | |
| **Form 10** |  | |  | |  |  |  |  |  |
| Subsection a (Item 1402 of S-K) | 2 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.5 | $300 | (One hour x 0.75) x $400 = $300 | $600 |
| Subsection b (Item 1403 of S-K) | 0 | | 0 | | n/a | 0 | 0 | n/a | $0 |
| Subsection c (Item 1404 of S-K) | 2 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.5 | $300 | (One hour x 0.75) x $400 = $300 | $600 |
| Subsection d (Item 1405(c) of S-K) | 0 | | 0 | | n/a | 0 | 0 | n/a | $0 |
| Subsection e (Item 1406 of S-K) | 2 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.5 | $300 | (One hour x 0.75) x $400 = $300 | $600 |
| Subsection f (Item VI of Guide 3) | 2 | | (0.25) | | One hour x 0.25 = 0.25 hours | (0.5) | ($300) | (One hour x 0.75) x $400 = $300 | ($600) |
| Subsection g (Item 1402 of S-K) | 2 | | (0.25) | | One hour x 0.25 = 0.25 hours | (0.5) | ($300) | (One hour x 0.75) x $400 = $300 | ($600) |
| Subsection h (Items 1405(a) and (b) of S-K) | 2 | | 0.25 | | One hour x 0.25 = 0.25 hours | 0.5 | $300 | (One hour x 0.75) x $400 = $300 | $600 |
| **Form 10**  **TOTAL** |  | |  | |  | **1.0** |  |  | **$1,200** |
|  |  | |  | |  |  |  |  |  |
| **Form 1-A** |  | |  | |  |  |  |  |  |
| Subsection a (Item 1402 of S-K) | 1 | | 0.75 | | One hour x 0.75 = 0.75 hours | 0.75 | $100 | (One hour x 0.25) x $400 = $100 | $100 |
| Subsection b (Item 1403 of S-K) | 0 | | 0 | | n/a | 0 | $0 | n/a | $0 |
| Subsection c (Item 1404 of S-K) | 1 | | 0.75 | | One hour x 0.75 = 0.75 hours | 0.75 | $100 | (One hour x 0.25) x $400 = $100 | $100 |
| Subsection d (Item 1405(c) of S-K) | 0 | | 0 | | n/a | 0 | $0 | n/a | $0 |
| Subsection e (Item 1406 of S-K) | 1 | | 0.75 | | One hour x 0.75 = 0.75 hours | 0.75 | $100 | (One hour x 0.25) x $400 = $100 | $100 |
| Subsection f (Item VI of Guide 3) | 1 | | (0.75) | | One hour x 0.75 = 0.75 hours | (0.75) | ($100) | (One hour x 0.25) x $400 = $100 | ($100) |
| Subsection g (Item 1402 of S-K) | 1 | | (0.75) | | One hour x 0.75 = 0.75 hours | (0.75) | ($100) | (One hour x 0.25) x $400 = $100 | ($100) |
| Subsection h (Items 1405(a) and (b) of S-K) | 1 | | 0.75 | | One hour x 0.75 = 0.75 hours | 0.75 | $100 | (One hour x 0.25) x $400 = $100 | $100 |
| **Form 1-A**  **TOTAL** |  | |  | |  | **1.5** |  |  | **$200** |
|  |  | |  | |  |  |  |  |  |

1. **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 $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**

The rules are expected to streamline bank and savings and loan registrants’ compliance efforts and may enhance comparability across issuers to the benefit of both registrants and investors.

The table below shows the total estimated internal burden hours and costs for outside professional under the final rules.[[19]](#footnote-19)

**Table 2: Total Paperwork Burden Under the Final Rules.**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Current Annual Responses  (A) | Current Burden Hours  (B) | Current  Cost  Burden  (C) | Change in Internal Registrant Burden Hours  (D) | Change in Outside Professional Costs  (E) | Burden Hours for Affected Responses  (F)  [(B) + (D)] | Costs  for Affected Responses  (G)  [(C) + (E)] |
| 10-K | 8,292 | 14,022,762 | $1,840,121,319 | 2,700 | $360,000 | 14,025,462 | $1,840,481,319 |
| 20-F | 729 | 479,261 | $576,824,025 | 87 | $103,800 | 479,348 | $576,927,825 |
| S-1 | 898 | 144,939 | $177,569,043 | 8 | $9,000 | 144,947 | $177,578,043 |
| S-4 | 588 | 561,627 | $676,373,579 | 44 | $52,200 | 561,671 | $676,425,779 |
| F-1 | 66 | 26,657 | $32,234,175 | 1 | $600 | 26,658 | $32,234,775 |
| F-4 | 39 | 14,020 | $17,038,625 | 1 | $1,200 | 14,021 | $17,039,825 |
| 10 | 216 | 11,639 | $13,832,288 | 1 | $1,200 | 11,640 | $13,833,488 |
| 1-A | 205 | 111,885 | $15,010,502 | 2 | $200 | 111,887 | $15,010,702 |

**16. INFORMATION COLLECTION PLANNED FOR STATISTICAL PURPOSES**

The information collections do not employ statistical methods.

**17. APPROVAL TO OMIT OMB EXPIRATION DATE**

The Commission requests authorization to omit the expiration date on the electronic version of this 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 the PRA submissions.

**B. STATISTICAL METHODS**

The information collections do not employ statistical methods.

**Form 10-K Short Statement**

The rules revise the statistical disclosures for banking registrants by updating and codifying certain Guide 3 disclosures and eliminate other Guide 3 disclosures that overlap with Commission rules, U.S. Generally Accepted Accounting Principles, or International Financial Reporting Standards. In addition, the rules relocate the codified disclosures to a new subpart of Regulation S-K and rescind Guide 3. The Commission anticipates the rules will result in a small increase in the required disclosure and the related burdens and costs for these registrants to prepare and review the collections of information.

For purposes of the Paperwork Reduction Act, we estimate that the rules will result in a net increase of 2,700 burden hours and a net increase in the cost burden of $360,000 for the services of outside professionals on Form 10-K.

**Form 20-F Short Statement**

The rules revise the statistical disclosures for banking registrants by updating and codifying certain Guide 3 disclosures and eliminate other Guide 3 disclosures that overlap with Commission rules, U.S. Generally Accepted Accounting Principles, or International Financial Reporting Standards. In addition, the rules relocate the codified disclosures to a new subpart of Regulation S-K and rescind Guide 3. The Commission anticipates the rules will result in a small increase in the required disclosure and the related burdens and costs for these registrants to prepare and review the collections of information.

For purposes of the Paperwork Reduction Act, we estimate that the rules will result in a net increase of 87 burden hours and a net increase in the cost burden of $103,800 for the services of outside professionals on Form 20-F.

**Form S-1 Short Statement**

The rules revise the statistical disclosures for banking registrants by updating and codifying certain Guide 3 disclosures and eliminate other Guide 3 disclosures that overlap with Commission rules, U.S. Generally Accepted Accounting Principles, or International Financial Reporting Standards. In addition, the rules relocate the codified disclosures to a new subpart of Regulation S-K and rescind Guide 3. The Commission anticipates the rules will result in a small increase in the required disclosure and the related burdens and costs for these registrants to prepare and review the collections of information.

For purposes of the Paperwork Reduction Act, we estimate that the rules will result in a net increase of eight burden hours and a net increase in the cost burden of $9,000 for the services of outside professionals on Form S-1.

**Form S-4 Short Statement**

The rules revise the statistical disclosures for banking registrants by updating and codifying certain Guide 3 disclosures and eliminate other Guide 3 disclosures that overlap with Commission rules, U.S. Generally Accepted Accounting Principles, or International Financial Reporting Standards. In addition, the rules relocate the codified disclosures to a new subpart of Regulation S-K and rescind Guide 3. The Commission anticipates the rules will result in a small increase in the required disclosure and the related burdens and costs for these registrants to prepare and review the collections of information.

For purposes of the Paperwork Reduction Act, we estimate that the rules will result in a net increase of 44 burden hours and a net increase in the cost burden of $52,200 for the services of outside professionals on Form S-4.

**Form F-1 Short Statement**

The rules revise the statistical disclosures for banking registrants by updating and codifying certain Guide 3 disclosures and eliminate other Guide 3 disclosures that overlap with Commission rules, U.S. Generally Accepted Accounting Principles, or International Financial Reporting Standards. In addition, the rules relocate the codified disclosures to a new subpart of Regulation S-K and rescind Guide 3. The Commission anticipates the rules will result in a small increase in the required disclosure and the related burdens and costs for these registrants to prepare and review the collections of information.

For purposes of the Paperwork Reduction Act, we estimate that the rules will result in a net increase of one burden hour and a net increase in the cost burden of $600 for the services of outside professionals on Form F-1.

**Form F-4 Short Statement**

The rules revise the statistical disclosures for banking registrants by updating and codifying certain Guide 3 disclosures and eliminate other Guide 3 disclosures that overlap with Commission rules, U.S. Generally Accepted Accounting Principles, or International Financial Reporting Standards. In addition, the rules relocate the codified disclosures to a new subpart of Regulation S-K and rescind Guide 3. The Commission anticipates the rules will result in a small increase in the required disclosure and the related burdens and costs for these registrants to prepare and review the collections of information.

For purposes of the Paperwork Reduction Act, we estimate that the rules will result in a net increase of one burden hour and a net increase in the cost burden of $1,200 for the services of outside professionals on Form F-4.

**Form 10 Short Statement**

The rules revise the statistical disclosures for banking registrants by updating and codifying certain Guide 3 disclosures and eliminate other Guide 3 disclosures that overlap with Commission rules, U.S. Generally Accepted Accounting Principles, or International Financial Reporting Standards. In addition, the rules relocate the codified disclosures to a new subpart of Regulation S-K and rescind Guide 3. The Commission anticipates the rules will result in a small increase in the required disclosure and the related burdens and costs for these registrants to prepare and review the collections of information.

For purposes of the Paperwork Reduction Act, we estimate that the rules will result in a net increase of one burden hour and a net increase in the cost burden of $1,200 for the services of outside professionals on Form 10.

**Form 1-A Short Statement**

The rules revise the statistical disclosures for banking registrants by updating and codifying certain Guide 3 disclosures and eliminate other Guide 3 disclosures that overlap with Commission rules, U.S. Generally Accepted Accounting Principles, or International Financial Reporting Standards. In addition, the rules relocate the codified disclosures to a new subpart of Regulation S-K and rescind Guide 3. The Commission anticipates the rules will result in a small increase in the required disclosure and the related burdens and costs for these registrants to prepare and review the collections of information.

For purposes of the Paperwork Reduction Act, we estimate that the rules will result in a net increase of two burden hours and a net increase in the cost burden of $200 for the services of outside professionals on Form 1-A.

1. 44 U.S.C. §3501*, et seq*. [↑](#footnote-ref-1)
2. *Update of Statistical Disclosures for Bank and Savings and Loan Registrants*, Release No. 33-10835 (Sept. 11, 2020) [85 FR 66108 (Oct. 16, 2020)]. [↑](#footnote-ref-2)
3. When the Commission published Guide 3, it indicated that the Guide was not a Commission rule, but rather represented the policies and practices followed by the Division of Corporation Finance in administering the disclosure requirements of the federal securities laws. *See Rescission of Guides and Redesignation of Industry Guides,* Release No. 33-6384 (Mar. 16, 1982) [47 FR 11476]. [↑](#footnote-ref-3)
4. 15 U.S.C. 229.10 through 229.1305. [↑](#footnote-ref-4)
5. Although the disclosure Items in Guide 3 are not Commission rules, under existing practice, affected registrants provided many of these disclosures in response to Guide 3. Therefore, the burdens associated with these disclosure requirements are already included in the current burden hours and costs for the affected forms. As such, for PRA purposes, the Commission only revised the burdens and costs of the affected forms to reflect changes to the existing Guide 3 disclosure items in the rules. [↑](#footnote-ref-5)
6. The paperwork burdens for Form S-3 (OMB Control No. 3235-0073) and Form F-3 (OMB Control No. 3235-0256) that result from the rules are imposed through the forms from which they are incorporated by reference and reflected in the analysis of those forms.  Since including the burden and cost estimates for Form S-3 and Form F-3 would result in a PRA inventory reflecting duplicative burdens, the Commission does not estimate any burdens on those forms that would result from the rules. [↑](#footnote-ref-6)
7. 17 CFR 239.11. [↑](#footnote-ref-7)
8. The Commission did not adjust the burdens and costs of a registrant filing its quarterly reports on Form 10-Q, as the registrant would be required to collect and disclose almost the same information related to the final rules cumulatively in its annual report as in each of its prior quarterly reports. Therefore, including the burden and cost estimates in both annual and quarterly reports would result in a PRA inventory reflecting duplicative burdens. Further, as with quarterly reports on Form 10-Q, a registrant would be required to collect and disclose almost the same information related to the final rules in a registration or offering statement as it would in an annual report. However, the Commission recognizes that there could be some additional burdens and costs associated with a registration or offering statement that may not apply to an annual report. Therefore, the Commission assigns a small incremental increase in burdens and costs to all affected registration and offering statements, including Forms 20-F, S-1, S-4, F-1, F-4, 10, and 1-A. [↑](#footnote-ref-8)
9. 17 CFR 239.25. [↑](#footnote-ref-9)
10. 17 CFR 239.31. [↑](#footnote-ref-10)
11. 17 CFR 239.34. [↑](#footnote-ref-11)
12. 17 CFR 249.210. [↑](#footnote-ref-12)
13. 17 CFR 249.310. [↑](#footnote-ref-13)
14. 17 CFR 239.90. [↑](#footnote-ref-14)
15. Although Guide 3 only applies to BHCs, the disclosures called for by Guide 3 are also provided by other registrants with material lending and deposit activities, including savings and loan holding companies. Many registrants refer to Staff Accounting Bulletin Topic 11:K – Application of Article 9 and Guide 3 (“SAB 11:K”), which states that “[t]he SEC staff believes [Guide 3 information] would be material to a description of business of [non-BHC] registrants with material lending and deposit activities . . .” The Industry Guides and SAB 11:K are not rules, regulations or statements of the Commission. In light of the adoption of these amendments, the staff intends to rescind SAB 11:K. [↑](#footnote-ref-15)
16. *Update of Statistical Disclosures for Bank and Savings and Loan Registrants*, Release No. 33-10688 (Sept. 17, 2019) [84 FR 52936 (Oct. 3, 2019)]. [↑](#footnote-ref-16)
17. 44 U.S.C. 3507(d) and 5 CFR 1320.11. [↑](#footnote-ref-17)
18. The Commission recognizes that the costs of retaining outside professionals may vary depending on the nature of the professional services, but for purposes of this PRA analysis, the Commission estimates that such costs will be an average of $400 per hour. This estimate is based on consultations with several registrants, law firms, and other persons who regularly assist registrants in preparing and filing reports with the Commission. [↑](#footnote-ref-18)
19. Figures in the table have been rounded to the nearest whole number. [↑](#footnote-ref-19)