

SUPPORTING STATEMENT FOR LISTING STANDARDS FOR RECOVERY OF ERRONEOUSLY AWARDED COMPENSATION

A. JUSTIFICATION

1. CIRCUMSTANCES MAKING THE COLLECTION OF INFORMATION NECESSARY

In Release No. 33-11126,¹ the Commission adopted amendments to its rules and forms to implement Section 10D of the Securities Exchange Act of 1934 (“Exchange Act”).² The rule and form amendments direct the national securities exchanges and associations to establish listing standards that require issuers to develop and implement a policy providing for the recovery of incentive-based compensation that was based on erroneously reported financial information from an issuer’s current and former executive officers. Additionally, the amendments require a listed issuer to file the policy as an exhibit to its annual report and to include other disclosures in the event a recovery analysis is triggered under the policy.

The 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:³

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

2. PURPOSE AND USE OF THE INFORMATION COLLECTION

Form 10-K, Form 20-F, and Form 40-F were adopted under the Exchange Act. The forms set forth disclosure requirements for annual reports filed by registrants to help investors make informed voting and investment decisions.

¹ See Release No. 33-11126 (October 26, 2022). A copy of the adopting release is attached.

² Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (“Dodd-Frank Act”), added Section 10D to the Securities Exchange Act of 1934 (“Exchange Act”).

³ The amendments also affect the following collections of information: “Regulation 14A and Schedule 14A” (OMB Control No. 3235-0059); “Regulation 14C and Schedule 14C” (OMB Control No. 3235-0057); and “Rule 20a-1 under the Investment Company Act of 1940, Solicitations of Proxies, Consents, and Authorizations” (OMB Control No. 3235-0158). Regulations 14A and 14C and the related schedules require the new disclosure to be included in proxy and consent solicitations. Rule 20a-1 requires funds to comply with Regulation 14A, Schedule 14A, and all other rules and regulations adopted pursuant to Section 14(a) of the Exchange Act that would be applicable to a proxy solicitation if it were made in respect of a security registered pursuant to Section 12 of the Exchange Act. For purposes of the PRA and in order to avoid the PRA inventory reflecting duplicative burdens, we assume the disclosure will be incorporated by reference into Form 10-K and Form N-CSR from proxy and information statements and do not include a separate burden for these collections of information. Note that a separate supporting statement revising the collection of information for Form N-CSR is being submitted relating to the change in burden for registered management investment companies.

The Commission adopted amendments to establish requirements for the recovery of erroneously awarded incentive-based compensation. The purpose of the amendments is to implement Section 10D by establishing the requirements of the listing standards for compensation recovery. The amendments to the affected forms additionally provide for:

- the filing of the compensation recovery policy as an exhibit;
- indications by check boxes on the cover pages of the forms whether (i) the financial statements reflect correction of an error to previously issued financial statements and (ii) whether any of those error corrections are restatements that required a recovery analysis; and
- the disclosure actions an issuer has taken pursuant to such recovery policy, in the event of a restatement.

Additionally, these disclosures will also be required to be provided in tagged data language using Inline eXtensible Business Reporting Language (“Inline XBRL”).

3. CONSIDERATION GIVEN TO INFORMATION TECHNOLOGY

The collection of information requirements of the amendments will be set forth in the respective forms. These forms are filed electronically with the Commission using the Commission’s Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system, and the new disclosure will be tagged using Inline XBRL.

4. DUPLICATION OF INFORMATION

We are not aware of any rules that conflict with or substantially duplicate the final rules.

5. REDUCING THE BURDEN ON SMALL ENTITIES

The amendments will affect some companies that are small entities that have a class of securities registered under Section 12 of the Exchange Act and are listed on a national securities exchange. The Commission performed Final Regulatory Flexibility Act Analysis (“FRFA”). As part of the FRFA, the Commission estimated that there are approximately 126 listed issuers, other than investment companies, and approximately 3 listed investment companies, that may be considered small entities and are potentially subject to the amendments.

The Commission considered a variety of alternatives to achieve Section 10D’s purpose, to recover incentive-based compensation that was erroneously awarded to executives at listed companies on the basis of misreported financial information. The Commission did not adopt additional alternative approaches in this rulemaking because it does not believe it would be appropriate to establish alternative compliance requirements or exempt small entities from the scope of the rules because the disclosure requirements are intended to promote consistent disclosure among issuers as to both the substance of a listed issuer’s recovery policy and how the listed issuer implements that policy in practice.

6. CONSEQUENCES OF NOT CONDUCTING COLLECTION

The forms listed above set forth the disclosure requirements for reports filed by registrants 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. Further, not collecting the amended information would be inconsistent with the statutory mandate in Section 954 of the Dodd-Frank Act.

7. SPECIAL CIRCUMSTANCES

There are no special circumstances in connection with these amendments.

8. CONSULTATIONS WITH PERSONS OUTSIDE THE AGENCY

In July 2015, the Commission issued a proposing release titled *Listing Standards for Recovery of Erroneously Awarded Compensation*.⁴ Additionally, in October 2021⁵ and June 2022,⁶ the Commission reopened the comment period for the proposing release. These releases solicited comment on the proposal and the “collection of information” requirements and associated paperwork burdens of the proposed amendments. Comments on the Commission’s releases are generally received feedback from registrants, investors, and other market participants. In addition, the Commission and staff participate in an ongoing dialogue with representatives of various market participants through public conferences, meetings, and informal exchanges. The Commission considered all comments received.

9. PAYMENT OR GIFT TO RESPONDENTS

No payment or gift to 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 following collections of information in connection with these rulemaking amendments: Form 10-K, Form 20-F, and Form 40-F. These information collections collect basic Personally Identifiable Information (PII) that may include a name and job title. However, the agency has determined that the information collections do not constitute a system of records for purposes of the Privacy Act. Information is

⁴ See Release No. 34-75342 (Jul. 1, 2015) [80 FR 41144 (July 14, 2015)].

⁵ See *Reopening of Comment Period for Listing Standards for Recovery of Erroneously Awarded Compensation*, Release No. 34-93311 (Oct. 14, 2021) [86 FR 58232 (Oct. 21, 2021)].

⁶ See *Reopening of Comment Period for Listing Standards for Recovery of Erroneously Awarded Compensation*, Release No. 34-95057 (June 8, 2022) [87 FR 35938 (June 14, 2022)].

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 6, 2025, is provided as a supplemental document and is also available at <https://www.sec.gov/privacy>.

2./13. ESTIMATES OF HOUR AND COST BURDENS

The paperwork burden estimates associated with the amendments include the burdens attributable to collecting, preparing, reviewing, and retaining records. To implement the provisions of Section 954 of the Dodd-Frank Act, which added Section 10D to the Exchange Act, the Commission adopted Rule 10D-1 under the Exchange Act as well as amendments to Items 402, 404, and 601 of Regulation S-K; Rule 405 of Regulation S-T; Schedule 14A; Form 20-F; Form 40-F; Form 10-K; and Form N-CSR. Rule 10D-1 directs national securities exchanges and associations to establish listing standards that require listed issuers to adopt and comply with written policies for recovery of erroneously awarded incentive-based compensation based on financial information required to be reported under the securities laws, applicable to the listed issuers' executive officers, over a period of three years.

The Commission also adopted new disclosure requirements in Schedule 14A, Form 10-K, Form 20-F, Form 40-F, and Form N-CSR to require issuers listed on an exchange to file their written compensation recovery policy as an exhibit to their annual reports. Form 10-K, Form 20-F, and Form 40-F additionally require issuers listed on an exchange to indicate by a check box on the cover page of their annual reports whether the financial statements of the registrant included in the filing reflect correction of an error to previously issued financial statements and whether any of those error corrections are restatements that required a recovery analysis; and disclose actions an issuer has taken pursuant to such recovery policy. These disclosures will also be required to be provided in tagged data language using Inline XBRL.

The additional information a listed U.S. issuer is required to compile and disclose regarding its policy on incentive-based compensation pursuant to Item 402(w) supplements information that U.S. issuers often provide elsewhere in their executive compensation disclosure.⁷ Similarly, for a listed foreign private issuer ("FPI") filing an annual report on Form 20-F or, if an FPI elects to use domestic registration and reporting forms, on Form 10-K, the amendments supplement existing disclosures.⁸ We anticipate that new disclosure and submission requirements will increase the amount of information that listed U.S. issuers and

⁷ These issuers are required to provide information relating to the compensation of their named executive officers that may include 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* 17 CFR 229.402(b)(2)(viii). Smaller reporting companies and emerging growth companies generally are subject to scaled executive compensation disclosure requirements in Item 402 of Regulation S-K. *See* 17 CFR 229.402(l) and Section 102(c) of the JOBS Act. However, the requirements of new Item 402(w) are not scaled and thus smaller reporting companies and emerging growth companies will be required to provide all of the disclosures called for by this item. Accordingly, we have not calculated separate or different paperwork burdens with respect to Item 402(w) for these classes of issuers.

⁸ *See* Item 6.B and Item 7.B. of Form 20-F.

listed FPIs must compile and disclose and therefore increase the burdens and costs for the affected registrants.

For listed U.S. issuers, other than registered management investment companies, the amendments require additional Item 402 disclosure in certain required reports and will increase the burden hour and cost estimates associated with Form 10-K.⁹ For listed FPIs filing an annual report on Form 20-F, Form 40-F or, if a FPI elects to use U.S. registration and reporting forms, on Form 10-K, the amendments require additional disclosure in annual reports and will increase the burden hour and costs estimates for each of these forms.

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

PRA Table 1: Estimated Paperwork Burden

	Estimated Burden Increase	Brief Explanation of Estimated Burden Increase
<p>Amendments to Reg. S-K Items 402, 404, and 601, Reg. S-T Item 405, Form 20-F, Form 40-F, Schedule 14A, Form 10-K, and Rule 10D-1,</p> <p>(1) Require the filing of an issuer’s recovery policy as an exhibit to its Exchange Act annual report.</p> <p>(2) Require:</p> <ul style="list-style-type: none"> o Disclosure regarding the issuer’s conclusion that recovery was not required under the recovery policy or disclosure regarding how the issuer applied its recovery policy after the issuer was required to prepare an accounting restatement that required recovery under the policy, or there was an outstanding balance to be recovered; o Disclosure of the effects of the recovery on the 	<p>(1) An increase of 0.4 burden hours per filing for Form 10-K, Form 20-F, and Form 40-F.</p> <p>(2) An increase of 25 burden hours per filing for Form 10-K, Form 20-F, and Form 40-F.</p>	<p>These increases are the estimated effect on the affected forms by the amendments to implement Section 10D, including the filing of the recovery policy, recovery policy and policy implementation disclosures, and the use of structured data for this information.</p>

⁹ For purposes of our PRA estimates, consistent with past amendments to Item 402, we assume that all of the burden relating to the new narrative disclosure requirements in Schedule 14A and Schedule 14C 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. We are therefore not allocating a separate burden estimates for Regulation 14A/Schedule 14A and Regulation 14C/Schedule 14C. We 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 (Aug. 29, 2006) [71 FR 53158].

<p>Summary Compensation Table;</p> <ul style="list-style-type: none"> o New check boxes to indicate on the cover page of issuers' annual reports whether the financial statements included in the filing reflect correction of an error to previously issued financial statements and whether such corrections are restatements that required a recovery analysis; and o The above information to be tagged using Inline XBRL. 		
--	--	--

In the proposing release, we derived our burden hour and cost estimates by reviewing our burden estimates for similar disclosure and considering our experience with other tagged data initiatives. In particular, we noted that the preparation of the information required by Item 402(w) and the corresponding narrative disclosure provisions would be comparable to an issuer's preparation of the disclosure required by the Commission's 2009 amendments to enhance certain aspects of proxy disclosure, which were also largely designed to enhance existing disclosure requirements.¹⁰ In addition, we believe that certain of the information required to prepare the new disclosure would be readily available to some U.S. issuers because this information, if material, is required to be gathered, determined, or prepared in order to satisfy other disclosure requirements of Item 402 of Regulation S-K. For other listed issuers, we believe that the information required to prepare the new disclosure requirement will not impose a significant burden because the issuer controls and possesses this information, which is a compilation of facts related to an issuer's implementation of its recovery policy.

In the proposing release, the Commission estimated that the average incremental burden for an issuer to prepare the new narrative disclosure would be 21 hours. The proposed estimate included the time and cost of preparing disclosure, as well as tagging the data in XBRL format. We continue to believe that these are the primary cost elements for issuers preparing the disclosure and that the elements account for determining the types of incentive-based compensation awards an issuer grants to executive officers that could be subject to recovery under the issuer's recovery policy and, if necessary, disclosing information regarding the application and implementation of this recovery policy if required by a restatement.

While the cost elements remain the same, we recognize that there may be some additional burden in tagging the information using Inline XBRL, using the check boxes, and providing the

¹⁰ See *Proxy Disclosure Enhancements* Release No. 33-9089 (Dec. 16, 2009) [74 FR 68334 (Dec. 23, 2009)] ("Proxy Disclosure Enhancements"), which adopted amendments to make new or revised disclosures about: compensation policies and practices that present material risks to the company; stock and option awards of executives and directors; director and nominee qualifications and legal proceedings; board leadership structure; the board's role in risk oversight; and potential conflicts of interest of compensation consultants that advise companies and their boards of directors.

expanded disclosure regarding the application of the recovery policy, including disclosure analyzing how the amount of erroneously awarded compensation was calculated and explaining why an issuer concluded that a recovery of compensation was not required. As a result, we are increasing our estimate of the average incremental burden for an issuer to prepare the disclosure from 21 hours to 25 hours. We note that this estimate should represent an upward bound, as the incremental additional disclosure associated with “little r” restatements (restatements that correct errors that are not material to previously issued financial statements, but would result in a material misstatement if (a) the errors were left uncorrected in the current report or (b) the error correction was recognized in the current period) should be lower than for restatements that correct errors that are material to previously issued financial statements because we anticipate that it will be less likely that a “little r” restatement will result in erroneously awarded compensation, and where no recovery is required the rules require less disclosure.

In addition, consistent with the proposing release, we separately estimate the burden of filing a listed issuer’s or listed registered investment company’s recovery policy as an exhibit to its annual report. In a modification from the proposal, we are reducing the estimate of the burden from approximately one hour to 0.4 hours. We estimate that the initial burden of filing the recovery policy as an exhibit will be one hour, but the ongoing burden for filing in subsequent years will be minimal, which we estimate as a burden of 0.1 hours. In order to form our estimate, we averaged the initial one hour burden with the 0.1 hours burden in subsequent years to determine the average burden over three years of 0.4 hours.

Because these estimates are 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 the overall effect of the restatement on the issuer’s incentive-based compensation. Issuers subject to Item 402(w) will provide the required disclosures by either including the information directly in their Exchange Act annual reports or incorporating the information by reference from a proxy statement on Schedule 14A or information statement on Schedule 14C.

The amendments will increase the paperwork burden for filings on the affected forms that include recovery policy exhibit filings and recovery policy disclosure. However, not all filings on the affected forms include these disclosures, either because they are not listed issuers or they are not required to provide the disclosure because they have not had to seek recovery pursuant to their recovery policy. Therefore, to estimate the increase in overall paperwork burden from the amendments, we first estimate the number of listed issuers and then estimate the number of issuers that may be required to include the recovery disclosure. Based on the staff’s findings, the table below sets forth our estimates of the number of filings on these forms and the number of such filings that will be required to include the recovery disclosure.¹¹

¹¹ See 2020 Financial Restatements: A Twenty-Year Review, Audit Analytics (2021) (“A Twenty-Year Review”) (analyzing data related to accounting restatements, including specific analysis for accelerated foreign filers, non-accelerated foreign filers, accelerated U.S. filers, and non-accelerated U.S. filers), indicating that 4.9% of issuers disclosed a restatement in 2020. In developing our estimates, we used the current annual responses in the OMB inventory for the forms as a starting point when determining the number of affected issuers. Issuers are generally only required to file one annual report on Form 10-K, Form 20-F, or Form 40-F per year. We expect that for purposes of the PRA, to the extent issuers provide the required information in other filings, the information will be incorporated by reference. Further, while issuers are generally required to file one annual

PRA Table 2: Estimated Number of Affected Filings

Form	Annual Responses in OMB Inventory at the Time of the Amendments	Number of Estimated Recovery Policy Exhibit Filings	Number of Estimated Filings that Include Recovery Disclosure
10-K	8,292	4,513	226
20-F	729	722	36
40-F	132	132	7

We calculated the burden estimates 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 final amendments. For purposes of the PRA, the burden is to be allocated between internal burden hours and outside professional cost. PRA Table 3 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. We also estimate that the average cost of retaining outside professionals is \$600 per hour.¹²

We note that, at the proposing stage, we used an estimated cost of \$400 per hour. We are increasing this cost estimate to \$600 per hour to adjust the estimate for inflation from August 2006 to the present. The inflation-adjusted amount is \$583.88, which we have rounded up to \$600.

PRA Table 3. Estimated Burden Allocation for the Affected Collections of Information

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

PRA Table 4 illustrates the incremental change to the total annual compliance burden of affected forms, in hours and in costs, as a result of the amendments' estimated effect on the paperwork burden per response.¹³ We note that the table includes one line for the exhibit filing

report, the rules do not apply to all issuers, rather they only apply to listed issuers. As PRA Table 2 reflects, we estimate, based on Audit Analytics restatement data, that approximately five percent of listed issuers restated their financial statements in 2020 and 2021. While recognizing that not all issuers that file restatements will be required to provide recovery disclosure, for purposes of the PRA, we use the five percent figure as an upward bound and estimate that all such issuers will provide the required disclosure.

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 \$600 per hour.

¹³ These estimates represent the average burden for all issuers, both large and small. In deriving our estimates, we recognize that the burdens will likely vary among individual issuers based on a number of factors, including the

requirements and a separate line for the recovery disclosure requirement, to account for the differences in the number of estimated responses.

PRA Table 4. Calculation of the Incremental Change in Burden Estimates of Current Responses Resulting from the 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 \$600
10-K Exhibit	4,513	0.4	1,805	1,354	451	\$270,600
10-K	226	25	5,650	4,238	1,412	\$847,200
20-F Exhibit	722	0.4	289	72	217	\$130,200
20-F	36	25	900	225	675	\$405,000
40-F Exhibit	132	0.4	52.8	13	40	\$24,000
40-F	7	25	175	44	131	\$78,600

PRA Table 5 illustrates the incremental change to the total annual compliance burden of affected forms, in costs, as a result of the adjustment to the average cost of retaining outside professionals from \$400 to \$600 per hour.¹⁴

PRA Table 5. Calculation of the Incremental Change in Costs of Current Responses Resulting from the Average Cost Adjustment

Collection of Information	Number of Affected Responses	Current Cost Burden	Adjusted Cost Burden
10-K	8,292	\$1,848,032,519	\$2,772,048,778
20-F	729	\$580,251,325	\$870,376,988

We derived our new burden hour and cost estimates by estimating the total amount of time it would take a listed issuer to prepare and review the disclosure requirements contained in the final rules. The following table summarizes the requested paperwork burden, including the estimated total reporting burdens and costs, under the amendments. For purposes of the PRA,

size and complexity of their organizations. The OMB PRA filing inventories represent a three-year average. Some 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. Averages also may not align with the actual number of filings in any given year.

¹⁴ The table adjusts the average cost of retaining outside professionals from \$400 to \$600 per hour for the affected Exchange Act forms by multiplying the current cost burden at \$400 per hour by 1.5 to adjust for the higher \$600 per hour burden. We have only made this adjustment to Forms 10-K and 20-F because we already adjusted the cost burden for Form 40-F in connection with an extension request in 2025. The supporting statement for that extension request is available at https://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=202501-3235-002.

the requested change in burden hours in column H of PRA Table 6 is rounded to the nearest whole number.

PRA Table 6. Requested Paperwork Burden under the Final Amendments

Form	Current Burden			Program Change			Cost Adjustment	Revised 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)	Adjusted Cost Burden at \$600 per Hour (G)	Annual Responses (H)	Burden Hours (I) = (B) + (E)	Cost Burden (J) = (F) + (G)
Form 10-K	8,292	14,051,001	\$1,848,032,519	4,513	5,592	\$1,117,800	\$2,772,048,778	8,292	14,056,593	\$2,773,166,578
Form 20-F	729	481,490	\$580,251,325	722	297	\$535,200	\$870,376,988	729	481,787	\$870,912,188
Form 40-F	175	18,875	\$33,974,850	132	57	\$102,600	\$33,974,850	175	18,932	\$34,077,450

14. COSTS TO FEDERAL GOVERNMENT

The SEC is in the process of revising its methodologies to estimate annualized costs to the Federal government for all its relevant collections of information. The SEC anticipates that future extensions of this collection of information will reflect the revised methodologies.

15. REASON FOR CHANGE IN BURDEN

As explained in further detail 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 COLLECTIONS 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. 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 Paperwork Reduction Act submissions.

B. STATISTICAL METHODS

The information collections do not employ statistical methods.

Form 10-K Short Statement

The 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 the amendments and the adjustment to the cost burden, for purposes of the PRA, we estimate that, for Form 10-K, the adjustment will result in an increase of \$924,016,259 and the amendments will result in an increase of 5,592 burden hours and \$1,117,800 for the services of outside professionals.

Form 20-F Short Statement

The 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 the amendments and the adjustment to the cost burden, for purposes of the PRA, we estimate that, for Form 20-F, the adjustment will result in an increase of \$290,125,663 and the amendments will result in an increase of 297 burden hours and \$535,200 for the services of outside professionals.

Form 40-F Short Statement

The 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 the amendments, for purposes of the PRA, we estimate that, for Form 40-F, the amendments will result in an increase of 57 burden hours and \$102,600 for the services of outside professionals.