

SUPPORTING STATEMENT FOR PROPOSED RULES RELATING TO LISTING STANDARDS FOR RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION

This supporting statement is part of a submission under the Paperwork Reduction Act of 1995, 44 U.S.C. §3501, *et seq.*

A. JUSTIFICATION

1. CIRCUMSTANCES MAKING THE COLLECTION OF INFORMATION NECESSARY

In Release No. 33-9861,¹ the Securities and Exchange Commission proposed amendments to implement the provisions of Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (“Dodd-Frank Act”), which added Section 10D to the Securities Exchange Act of 1934 (“Exchange Act”). The Commission subsequently re-opened the comment period in October 2021² and in June 2022.³ Section 10D requires the Commission to adopt rules directing the national securities exchanges and national securities associations to prohibit the listing of any security of an issuer that is not in compliance with Section 10D’s requirements for disclosure of the issuer’s policy on incentive-based compensation and recovery of incentive-based compensation that is received in excess of what would have been received under an accounting restatement. The proposed new rule and rule amendments would direct the national securities exchanges and national securities associations to establish listing standards that require each issuer to develop and implement a policy providing for the recovery, under certain circumstances, of incentive-based compensation based on financial information required to be reported under the securities laws that is received by current or former executive officers and require the disclosure of the policy. A listed issuer would be required to file the policy as an exhibit to its annual report, and to make other disclosures in the event recovery is triggered.

More specifically, in accordance with Section 10D, the Commission proposed Rule 10D-1 to direct the exchanges to establish listing standards that, among other things, require each issuer to adopt and comply with a policy providing for recovery, under certain circumstances, of incentive-based compensation received by current or former executive officers and to file all disclosure with respect to that policy in accordance with Commission rules.

The Commission also proposed to add new disclosure provisions to Items 601 and 402 of Regulation S-K, Schedule 14A, Form 20-F, Form 40-F, and Form N-CSR. The new disclosure provisions would require each listed issuer to file the issuer’s policy, if applicable, regarding recovery of incentive-based compensation from its executive officers as an exhibit to its Exchange Act annual report or, in the case of a listed registered management investment

¹ See *Listing Standards for Recovery of Erroneously Awarded Compensation*, Release No. 33-9861 (Jul. 1, 2015) [80 FR 41144 (Jul. 14, 2015)], a copy of which is attached.

² See *Reopening of Comment Period for Listing Standards for Recovery of Erroneously Awarded Compensation*, Release No. 33-10998 (Oct. 14, 2021) [86 FR 58232 (Oct. 21, 2021)].

³ See *Reopening of Comment Period for Listing Standards for Recovery of Erroneously Awarded Compensation*, Release No. 33-11071 (June 8, 2022) [87 FR 35938 (June 14, 2022)].

company, its Form N-CSR annual report.⁴ In addition, if during the last completed fiscal year, either a restatement was completed that required recovery of excess incentive-based compensation pursuant to a listed issuer's recovery policy, or there was an outstanding balance of excess incentive-based compensation from the application of the policy to a prior restatement, proposed Item 402(w) would require the listed issuer to disclose:

- For each restatement,
 - The date on which the listed issuer was required to prepare an accounting restatement;
 - The aggregate dollar amount of excess incentive-based compensation attributable to the restatement;
 - The estimates used to determine the excess incentive-based compensation attributable to such accounting restatement, if the financial reporting measure related to a stock price or total shareholder return metric; and
 - The aggregate dollar amount of excess incentive-based compensation that remained outstanding as of the end of the last completed fiscal year;
- The name of each person, if any, from whom during the last completed fiscal year the listed issuer decided not to pursue recovery, the amount forgone from each such person, and a brief description of the listed issuer's reasons for not pursuing recovery; and
- The name of, and amount due from, each person from whom, at the end of its last completed fiscal year, excess incentive-based compensation had been outstanding for 180 days or longer since the date the issuer determined the amount the person owed.

The Commission proposed that the same disclosure requirements apply to listed U.S. issuers and listed foreign private issuers. These disclosure requirements would increase the amount of information that listed U.S. issuers and listed foreign private issuers must compile and disclose in their schedules and forms. For listed U.S. issuers, other than registered management investment companies, the proposed amendments to Items 402 and 601 of Regulation S-K would require additional disclosure in Exchange Act annual reports and proxy or information statements filed on Schedule 14A or Schedule 14C relating to an annual meeting of shareholders, or a special meeting in lieu of an annual meeting, at which directors are to be elected and would increase the burden hour and cost estimates for each of those forms. For a listed management investment company registered under the Investment Company Act of 1940, the proposed amendments to Form N-CSR and Schedule 14A would require additional disclosure and would increase the burden hour and cost estimates associated with Form N-CSR and Rule 20a-1, if the registered investment company pays incentive-based compensation. For a listed foreign private issuer filing an annual report on Form 20-F, Form 40-F or, if a foreign private issuer elects to use U.S. registration and reporting forms, on Form 10-K, the proposed amendments to those forms and the proposed amendment to Item 402(a)(1), respectively, would require additional disclosure in annual reports and would increase the burden hour and costs estimates for each of these forms. The disclosure required by proposed Item 402(w), proposed paragraph 22(b)(20) to Schedule

⁴ A new instruction to the Summary Compensation Table would require that any amounts recovered pursuant to the listed issuer's policy reduce the amount reported in the applicable column and total column for the fiscal year in which the amount recovered initially was reported.

14A, proposed new Item 12 to Form N-CSR, and proposed Item 6.F of Form 20-F would be required to be block-text tagged in XBRL.

The proposed new rule and rule amendments contain “collection of information” requirements within the meaning of the Paperwork Reduction Act of 1995 (“PRA”). The titles of the collections of information impacted by the amendments are:

- “Form 10-K” (OMB Control No. 3235-0063);
- “Form 20-F” (OMB Control No. 3235-0288);
- “Form 40-F” (OMB Control No. 3235-0381).

Please note that the information collections for Rule 20a-1 and Form N-CSR are administered by the Commission’s Division of Investment Management and the submission for these collections will be provided separately.

2. PURPOSE AND USE OF THE INFORMATION COLLECTION

Regulations 14A and 14C and the related schedules, Form 10-K, Form 20-F and Form 40-F were adopted under the Exchange Act. Rule 20a-1 was adopted under the Investment Company Act, and Form N-CSR was adopted under the Exchange Act and Investment Company Act. The regulations, schedules and forms set forth the disclosure requirements for proxy and information statements and annual reports filed by issuers to help shareholders make informed voting and investment decisions. Our proposed rule and rule amendments to existing regulations, schedules and forms are intended to implement new Section 10D of the Exchange Act.

3. CONSIDERATION GIVEN TO INFORMATION TECHNOLOGY

The information that would be required by these rules would be filed electronically with the Commission using the Commission’s Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system. The Commission additionally proposed that the information be reported using a structured data language (specifically, eXtensible Business Reporting Language (XBRL)) which would make the disclosures more readily available and easily accessible to investors, market participants, and others for aggregation, comparison, filtering, and other analysis.

4. DUPLICATION OF INFORMATION

We believe that the proposed new rule and rule amendments would not duplicate, overlap, or conflict with other federal rules.

5. REDUCING THE BURDEN ON SMALL ENTITIES

The proposed new rule and rule amendments would affect some issuers that are small entities, but only if they have securities that are listed on a national securities exchange or national securities association. The proposed new rule and rule amendments are intended to further the objective of providing high quality financial reporting by issuers by requiring that all listed issuers have policies requiring the recovery of executive compensation that was received based on material noncompliance with financial reporting requirements. The disclosure requirements would require clear disclosure of a listed issuer's policy on recovery of incentive-based compensation and provide investors with useful information regarding the application of that policy which we believe would promote consistent compliance with recovery obligations and related disclosure across all listed issuers without unduly burdening small entities.

We believe that smaller reporting companies constitute a substantial majority of U.S. non-accelerated filers and as noted in the proposing release, during 2012 and 2013, U.S. issuers who were not accelerated filers⁵ accounted for approximately 55 percent of total U.S. issuer restatements. Because smaller reporting companies entities also use incentive-based compensation arrangements that are based on achievement of financial reporting measures that may be affected by accounting restatements, we believe that shareholders of these listed issuers would benefit from a policy to recover excess incentive-based compensation and that applying the proposed rule and rule amendments to these issuers will further the statutory goal of assuring that executive officers do not retain incentive-based compensation that they received erroneously. The specific disclosure requirements in the proposals would promote consistent disclosure among all issuers, including small entities and separate compliance requirements or timetables for small entities could interfere with achieving the goals of the statute and our proposals. As a result, we did not propose to provide simplified or consolidated reporting requirements, a delayed compliance timetable, or an exemption for small entities from all or part of these requirements.

6. CONSEQUENCES OF NOT CONDUCTING COLLECTION

The forms listed above set forth filing and disclosure requirements associated with periodic disclosure to help investors make informed investment and voting decisions. Failure to conduct these collections of information would reduce the information available to investors to make these decisions.

7. SPECIAL CIRCUMSTANCES

There are no special circumstances in connection with these amendments.

⁵ As defined in Exchange Act Rule 12b-2 [17 CFR 240.12b-2].

8. CONSULTATIONS WITH PERSONS OUTSIDE THE AGENCY

The proposed rule and rule amendments result from the requirements of Section 10D as added by the Dodd-Frank Act. In developing these proposals, the Commission considered the comment letters we received on Section 10D pursuant to our initiative to receive advance public comment in implementing the Act,⁶

9. PAYMENT OR GIFT TO RESPONDENTS

No payment or gift has been provided to any respondents.

10. CONFIDENTIALITY

Documents submitted to the Commission are available to the public.

11. SENSITIVE QUESTIONS

No information of a sensitive nature will be required under these amendments. 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 March 22, 2023, is provided as a supplemental document and is also available at <https://www.sec.gov/privacy>.

12./13. ESTIMATES OF HOUR AND COST BURDENS

The estimated burden hours and cost burden are made solely for the purposes of the PRA and represent the average burden for all issuers. The cost burden is not derived from a comprehensive or even a representative survey of the costs of Commission rules and forms.

As proposed, the information a listed U.S. issuer is required to compile and disclose regarding its policy on incentive-based compensation pursuant to Item 402(w) would supplement information that U.S. issuers are already required to provide elsewhere in their executive compensation disclosure, if material.⁷ We developed the estimates based on estimates for similar

⁶ In connection with all of the Dodd-Frank Act rulemakings, the Commission sought comment from the public prior to the issuance of a proposing release. Comments related to the executive compensation provisions of the Dodd-Frank Act are available at <http://www.sec.gov/comments/df-title-ix/executive-compensation/executive-compensation.shtml>.

⁷ Specifically, these issuers are required to provide information relating to the compensation of the named executive officers, including policies and decisions regarding the adjustment or recovery of awards or payments if the relevant performance measures upon which they are based are restated or otherwise adjusted in a manner that would reduce the size of an award or payment. *See* Item 402(b)(2)(viii) of Regulation S-K. With respect to registered management investment companies subject to proposed Rule 10D-1, information mirroring the

disclosure and considering our experience with other tagged data initiatives. This estimate includes the time and cost of preparing disclosure that has been appropriately reviewed by management, in-house counsel, outside counsel and members of the board of directors, as well as block-text tagging the data in XBRL format. Because this estimate is an average, the burden could be more or less for any particular company, and may vary depending on a variety of factors, such as the degree to which companies use the services of outside professionals or internal staff and resources to tag the data in XBRL.

Issuers subject to Item 402(w) would provide the required disclosures by either including the information directly in Exchange Act annual reports or incorporating the information by reference from a proxy statement on Schedule 14A or information statement on Schedule 14C. For purposes of the PRA estimates, consistent with past amendments to Item 402,⁸ we have assumed that all of the burden relating to the new narrative disclosure requirements would be associated with Form 10-K, even if registrants include the new disclosure required in Form 10-K by incorporating that disclosure by reference from the proxy statement on Schedule 14A.⁹

The following table summarizes the estimated paperwork burdens associated with the proposed amendments to the affected forms filed by listed issuers.

Table 1: Estimated Paperwork Burden of Proposed Amendments

Proposed Amendments	Estimated Burden Increase	Brief Explanation of Estimated Burden Increase
<ul style="list-style-type: none"> Require enhanced disclosure related to existing Item 402 disclosure and disclosure that 	An increase of 21 burden hours for each of the affected forms. ¹⁰	This increase is the estimated effect on the affected forms by the proposed amendments to determine the types of

proposed Item 402(w) disclosure would be included in annual reports on Form N-CSR and in proxy statements and information statements relating to the election of directors. Similarly, for a listed foreign private issuer filing an annual report on Form 20-F or, if a foreign private issuer elects to use U.S. registration and reporting forms, on Form 10-K, the proposed amendments would supplement existing disclosures. *See* Item 7.B of Form 20-F. Issuers that are smaller reporting companies or emerging growth companies provide more limited executive compensation disclosure.

⁸ The Commission took a similar approach in connection with the rules for Summary Compensation Table disclosure required by the 2006 amendments to Item 402. *See Executive Compensation and Related Person Disclosure*, Release No. 33-8732A, n. 326 (Aug. 29, 2006) [71 FR 53158].

⁹ Similarly, for purposes of the PRA estimates, we are also assuming that all of the burden relating to the new narrative disclosure requirements for registered investment companies would be associated with Form N-CSR, and therefore, we are not allocating a separate burden estimate for Rule 20a-1.

¹⁰ The preparation of the information required by proposed Item 402(w) and the corresponding narrative disclosure provisions is comparable to an issuer's preparation of the disclosure required by the amendments to enhance certain aspects of proxy disclosure. *See* Release No. 33-9089, *Proxy Disclosure Enhancements*, (Dec. 16, 2009) [74 FR 68334]. The release adopted amendments to make new or revised disclosures about compensation policies and practices, stock and option awards, and boards of directors. In that release, the Commission estimated that the amendments would impose on average an incremental burden of 25 hours for accelerated filers and 17 hours for non-accelerated filers to prepare their proxy and information statements. As a result, the Commission estimated that the average incremental burden for an issuer to prepare the new narrative disclosure would be 21 hours.

<p>is required by Section 10D(b)(1), including a compilation of facts related to an issuer's implementation of its recovery policy if the issuer was required to recover excess incentive-based compensation or there was an outstanding balance not recovered pursuant to that policy; and</p> <ul style="list-style-type: none"> Require the filing by a listed issuer of its recovery policy as an exhibit to its annual report. 	<p>An increase of 1 burden hour for each of the affected forms.</p>	<p>incentive-based compensation awards an issuer grants to executive officers that could be subject to recovery and, if necessary, gathering the information regarding the application and implementation of this recovery policy if required by a restatement, and provide the required disclosure, including the use of structured data for this information.</p> <p>This increase is the estimated effect on the affected forms by the proposed amendment to require a listed issuer's recovery policy be filed as an exhibit to its annual report.</p>
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The Commission estimated that one hour to file the recovery policy as an exhibit to the annual report applies to all listed issuers.

Considering the various other revisions outlined in the Proposing Release, the Commission estimated that the proposed rule and rule amendments would increase the paperwork burden for filings on the affected forms that include the additional disclosure. However, not all filings on the affected forms include these disclosures because the disclosure would only be required when a listed issuer completes a restatement that requires recovery of excess incentive-based compensation pursuant to its compensation recovery policy or when there is an outstanding balance of excess incentive-based compensation from the application of the policy to a prior restatement. Therefore, to estimate the increase in overall paperwork burden from the proposed amendments, the Commission first estimated the number of filings that include share repurchase information listed domestic issuers filing annual reports in 2014, or 4,206 issuers. To estimate the burden associated with this disclosure, the Commission looked to the number of listed issuers that filed an Item 4.02 Form 8-K (Non-Reliance on Previously Issued Financial Statements) in 2014, or 66 issuers. Consistent with the Commission's estimates for Form 10-K, the Commission estimated the number of responses for filing the recovery policy based on the number of listed foreign private issuers and MJDS issuers filing annual reports in 2014, or 639 issuers and looked to the number of listed foreign private issuers and MJDS issuers that restated financial statements in 2014, or eight foreign private issuers filing on Form 20-F and two MJDS issuers filing on Form 40-F. Similarly, while the Commission estimated seven registered management investment companies were listed issuers and internally managed that may have executive officers who receive incentive-based compensation, the Commission assumed for PRA purposes that one registered management investment company per year would be required to prepare the proposed disclosure.

Based on the staff’s findings, the table below sets forth our estimates of the number of filings on these forms that would be required to include the proposed disclosure.¹¹

Table 2: Estimated Number of Affected Filings

Form	Number of Listed Issuers	Number of Filings that Would Include the Proposed Disclosure
10-K	4,206	66
20-F	511	8
40-F	128	2

Below are the estimated incremental and aggregate changes in paperwork burden as a result of the proposed amendments. These estimates represent the average burden for all issuers, both large and small. In deriving the estimates, we recognize that the burdens will likely vary among individual issuers based on a number of factors, including the size and complexity of their organizations. Some listed issuers may experience costs in excess of this average in the first year of compliance with the amendments and some issuers may experience less than the average costs.

The proposed new rule and rule amendments would change the burden per response of existing collections of information, if adopted. The burden estimates were calculated by adding the estimated additional burden to the existing estimated responses and multiplying the estimated number of responses by the estimated average amount of time it would take an issuer to prepare and review disclosure required under the proposed amendments. For purposes of the PRA, the burden is to be allocated between internal burden hours and outside professional costs.

Table 3 illustrates the incremental change to the total annual compliance burden of affected forms, in hours and in costs, as a result of the proposed to file the recovery policy as an exhibit to the annual report applies to all listed issuers. For purposes of this exhibit requirement, we estimate that all of the burden is internal company hours.

¹¹ The OMB PRA filing inventories represent a three-year average. Averages may not align with the actual number of filings in any given year.

Table 3. Calculation of the Incremental Change in Burden Estimates of Current Responses Resulting from the Proposed Disclosure Amendments

Collection of Information	Number of Estimated Affected Responses (A)^a	Burden Hour Increase per Response (B)	Change in Burden Hours (C) = (A) x (B)	Number of Estimated Affected Responses (A)
10-K	4,206	1	4,206	4,206
20-F	511	1	511	511
40-F	128	1	128	128

Table 4 below sets forth the percentage estimates we typically use for the burden allocation for each collection of information and the estimated burden allocation for the proposed new collection of information. However, for purposes of the proposal we estimate that the change in burden from the proposed exhibit filing amendments is entirely an internal burden. The average cost of retaining outside professionals is estimated at \$400 per hour.¹²

Table 4. Estimated Burden Allocation for the Affected Collections of Information

Collection of Information	Internal	Outside Professionals
Forms 10-K	75%	25%
Form 20-F, Form 40-F	25%	75%

Table 5 below illustrates the incremental change to the total annual compliance burden of affected forms, in hours and in costs, as a result of the proposed disclosure amendments' estimated effect on the paperwork burden per response.

¹² 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 issuers, law firms, and other persons who regularly assist issuers in preparing and filing reports with the Commission.

Table 5. Calculation of the Incremental Change in Burden Estimates of Current Responses Resulting from the Proposed Disclosure Amendments

Collection of Information	Number of Estimated Affected Responses (A) ^a	Burden Hour Increase per Response (B)	Change in Burden Hours (C) = (A) x (B)	Change in Company Hours (D) = (C) x 0.75 or 0.25	Change in Professional Hours (E) = (C) x 0.25 or 0.75	Change in Professional Costs (F) = (E) x \$400
10-K	66	21	1,386	1,039.5	346.5	\$138,600
20-F	8	21	168	42	126	\$50,400
40-F	2	21	42	10.5	31.5	\$12,600

The following table summarizes the requested paperwork burden.¹³

Table 6. Requested Paperwork Burden under the Proposed Amendments¹⁴

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)	Change in Company Hours (E)	Change in Professional Costs (F)	Annual Responses (G)	Burden Hours (H) = (B) + (E)	Cost Burden (I) = (C) + (F)
Form 10-K	8,292	13,988,811	\$1,835,594,519	4,206	5,246	\$138,600	8,292	13,994,057	\$1,835,733,119
Form 20-F	729	479,303	\$576,533,425	511	553	\$50,400	729	479,856	\$576,583,825
Form 40-F	132	14,171	\$17,005,360	128	139	\$12,600	132	14,310	\$17,017,960

¹³ Please note that the Current Burdens reflected in the table below are the current burdens in 2024, while the Current Burdens in the 2015 release reflect current numbers at that time. For purposes of the PRA, the requested change in burden hours (column H) is rounded to the nearest whole number.

¹⁴ Please note that the Number of Affected Responses (column D) reflects that number Forms that will be filed that are affected. The proposed exhibit filing requirement will affect a larger number of responses than the proposed disclosure requirements, which will be a subset of the exhibit filing requirement. The proposed changes will not change the total number of annual responses. Additionally, for purposes of the PRA, the requested change in burden hours (column H) is rounded to the nearest whole number.

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 \$129,168,390 in fiscal year 2022 based on the Commission's computation of the value of staff time devoted to this activity and related overhead.¹⁵

15. REASON FOR CHANGE IN BURDEN

As explained in further detail in Items 1, 12 and 13 above, changes in burden for Form 10-K, Form 20-F, and Form 40-F, would result from the proposed rule and rule amendments. These amendments were proposed in order to implement Section 10D of the Exchange Act and further the statutory goal of assuring that executive officers do not retain incentive-based compensation that they received erroneously.

16. INFORMATION COLLECTION PLANNED FOR STATISTICAL PURPOSES

The information collections are 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 forms and schedule. Including the expiration date on the electronic version of the form and schedule will result in increased costs, because the need to make changes to the form and schedule 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 Paperwork Reduction Act submissions.

B. STATISTICAL METHODS

The information collections do not employ statistical methods.

¹⁵ The paperwork burdens for Regulation S-K that are imposed for Regulation S-K are imposed through the forms that are subject to the requirements in these regulations and are reflected in the analysis of those forms. OMB has discontinued the OMB Control Number for this regulation so that the PRA inventory would not reflect duplicative burdens.

Form 10-K Short Statement

The proposed rule and rule amendments would direct the national securities exchanges and national securities associations to establish listing standards that require each issuer to develop and implement a policy providing for the recovery, under certain circumstances, of incentive-based compensation based on financial information required to be reported under the securities laws that is received by current or former executive officers and require the disclosure of the policy. A listed issuer would be required to file the policy as an exhibit to its annual report, and to make other disclosures in the event recovery is triggered. As a result of these proposed amendments, for purposes of the PRA, we estimate that, for Form 10-K, the proposed amendments would result in an increase of 5,246 burden hours and an increase of \$138,600 for the services of outside professionals.

Form 20-F Short Statement

The proposed rule and rule amendments would direct the national securities exchanges and national securities associations to establish listing standards that require each issuer to develop and implement a policy providing for the recovery, under certain circumstances, of incentive-based compensation based on financial information required to be reported under the securities laws that is received by current or former executive officers and require the disclosure of the policy. A listed issuer would be required to file the policy as an exhibit to its annual report, and to make other disclosures in the event recovery is triggered. As a result of these proposed amendments, for purposes of the PRA, we estimate that, for Form 20-F, the proposed amendments would result in an increase of 553 burden hours and an increase of \$50,400 for the services of outside professionals.

Form 40-F Short Statement

The proposed rule and rule amendments would direct the national securities exchanges and national securities associations to establish listing standards that require each issuer to develop and implement a policy providing for the recovery, under certain circumstances, of incentive-based compensation based on financial information required to be reported under the securities laws that is received by current or former executive officers and require the disclosure of the policy. A listed issuer would be required to file the policy as an exhibit to its annual report, and to make other disclosures in the event recovery is triggered. As a result of these proposed amendments, for purposes of the PRA, we estimate that, for Form 40-F, the proposed amendments would result in an increase of 139 burden hours and an increase of \$12,600 for the services of outside professionals.