

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

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

Sections 12(a) and 12(b) and 13 of the Securities and Exchange Act of 1934 (“Exchange Act”) help ensure that investors receive sufficient issuer-oriented information to make informed investment decisions. Section 12(a) prohibits any broker or dealer from trading a security on a national securities exchange unless the security is registered under the Exchange Act. Section 12(b) authorizes the Securities and Exchange Commission (“the Commission”) to require disclosure of specific kinds of information, in such detail as it deems necessary and appropriate for the protection of investors about the issuer, such as information about the issuer’s organization, financial structure, business and securities. Section 13 requires every issuer of a security registered pursuant to Section 12 to file periodic and current reports with the Commission.

Section 12(g) requires issuers engaged in interstate commerce, or in a business affecting interstate commerce that are not banks or bank holding companies, and that have total assets exceeding \$10,000,000 and a class of equity security held of record by either 2,000 persons or 500 persons who are not accredited investors. Section 12(g) registration is also required of such issuers if they are banks or bank holding companies with total assets exceeding \$10,000,000 and a class of equity security held of record by 2,000 or more persons.

Form 10 is the general form adopted by the Commission for the registration of securities pursuant to Section 12(b) or 12(g) of the Exchange Act. Form 10 requires financial and other information about such matters as the registrant’s business, properties, identity and remuneration of management, outstanding securities and securities to be registered and financial condition.

2. Purpose and Use of the Information Collection

The information collected is intended to ensure the adequacy of information available to investors about the company.

3. Consideration Given to Information Technology

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

4. Duplication of Information

There is no other source for the required information on Form 10.

5. Reducing the Burden on Small Entities

All issuers, including small entities that list securities on a national securities exchange, or that satisfy the registration thresholds in Section 12(g) are required to register with the Commission. The Commission has promulgated scaled disclosure requirements available to smaller reporting companies to reduce the disclosure burden on these companies.

6. Consequences of Not Conducting Collection

The potential consequences of less frequent disclosure for reporting under the Exchange Act would be to decrease the amount of information available to investors about the registrant, such as information about its financial condition, business, properties, and the identity and remuneration of management.

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 of Gift to Respondents

No payment or gift has been provided to any respondents.

10. Confidentiality

Form 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 10	3235-0064	216	11,640

For purposes of the Paperwork Reduction Act (“PRA”), we estimate that Form 10 takes approximately 215.55 hours per response to comply with the collection of information requirements and is filed by 216 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 registrants internally and that 75% of the burden of preparation is carried by outside professionals retained by the company. Based on our estimate, we calculated the total reporting burden to be 11,640 hours ((25% x 215.55 total burden hours per response) x 216 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 Total Cost Burden**

Information Collection Title	OMB Control Number	Number of Responses	Burden Hours
Form 10	3235-0064	216	\$20,951,136

We estimate that 75% of the 215.55 hours per response (161.66 hours) is prepared by outside counsel. We estimate that it will cost \$600 per hour (\$600 per hour x 161.66 hours per response x 216 responses) for an estimated total annual cost of \$20,951,136. We estimate an hourly cost of \$600 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 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

Change in Burden Cost Increase

Cost per Hour	Incremental Adjustment
\$600	\$7,117,648

The increase in cost burden of \$7,117,648 is due an adjustment in how the cost burden is calculated. 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 \$600 per hour. We are increasing the cost estimate to \$600 per hour to adjust the estimate for inflation from August 2006 to the present.

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 Submission

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

B. STATISTICAL METHODS

The information collection does not employ statistical methods.