SUPPORTING STATEMENT FOR PROPOSED RULES RELATING TO REGULATION CRYPTO ASSETS

This supporting statement is part of a submission under the Paperwork Reduction Act of 1995 ("PRA").[1]

A. JUSTIFICATION

1. CIRCUMSTANCES MAKING THE COLLECTION OF INFORMATION NECESSARY

On August 18, 2026, the Securities and Exchange Commission ("Commission") proposed rules to create a tailored offering regime for certain investment contracts involving crypto assets.[2] The proposed rules would be set forth in a new regulation titled "Regulation Crypto Assets" and would include two exemptions from the registration requirements of section 5 of the Securities Act of 1933 ("Securities Act").[3]

The first exemption ("startup exemption") would permit offerings of up to $5 million during a four-year period. The second exemption ("fundraising exemption") would permit offerings of up to $75 million during each 12-month period. Under both exemptions, issuers would be required to make certain principles-based narrative disclosures available to their investors. In addition, issuers under the fundraising exemption would be required to provide financial statements and would be subject to ongoing reporting requirements. Issuers that rely on these exemptions would remain subject to the anti-fraud and antimanipulation provisions of the Federal securities laws.

The proposed rules also would include a conditional safe harbor from the term "investment contract" in the definitions of "security" in the Securities Act and the Securities Exchange Act of 1934 ("Exchange Act").[4] If the conditions of that proposed safe harbor are satisfied, a crypto asset would be deemed not to be subject to an investment contract for purposes of those definitions of "security."

The proposed rules contain "collection of information" requirements within the meaning of the PRA. The titles for the collection of information are:

- "Rule 200 of Regulation Crypto Assets (Form NOR)" (a proposed new collection of information);
- "Form 1-CRYPTO" (a proposed new collection of information);
- "Form 1-KC" (a proposed new collection of information);
- "Form 1-SC" (a proposed new collection of information);

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1 44 U.S.C. §3501, *et seq*.

2 *See Regulation Crypto Assets*, Release No. 33-11434 (Aug. 18, 2026) [91 FR 54510 (Aug. 21, 2026)] ("Proposing Release"). Unless otherwise specified, terms not defined in this supporting statement have the same meaning as defined in the Proposing Release.

3 15 U.S.C. 77a *et seq.*

4 15 U.S.C. 78a *et seq.*

- "Form 1-UC" (a proposed new collection of information);
- "Form TR" (a proposed new collection of information); and
- "Form ID" (OMB Control Number 3235-0328).

2. PURPOSE AND USE OF THE INFORMATION COLLECTION

The proposed rules are intended to facilitate capital formation and accommodate innovation within the crypto asset markets while, at the same time, ensuring that investors are adequately protected and provided with the information they need to make informed investment decisions.

3. CONSIDERATION GIVEN TO INFORMATION TECHNOLOGY

The forms that would be affected by the proposed rules would be required to be filed electronically with the Commission using the Commission's Electronic Data Gathering and Retrieval ("EDGAR") system. These forms would also be required to be formatted in HyperText Markup Language, as would be further provided in the EDGAR Filer Manual, to be compatible with EDGAR.

4. DUPLICATION OF INFORMATION

The Commission believes that the final amendments do not duplicate, overlap, or conflict with other Federal rules.

5. REDUCING THE BURDEN ON SMALL ENTITIES

The proposed amendments would affect some issuers that are small entities. Commission staff estimates that there were 89 issuers that may be considered small entities that could be affected by the proposed rules.[5]

The proposed rules would apply to small entities to the same extent as other entities, irrespective of size. We expect that the nature of any benefits and costs associated with the proposed rules will be generally similar for large and small entities. We also anticipate that the economic benefits and costs of the proposed rules likely could vary widely among all entities, including small entities, primarily based on whether they conduct offerings of covered investment contracts and how frequently they do so.

We acknowledge that the proposed rules' compliance costs may be proportionally higher for smaller issuers than for larger issuers. We are unable to quantify or estimate with any degree of certainty the costs that a particular issuer may incur under the proposed rules. Even so, the estimated burdens associated with the proposed rules represent the average burden for all issuers, both large and small, and we recognize that those burdens likely will vary among individual issuers and from year to year based on a number of factors, including the nature of their business.

[5] This estimate is based on staff analysis of data available on the potential number of issuers that made crypto asset-related offerings under Regulation D, Regulation A, or Regulation Crowdfunding.

The Commission requested comment on how the proposed rules would affect small entities and will consider ways to ease the regulatory burden on them, if appropriate.

6. CONSEQUENCES OF NOT CONDUCTING COLLECTION

The proposed rules and new information collections set forth the disclosure requirements intended to help investors make informed investment decisions. Less frequent collection would deprive investors of access to information that is important to these decisions.

7. SPECIAL CIRCUMSTANCES

There are no special circumstances in connection with the proposed amendments.

8. CONSULTATIONS WITH PERSONS OUTSIDE THE AGENCY

In the Proposing Release, the Commission solicited comment on the new "collection of information" requirements and the associated paperwork burdens. A copy of the Proposing Release is attached. Comments on Commission releases are generally received from registrants, investors and other market participants. In addition, the Commission and its staff participate in an ongoing dialogue with representatives of various market participants through public conferences, meetings, and informal exchanges. All comments received on the proposed amendments are available at SEC.gov | Regulation Crypto Assets. The Commission will consider all comments received prior to publishing the final rules, as required by 5 CFR 1320.11(f).

9. PAYMENT OR GIFT TO RESPONDENTS

No payment or gift has been provided to any respondents.

10. CONFIDENTIALITY

Responses to the affected collections of information are available to the public.

11. SENSITIVE QUESTIONS

No information of a sensitive nature would be required in connection with the proposed amendments. 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 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 these/this collection(s) 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.

12. and 13. ESTIMATES OF HOUR AND COST BURDENS

We anticipate that the proposed rules' new disclosure and submission requirements will increase the burdens and costs for affected respondents. We derived the burden hour and cost estimates by estimating the average amount of time it would take a respondent to prepare and review each required disclosure and submission, as well as the average hourly rate for outside professionals who assist with such preparation.

For purposes of this analysis, we estimate that there would be 130 offerings per year,[6] and that each of those 130 offerings would be conducted pursuant to either the startup exemption or the fundraising exemption. We estimate that 99 of the total 130 offerings estimated to be conducted annually under Regulation Crypto Assets would be conducted under the startup exemption (by 99 different issuers).[7] We estimate that 31 of the total 130 offerings estimated to be conducted annually under Regulation Crypto Assets would be conducted under the fundraising exemption (by 31 different issuers).[8] We also estimate that 475 issuers would rely on the investment contract safe harbor annually.[9]

A. Startup Exemption

Issuers' burdens associated with the startup exemption would be reflected in two different information collections: "Rule 200 of Regulation Crypto Assets (Form NOR)" and "Form TR."[10] The "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection would reflect burdens associated with proposed Rules 104(b), 200(c), and 200(d).

Based on the sum of the burden estimates for each of those rules as well as the 99 estimated number of annual responses, we estimate a total annual burden of 3,960 hours and $1,005,840 for the "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection.

1. Rule 104(b)

Rule 104(b) would require an issuer to include in an offering circular or otherwise furnish to each purchaser, a reasonable time prior to sale, a description in writing of any matters that would have triggered disqualification under Rule 104 but occurred before the date on which Rule 104 becomes effective. This requirement is substantially similar to the requirement in Rule

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6 We base this estimate on the sum of the 99 offerings involving crypto assets in the Regulation D and Regulation Crowdfunding markets that raised $5 million or less in 2024 and the 31 offerings involving crypto assets in the Regulation D, Regulation A, and Regulation Crowdfunding markets that raised more than $5 million but no more than $75 million in 2024.

7 We base this estimate on the 99 offerings involving crypto assets in the Regulation D and Regulation Crowdfunding markets that raised $5 million or less in 2024.

8 We base this estimate on the 31 offerings involving crypto assets in the Regulation D, Regulation A, and Regulation Crowdfunding markets that raised more than $5 million but no more than $75 million in 2024.

9 This estimate reflects our estimate of those issuers that would rely on the investment contract safe harbor without also offering covered investment contracts under the startup exemption or the fundraising exemption. We estimate the number of issuers that would rely on the investment contract safe harbor annually by assuming that 15 percent of the estimated 3,165 crypto projects that were launched in 2024 would seek to rely on the investment contract safe harbor, once adopted.

10 This section discusses the burden estimates for the "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection. The burden estimates for the "Form TR" information collection are discussed below.

506(e) of Regulation D.[11]

In the adopting release for Rule 506(e),[12] the Commission estimated that each issuer relying on an exemption in Rule 506 would expend one internal burden hour to comply with the rule, and that approximately one percent of those issuers would expend another 10 internal burden hours and require three hours of outside professional services in order to comply with the rule (i.e., because those issuers would, under Rule 506(e), be required to prepare a disclosure statement describing matters that would have triggered disqualification under Rule 506(d)(1) of Regulation D had they occurred on or after the effective date of the rule).

For purposes of this PRA analysis, we assume that Rule 104(b) would require each issuer that would rely on the startup exemption to expend two hours (1.5 internal burden hours and 0.5 hours of outside professional services (at a rate of $635 per hour)) to comply with the rule.

This estimate is intended to incorporate the one internal burden hour that the Commission assumed every issuer relying on an exemption in Rule 506 to expend in connection with Rule 506(e), as well as another 0.5 internal burden hours and 0.5 hours of outside professional services to account for any issuers that would have to provide disclosures under Rule 104(b). Although this effectively assumes that a larger percentage of issuers relying on the startup exemption would have to provide such disclosure (as compared to the Commission's estimate with respect to Rule 506(e)), we believe it is appropriate to take a more conservative approach that potentially overestimates the burdens associated with Rule 104(b) than an alternative approach that could underestimate such burdens, in part, because we expect that many of the issuers complying with the rule may be early-stage issuers that are less familiar with the Federal securities laws.

Based on the 99 estimated number of annual responses to the "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection, we estimate a total annual burden of 148.5 hours (1.5 internal burden hours per response x 99 responses annually) and $31,432.50 (0.5 hours of outside professional services per response x $635 per hour x 99 responses annually) associated with Rule 104(b), which would be attributed to the "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection.

The below table summarizes the estimated paperwork burdens associated with Rule 104(b) attributable to the "Rule 200 of Regulation Crypto Assets (Form NOR)" collection of information.

Table 1. Calculation of the Burden Estimates for "Rule 200 of Regulation Crypto Assets (Form NOR)" Attributable to Rule 104(b).

Collection of Information	Estimated Number of Annual	Burden Hour per Response	Total Annual Burden Hours (C)	Company Hours (D)	Professional Hours (E)	Professional Costs (F)

[11] *See* 17 CFR 230.506(e).

[12] See *Disqualification of Felons and Other "Bad Actors" from Rule 506 Offerings*, Release No. 33-9414 (July 10, 2013) [78 FR 44729, 44751 (July 24, 2013)].

	Responses (A)	(B)	[(A) x (B)]	[(C) x 0.75]	[(C) x 0.25]	[(E) x $635]
Rule 104(b)	99	2	198	148.5	49.5	$31,432.50

2. Rule 200(c)

Rule 200(c) would require an issuer to file (and, in certain circumstances, amend a previously filed) Form NOR with the Commission to rely on the startup exemption. Form NOR would require the issuer to provide certain information regarding the issuer and the subject crypto asset, where to locate disclosures required to be made under Rule 200(d) (as discussed below), and certain certifications regarding the information provided in the Form NOR as well as the issuer's intentions regarding the offering.

The information that would be required in a Form NOR is relatively limited, with even fewer disclosure requirements than Form D. Further, the circumstances under which an issuer would be required to amend a Form NOR generally are consistent with the amendment obligations with respect to a Form D. We believe it is appropriate, therefore, to assume that the burden associated with Rule 200(c) would be the same as the burden associated with Form D, which we estimate to be a total of four hours per response annually.[13] Consistent with our estimates for Form D, we further estimate that 25 percent of those four hours (one hour) will be performed internally by the issuer and that 75 percent of those hours (three hours) will be performed externally be outside professionals (at a rate of $635 per hour).

Based on the 99 estimated number of annual responses to the "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection, we estimate a total annual burden of 99 hours (one internal burden hour per response x 99 responses annually) and $188,595 (three hours of outside professional services per response x $635 per hour x 99 responses annually) associated with Rule 200(c), which would be attributed to the "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection.

The below table summarizes the estimated paperwork burdens associated with Rule 200(c) attributable to the "Rule 200 of Regulation Crypto Assets (Form NOR)" collection of information.

Table 2. Calculation of the Burden Estimates for "Rule 200 of Regulation Crypto Assets (Form NOR)" Attributable to Rule 200(c).

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 0.25]	Professional Hours (E) [(C) x 0.75]	Professional Costs (F) [(E) x $635]
Rule 200(c)	99	4	396	99	297	$188,595

[13] These four hours reflect both the initial burdens associated with filing a Form NOR as well as the subsequent burdens associated with any amendments the issuer would be required to make to such Form NOR.

3. Rule 200(d)

Rule 200(d) would require an issuer relying on the startup exemption to make the information described in Rule 103 publicly accessible, free of charge, at the website address specified in the notice of reliance at or prior to the time that the notice of reliance is filed with the Commission in accordance with Rule 200(c)(1). Rule 200(d) also would require an issuer to keep that information publicly accessible and free of charge at the website address specified in the notice of reliance and periodically amend that information to reflect material changes.[14]

In order to derive the estimate for Rule 200(d), we note that, in adopting Regulation Crowdfunding, the Commission "estimate[d] that the average total burden to prepare and file the Form C, including any amendment to disclose any material change, will be approximately 100 hours."[15] The Commission further noted that, at that time, "the average burden per response for preparing and filing a Form 1-A [was estimated] to be approximately 750 hours."[16]

We recognize that there are several differences between the proposed disclosure requirements under Rule 200(d) and the information required to be provided by Form C and Form 1-A.[17] These differences suggest that an issuer may incur relatively lower burdens under Rule 200(d) than it would in connection with filing a Form C or Form 1-A.

In light of these differences between the requirements of Rule 200(d) and Forms C and 1-A, we estimate that Rule 200(d) would require each issuer that would rely on the startup exemption to expend 50 total burden hours in order to comply with the rule (i.e., half of the Commission's initial burden estimate for Form C).[18] That estimate reflects both the burdens associated with providing the initial disclosures under Rule 200(d), as well as the burdens associated with keeping that information publicly accessible and periodically amending that information to reflect material changes. In addition, we assume that 75 percent of those 50 total burden hours (37.5 hours) would be performed internally by the issuer and 25 percent of those 50 total burden hours (12.5 hours) would be performed externally by outside professionals (at a rate of $635 per hour).

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[14] Because of the principles-based nature of the disclosure requirements set forth in proposed Rule 103, the burdens associated with Rule 200(d) may differ significantly from one issuer to another. Depending on their particular facts and circumstances, some issuers may be required to make extensive disclosures, while other issuers may be required to make relatively limited disclosures.

[15] Crowdfunding Adopting Release at 71524.

[16] *Id.* at 71523, n.1633. Our current total annual burden estimates for Form C and Form 1-A are 101 hours and 717.372 hours, respectively.

[17] Among other things, the proposed disclosure requirements are intended to elicit information that is unique to covered investment contracts and crypto assets. The proposed disclosure requirements also do not require a discussion of an issuer's financial condition or any financial statements or information, which could comprise a significant portion of the burden estimates for Form C and Form 1-A. Further, Rule 200(d) requires that the information be made publicly accessible and free of charge on a website of the issuer's choosing rather than filed on EDGAR.

[18] We base our estimated burden for Rule 200(d) on Form C rather than Form 1-A in part because the offering limit under the startup exemption ($5 million) corresponds to the offering limit under Regulation Crowdfunding ($5 million) than Regulation A ($75 million).

Based on the 99 estimated number of annual responses to the "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection, we estimate a total annual burden of 3,712.5 hours (37.5 internal burden hours per response x 99 responses annually) and $785,812.50 (12.5 hours of outside professional services per response x $635 per hour x 99 responses annually) associated with Rule 200(d), which would be attributed to the "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection.

The below table summarizes the paperwork burdens associated with Rule 200(d) attributed to the "Rule 200 of Regulation Crypto Assets (Form NOR)" collection of information.

Table 3. Calculation of the Burden Estimates for "Rule 200 of Regulation Crypto Assets (Form NOR)" Attributable to Rule 200(d).

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 0.75]	Professional Hours (E) [(C) x 0.25]	Professional Costs (F) [(E) x $635]
Rule 200(d)	99	50	4,950	3,712.5	1,237.5	$785,812.50

3. Total "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection

The below table summarizes the total estimated paperwork burdens of the "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection attributed to Rules 104(b), 200(c), and 200(d).

Table 4. Calculation of the Total Burden Estimates for "Rule 200 of Regulation Crypto Assets (Form NOR)."

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 0.75 or 0.25]	Professional Hours (E) [(C) x 0.25 or 0.75]	Professional Costs (F) [(E) x $635]
Rule 104(b)	99	2	198	148.5	49.5	$31,432.50
Rule 200(c)	99	4	396	99	297	$188,595
Rule 200(d)	99	50	4,950	3,712.5	1,237.5	$785,812.50
Rule 200 of Regulation Crypto Assets (Form NOR)[a]	***99***			***3,960***		***$1,005,840***

[a] We present only the total estimated number of annual responses, internal burden hours, and professional costs in this row because these are the three values that would be reflected in the OMB inventory in connection with the proposed new "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection.

B. Fundraising Exemption

Issuers' burdens associated with the fundraising exemption would be reflected in five different information collections: "Form 1-CRYPTO," "Form 1-KC," "Form 1-SC," "Form 1-UC," and "Form TR." The fundraising exemption is modeled on Regulation A. Similarly, each of the forms that an issuer would be required to file under the fundraising exemption is modeled on the corresponding form that is required to be filed under Regulation A. Nonetheless, there are several differences between the fundraising exemption, Regulation A, and the two sets of forms,[19] which we believe may suggest that an issuer could incur relatively lower burdens under the fundraising exemption than it would under Regulation A.

Notwithstanding, it is difficult to determine with certainty whether an issuer's burdens would be significantly lower under the fundraising exemption than under Regulation A. We do not expect the burdens would be higher than under Regulation A. Accordingly, we estimate that the fundraising exemption would require the same burdens as Regulation A. Thus, for each of the proposed forms that an issuer would be required to file under the proposed fundraising exemption, our burden estimate is the same as our current burden estimate for the corresponding form required to be filed under Regulation A.

1. Form 1-CRYPTO

Offering statements filed under Regulation Crypto Assets would use new Form 1-CRYPTO. Consistent with the current burden estimate for Form 1-A, we estimate that Form 1-CRYPTO would require approximately 717.372 annual burden hours per filing,[20] with 75 percent of those 717.372 total burden hours (538.029 hours) performed internally by the issuer and 25 percent of those 717.372 total burden hours (179.343) performed externally by outside professionals (at a rate of $635 per hour).

Based on the 31 estimated number of offerings annually under the fundraising exemption, we estimate a total annual burden of 16,678.899 hours (538.029 internal burden hours per response x 31 responses annually) and $3,530,366.955 (179.343 hours of outside professional services per response x $635 per hour x 31 responses annually) associated with the "Form 1-CRYPTO" information collection.

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[19] For example, as with the startup exemption, the vast majority of the non-financial information requirements under the fundraising exemption (i.e., the disclosure requirements set forth in Rule 103) are intended to elicit information that is unique to covered investment contracts and crypto assets. In addition, the Part I information requirements under Form 1-CRYPTO and Form 1-KC are more streamlined and simplified than the Part I information requirements under Form 1-A and Form 1-K. Further, although the proposed financial statements requirements are substantially similar to the corresponding requirements under Form 1-A, the discussion of financial condition required under Forms 1-CRYPTO, 1-KC, and 1-SC is based on the corresponding requirement in Regulation Crowdfunding rather than the discussion of financial condition required under Regulation A.

[20] For accuracy of the calculations in this section, we did not round the preliminary figures to the nearest whole number. However, we did round the final calculations of the change in burden estimates of new responses resulting from the proposed rules.

The below table summarizes the estimated paperwork burdens attributable to the "Form 1-CRYPTO" information collection.

Table 5. Calculation of the Total Burden Estimates for "Form 1-CRYPTO."

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 0.75]	Professional Hours (E) [(C) x 0.25]	Professional Costs (F) [(E) x $635]
Form 1-CRYPTO	31	717.372	22,238.532	16,678.899	5,559.633	$3,530,366.955

2. Form 1-KC

Form 1-KC would be used for annual reports under Rule 305(a)(1) of Regulation Crypto Assets. Consistent with the current burden estimate for Form 1-K, we estimate that Form 1-KC would require approximately 600 annual burden hours per filing. We further estimate that 75 percent of those 600 total burden hours (450 hours) would be performed internally by the issuer and 25 percent of those 600 total burden hours (150 hours) would be performed externally by outside professionals (at a rate of $635 per hour).

Based on the 31 estimated number of offerings annually under the fundraising exemption,[21] we estimate a total annual burden of 13,950 hours (450 internal burden hours per response x 31 responses annually) and $2,952,750 (150 hours of outside professional services per response x $635 per hour x 31 responses annually) associated with the "Form 1-KC" information collection.

The below table summarizes paperwork burdens attributable to the "Form 1-KC" information collection.

Table 6. Calculation of the Total Burden Estimates for "Form 1-KC."

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 0.75]	Professional Hours (E) [(C) x 0.25]	Professional Costs (F) [(E) x $635]
Form 1-KC	31	600	18,600	13,950	4,650	$2,952,750

3. Form 1-SC

[21] Although Form 1-K is only required to be filed by issuers conducting Tier 2 offerings under Regulation A, Form 1-KC would be required to be filed by issuers conducting either Tier 1 or Tier 2 offerings under the fundraising exemption.

Form 1-SC would be used for semiannual reports under Rule 305(a)(3) of Regulation Crypto Assets. Consistent with the current burden estimate for Form 1-SA, we estimate that Form 1-SC would require approximately 188.04 annual burden hours per filing. We further estimate that 85 percent of those 188.04 total burden hours (159.834 hours) would be performed internally by the issuer and 15 percent of those 188.04 total burden hours (28.206) would be performed externally by outside professionals (at a rate of $635 per hour).

Based on the 31 estimated number of offerings annually under the fundraising exemption,[22] we estimate a total annual burden of 4,954.854 hours (159.834 internal burden hours per response x 31 responses annually) and $555,235.11 (28.206 hours of outside professional services per response x $635 per hour x 31 responses annually) associated with the "Form 1-SC" information collection.

The below table summarizes the paperwork burdens attributable to the "Form 1-SC" information collection.

Table 7. Calculation of the Total Burden Estimates for "Form 1-SC."

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 0.85]	Professional Hours (E) [(C) x 0.15]	Professional Costs (F) [(E) x $635]
Form 1-SC	31	188.04	5,829.24	4,954.854	874.386	$555,235.11

4. Form 1-UC

Form 1-UC would be used for current reports under Rule 305(a)(4) of Regulation Crypto Assets. Consistent with the current burden estimate for Form 1-U, we estimate that Form 1-UC would require approximately five annual burden hours per filing. We further estimate that 85 percent of those five total burden hours (4.25 hours) would be performed internally by the issuer and 15 percent of those five total burden hours (0.75 hours) would be performed externally by outside professionals (at a rate of $635 per hour).

Based on the estimated 31 offerings annually under the fundraising exemption,[23] we estimate a total annual burden of 131.75 hours (4.25 internal burden hours per response x 31 responses annually) and $14,763.75 (0.75 hours of outside professional services per response x $635 per hour x 31 responses annually) associated with the "Form 1-UC" information collection.

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[22] Although Form 1-SA is only required to be filed by issuers conducting Tier 2 offerings under Regulation A, Form 1-SC would be required to be filed by issuers conducting either Tier 1 or Tier 2 offerings under the fundraising exemption.

[23] Although Form 1-U is only required to be filed by issuers conducting Tier 2 offerings under Regulation A, Form 1-UC would be required to be filed by issuers conducting either Tier 1 or Tier 2 offerings under the fundraising exemption.

The below table summarizes the estimated paperwork burdens attributable to the "Form 1-UC" information collection.

Table 8. Calculation of the Total Burden Estimates for "Form 1-UC."

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 0.85]	Professional Hours (E) [(C) x 0.15]	Professional Costs (F) [(E) x $635]
Form 1-UC	31	5	155	131.75	23.25	$14,763.75

C. Form TR

An issuer may file a transition report on Form TR pursuant to the startup exemption (under proposed Rule 200(e)), the fundraising exemption (under proposed Rules 305(c) and (d)), or the investment contract safe harbor (under Rule 400(b)). The "Form TR" information collection would reflect burdens associated with proposed Rules 200(e), 305(c) and (d), and 400(b). Based on the sum of the burden estimates for each of those rules as well as the estimated number of annual responses, we estimate a total annual burden of 11,179.65 hours and $2,365,375 for the "Form TR" information collection.

1. Rule 200(e)

Rule 200(e) would require an issuer relying on the startup exemption to file a transition report containing the information required by Form TR no later than four years after the date on which the issuer filed a notice of reliance in accordance with Rule 200(c)(1). Form TR, in turn, would require an issuer making a filing pursuant to Rule 200(e) to disclose certain fundamental information (e.g., its name, jurisdiction of incorporation or formation, and contact information) as well certain other information that would depend on whether the issuer had, as of the time of the filing, satisfied the condition in Rule 400(a).[24]

Because the Form TR disclosure requirements would differ depending on whether an issuer has satisfied the condition in Rule 400(a), the burdens associated with Rule 200(e) also

[24] If the issuer had satisfied the condition in Rule 400(a), then Form TR would require the issuer to provide the following: (1) a brief description of the crypto asset and associated crypto network or associated crypto application sufficient for a reasonable investor to identify the crypto asset and associated crypto network or associated crypto application to which the Form TR relates; (2) a certification that the issuer is not engaging in, and is not planning to and has not promised or represented that it will engage in, essential managerial efforts that primarily determine the value of the crypto asset; and (3) an analysis supporting that certification. If the issuer had not satisfied the condition in Rule 400(a), then Form TR would require the issuer to provide the following: (1) a brief description of the covered investment contract sufficient for a reasonable investor to identify the covered investment contract to which this Form TR relates; (2) a description of the current status of the covered investment contract, the subject crypto asset, and the associated crypto network or associated crypto application and the issuer's plans with respect to such covered investment contract, subject crypto asset, and associated crypto network or associated crypto application; and (3) if the issuer indicated that the crypto asset had separated from the issuer's representations or promises subject crypto asset and ceased to exist, an analysis supporting that determination.

would differ from one issuer to another. Depending on their particular facts and circumstances, some issuers may be required to make extensive disclosures, while other issuers may be required to make relatively limited disclosures (e.g., if they had not satisfied the condition in Rule 400(a) and the crypto asset had not separated from the issuer's representations or promises). We assume that each issuer filing a Form TR pursuant to Rule 200(e) would incur 20 total burden hours, with 75 percent of those 20 total burden hours (15 hours) being performed internally by the issuer and 25 percent of those 20 total burden hours (five hours) being performed externally by outside professionals (at a rate of $635 per hour).

We also assume that 25 percent of the issuers relying on the startup exemption would make a Form TR filing pursuant to Rule 200(e) each year. As such, based on the estimated 99 annual responses to the "Rule 200 of Regulation Crypto Assets (Form NOR)" information collection, we assume there would be 24.75 Form TR filings pursuant to Rule 200(e). Further, we estimate a total annual burden of 371.25 hours (15 internal burden hours per response x 24.75 responses annually) and $78,581.25 (five hours of outside professional services per response x $635 per hour x 24.75 responses annually) associated with Rule 200(e), which would be attributed to the "Form TR" information collection.

The below table summarizes the estimated paperwork burdens associated with Rule 200(e) for issuers relying on the startup exemption.

Table 9. Calculation of the Burden Estimates for "Form TR" Attributable to Rule 200(e).

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 0.75]	Professional Hours (E) [(C) x 0.25]	Professional Costs (F) [(E) x $635]
Rule 200(e)	24.75	20	495	371.25	123.75	$78,581.25

2. Rules 305(c) and (d)

Rules 305(c) and (d) would set forth transition reporting provisions that would apply equally to issuers in Tier 1 and Tier 2 offerings and set forth pathways to suspend or terminate ongoing reporting obligations under the fundraising exemption.

Under Rule 305(c)(1), the duty to file reports under Rule 305(a) with respect to a class of securities held of record (as defined in 17 CFR 240.12g5-1) by less than 300 persons would be suspended for such class of securities immediately upon filing with the Commission a transition report on Form TR if the issuer of such class has filed all reports required to be filed under Rule 305 before the date of such Form TR filing for the shorter of: (i) the period since the issuer became subject to such reporting obligation; or (ii) its most recent three fiscal years and the portion of the current year preceding the date of filing Form TR. This proposed rule substantially mirrors Rule 257(d) of Regulation A.

The information that an issuer seeking to suspend its duty to report under Rule 305(c) would be required to provide under Form TR is substantially identical to the information required by Form 1-Z for an issuer seeking to suspend its duty to report under Rule 257(d). Thus, consistent with the current burden estimate for Form 1-Z, we estimate that a Form TR filed pursuant to Rule 305(c) would require approximately 1.5 annual burden hours per filing. We further estimate that 100 percent of those 1.5 total burden hours will be performed internally by the issuer.

We assume that ten percent of the issuers relying on the fundraising exemption would make a Form TR filing pursuant to Rule 305(c) each year. As such, based on the estimated 31 issuers relying on the fundraising exemption annually, we assume there would be 3.1 Form TR filings pursuant to Rule 305(c) and a total annual burden of 4.65 hours (1.5 burden hours per response x 3.1 responses annually) associated with Rule 305(c), which would be attributed to the "Form TR" information collection.

The below table summarizes the estimated paperwork burdens attributable to Rule 305(c) for issuers relying on the fundraising exemption.

Table 10. Calculation of the Burden Estimates for "Form TR" Attributed to Rule 305(c).

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 1.00]	Professional Hours (E)	Professional Costs (F)
Rule 305(c)	3.1	1.5	4.65	4.65	0	$0

Under Rule 305(d)(2), if an issuer satisfies the condition in Rule 400(a) (i.e., the investment contract safe harbor) or the covered investment contract otherwise separates from the subject crypto asset and ceases to exist during the period in which the issuer is required to file reports under Rule 305(a), the issuer's obligation to file reports under Rule 305(a) will terminate immediately upon filing with the Commission a transition report on Form TR.

Form TR's information requirements for an issuer filing under Rule 305(d) are the same as those for an issuer filing under Rule 200(e). Thus, consistent with the burden estimates for Rule 200(e), we assume that each issuer filing a Form TR pursuant to Rule 305(d) would incur 20 total burden hours, with 75 percent of those 20 total burden hours (15 hours) being performed internally by the issuer and 25 percent of those 20 total burden hours (five hours) being performed externally by outside professionals (at a rate of $635 per hour).

We estimate that issuers would conduct 31 offerings annually under the fundraising exemption. For purposes of this PRA analysis, we assume that 25 percent of those issuers would terminate their duty to report under Rule 305(d) annually. Thus, we estimate a total of 7.75 Form TR filings pursuant to Rule 305(d) annually, with an annual burden of 116.25 hours (15 internal burden hours per response x 7.75 responses annually) and an annual cost burden of $24,606.25

(five hours of outside professional services per response x $635 per hour x 7.75 responses annually), each of which would be attributed to the "Form TR" information collection.

The below table summarizes the estimated paperwork burdens attributable to Rule 305(d) for issuers relying on the fundraising exemption.

Table 11. Calculation of the Burden Estimates for "Form TR" Attributed to Rule 305(d).

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 0.75]	Professional Hours (E) [(C) x 0.25]	Professional Costs (F) [(E) x $635]
Rule 305(d)	7.75	20	155	116.25	38.75	$24,606.25

3. Rule 400(b)

Rule 400 would provide that a covered investment contract will be deemed to have ceased to exist, and the crypto asset that was subject to the covered investment contract will be deemed not to constitute or represent or to be subject to that investment contract for purposes of section 2(a)(1) of the Securities Act and section 3(a)(10) of the Exchange Act, if the conditions set forth in Rule 400(a) and (b) are satisfied.

Rule 400(a) would require that the issuer of the covered investment contract has completed or otherwise permanently ceased all essential managerial efforts that it represented or promised it would engage in under the covered investment contract and is not making and does not intend to make any new representations or promises to engage in essential managerial efforts with respect to the crypto asset.

Rule 400(b) would require the issuer of the covered investment contract to file a transition report on Form TR. Form TR, in turn, would require the issuer to disclose certain fundamental information (e.g., its name, jurisdiction of incorporation or formation, and contact information) as well as the same information that an issuer would be required to disclose if it were filing a Form TR under Rule 200(e) or 305(d) and it had satisfied the condition in Rule 400(a).

As noted above, we estimate that issuers filing a Form TR pursuant to Rule 200(e) or Rule 305(d) would incur 20 total burden hours per filing. The burden hours for those filings, however, may be more variable than the burden hours for an issuer filing a Form TR pursuant to Rule 400(b) because the Form TR disclosure requirements for an issuer filing pursuant to Rule 200(e) or 305(d) would differ depending on whether the issuer has satisfied the condition in Rule 400(a).

By contrast, because all issuers filing a Form TR pursuant to Rule 400(b) must have satisfied the condition in Rule 400(a) in order to fit within the investment contract safe harbor,

we assume that issuers filing a Form TR pursuant to Rule 400(b) will, on average, incur more burden hours than an issuer filing a Form TR pursuant to Rule 200(e) or 305(d). Thus, for purposes of this PRA analysis, we assume that each issuer filing a Form TR pursuant to Rule 400(b) would incur 30 total burden hours, with 75 percent of those 30 total burden hours (22.5 hours) being performed internally by the issuer and 25 percent of those 30 total burden hours (7.5 hours) being performed externally by outside professionals (at a rate of $635 per hour).

We also assume that each of the 475 issuers that we estimate would rely on the investment contract safe harbor annually would file a Form TR pursuant to Rule 400(b). Thus, we estimate a total of 475 Form TR filings pursuant to Rule 400(b) annually, with an annual burden of 10,687.5 hours (22.5 internal burden hours per response x 475 responses annually) and an annual cost burden of $2,262,187.50 (7.5 hours of outside professional services per response x $635 per hour x 475 responses annually), each of which would be attributed to the "Form TR" information collection.

The below table summarizes the estimated paperwork burdens associated with Rule 400(b).

Table 12. Calculation of the Burden Estimates for "Form TR" Attributable to Rule 400(b).

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 0.75]	Professional Hours (E) [(C) x 0.25]	Professional Costs (F) [(E) x $635]
Rule 400(b)	475	30	14,250	10,687.5	3,562.5	$2,262,187.50

4. Burden Estimate for Form TR

The below table summarizes the total estimated paperwork burdens of the "Form TR" information collection attributable to Rules 200(e), 305(c), 305(d), and 400(b).

PRA Table 13. Calculation of the Total Burden Estimates for "Form TR."

Collection of Information	Estimated Number of Annual Responses (A)	Burden Hour per Response (B)	Total Annual Burden Hours (C) [(A) x (B)]	Company Hours (D) [(C) x 0.75 or 1.00]	Professional Hours (E) [(C) x 0.25 or 0.00]	Professional Costs (F) [(E) x $635]
Rule 200(e)	24.75	20	495	371.25	123.75	$78,581.25
Rule 305(c)	3.1	1.5	4.65	4.65	0	$0
Rule 305(d)	7.75	20	155	116.25	38.75	$24,606.25
Rule 400(b)	475	30	14,250	10,687.5	3,562.5	$2,262,187.50
Form TR[a]	***510.6***			***11,179.65***		***$2,365,375***

[a] We present only the total estimated number of annual responses, internal burden hours, and professional costs in this row because these are the three values that would be reflected in the OMB inventory in connection with the proposed new "Form TR" information collection.

D. Form ID

Under the proposed rules, an issuer would be required to file specified disclosures on EDGAR. We anticipate that many issuers relying on Regulation Crypto Assets for the first time would not previously have filed an electronic submission with us and, therefore, would need to complete and submit Form ID, the application for access to file on EDGAR. The proposed rules would not change the form itself, but we anticipate that the number of Form ID filings would increase due to new issuers seeking to rely on Regulation Crypto Assets.

For purposes of this PRA analysis, we assume that all the issuers that would seek to offer and sell securities in reliance on the startup exemption (99 issuers) and the fundraising exemption (31 issuers) would not have filed an electronic submission with us previously and, therefore, would be required to file a Form ID.[25] In total, this would correspond to 130 additional Form ID filings and a total annual burden of 78 hours for the "Form ID" information collection (130 filings x 0.6 hours/filing).[26] We assume that each issuer filing a Form ID would incur 0.6 total burden hours, with 100 percent of those hours being handled internally by the issuer.

The below table summarizes the estimated incremental paperwork burdens associated with Form ID.

Table 14. Calculation of the Incremental Burden Estimates for "Form ID."

Collection of Information	Estimated Number of New Annual Responses (A)	Burden Hour per Response (B)	Incremental Change in Annual Burden Hours (C) [(A) x (B)]	Incremental Change in Company Hours (D) [(C) x 1.00]	Incremental Change in Professional Hours (E)	Incremental Change in Professional Costs (F)
Form ID	130	0.60	78	78	0	$0

[25] Conversely, we assume that all of the issuers that would rely on the investment contract safe harbor would have filed an electronic submission with us previously and, therefore, would not be required to submit a Form ID. That is, we assume that such issuers either would have relied on an existing exemption (if they offered or sold covered investment contracts before the proposed rules are adopted) or they would rely on either the startup exemption or the fundraising exemption before satisfying the investment contract safe harbor. For those issuers that have relied on an existing exemption to offer and sell covered investment contracts, we recognize that some existing exemptions on which they may rely do not require an electronic submission and, therefore, those issuers may not have been required to submit a Form ID. *See, e.g.*, 17 CFR 230.147. Therefore, to the extent those issuers would rely on the investment contract safe harbor, they would also be required to submit a Form ID. Because we cannot estimate the number of such issuers with precision, however, we have not accounted for them in the burden estimate for Form ID.

[26] We do not estimate any cost burden associated with the additional Form ID submissions because we assume that 100 percent of the burden associated with a Form ID submission is performed internally by the issuer.

E. Change in Burden Estimates of New and Current Responses Resulting from the Proposed Rules

The table below illustrates the estimated annual compliance burden of new information collections as a result of the proposed rules' estimated effect on the paperwork burden per response.

Table 15. Calculation of the Change in Burden Estimates of New Responses Resulting from the Proposed Rules.[27]

New Collection of Information	Requested New Annual Responses (A)	Requested New Burden Hours (B)	Requested New Cost Burden (C)
Rule 200 of Regulation Crypto Assets (Form NOR)	99	3,960	$1,005,840
Form 1-CRYPTO	31	16,679	$3,530,367
Form 1-KC	31	13,950	$2,952,750
Form 1-SC	31	4,955	$555,235
Form 1-UC	31	132	$14,764
Form TR	511	11,180	$2,365,375

The table below illustrates the estimated change in annual compliance burdens of existing information collections as a result of the proposed rules' estimated effect on the paperwork burden per response.

Table 16. Calculation of the Change in Burden Estimates of Current Responses Resulting from the Proposed Rules.

	Current Burden			Program Change			Requested Change in Burden		
Form	Current Annual Responses (A)	Current Burden Hours (B)	Current Cost Burden (C)	Change in Number of Responses (D)	Change in Company Hours (E)	Change in Professional Costs (F)	Annual Responses (G) [(A) + (D)]	Burden Hours (H) [(B) + (E)]	Cost Burden (I)
Form ID	82,483	49,490	$0	130	78	$0	82,613	49,568	$0

14. COSTS TO FEDERAL GOVERNMENT

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

[27] For purposes of the PRA, each of the requested new annual responses (column A) and the requested new burden hours (column B) are rounded to the nearest whole number and the requested new cost burden (column C) is rounded to the nearest dollar.

15. REASON FOR CHANGE IN BURDEN

As explained in further detail in Items 1, 12, and 13 above, the changes in burden for existing Form ID and would result from the proposed rules. Similarly, the burden for new Forms NOR, 1-CRYPTO, 1-KC, 1-SC, 1-US, and TR would result from the burden required to implement the new forms. These estimates represent the average burden for all respondents, both large and small. In deriving our estimates, we recognize that the burdens will likely vary among individual respondents based on a number of factors, including the nature of their business.

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 these forms. Including the expiration date on the electronic version of the forms will result in increased costs because the need to make changes to the forms 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 NOR Short Statement

If adopted, the proposed rules would require respondents relying on the startup exemption to file a notice of reliance with the Commission containing certain information required by Rule 200 of Regulation Crypto Assets (Form NOR), including certain information about the issuer (e.g., name and contact information) and the name of the subject crypto asset, as well as the website address at which the issuer will make the information described in proposed Rule 103 publicly accessible, free of charge, prior to the commencement of any covered transaction.

The Commission estimates that the proposed rules would result in a new paperwork burden for affected entities. For purposes of the PRA, the Commission estimates that, for Form NOR, the proposed amendments would create 3,960 burden hours and $1,005,840 for the services of outside professionals.

Form 1-CRYPTO Short Statement

If adopted, the proposed rules would require respondents to utilize a new Form 1-CRYPTO to file offering statements under Regulation Crypto Assets. Form 1-CRYPTO would be tailored to offerings of covered investment contracts and consist of an eXtensible Markup Language based fillable form with key information about the issuer and offering; attachments containing the body of the disclosure document and financial statements; and attachments containing the signatures, exhibit index, and exhibits to the offering statement

The Commission estimates that the proposed rules would result in a new paperwork burden for affected entities. For purposes of the PRA, the Commission estimates that, for Form 1-CRYPTO, the proposed rules would create 16,679 burden hours and $3,530,367 for the services of outside professionals.

Form 1-KC Short Statement

If adopted, the proposed rules would require respondents to utilize a new Form 1-KC to file an annual report under the fundraising exemption for the fiscal year in which the offering statement became qualified and for any fiscal year thereafter, unless the issuer's obligation to file such annual report is suspended or terminated.

The Commission estimates that the proposed rules would result in a new paperwork burden for affected entities. For purposes of the PRA, the Commission estimates that, for Form 1-KC, the proposed amendments would create 13,950 burden hours and $2,952,750 for the services of outside professionals.

Form 1-SC Short Statement

If adopted, the proposed rules would require respondents that have qualified an offering statement under the fundraising exemption to utilize a new Form 1-SC to file semiannual reports. Form 1-SC would be required to be filed within 90 calendar days after the end of the semiannual period covered by the report. The semiannual report would cover the first six months of each fiscal year of the issuer, commencing with the first six months of the fiscal year immediately following the most recent fiscal year for which financial statements were included in the offering statement, or, if the offering statement included financial statements for the first six months of the fiscal year following the most recent full fiscal year, for the first six months of the following fiscal year

The Commission estimates that the proposed rules would result in a new paperwork burden for affected entities. the Commission estimates that, for Form 1-SC, the proposed amendments would create 4,955 burden hours and $555,235 for the services of outside professionals.

Form 1-UC Short Statement

If adopted, the proposed amendments would require respondents to that have qualified an offering statement under the fundraising exemption to file with the Commission current reports on Form 1-UC with respect to the matters specified in the form, within four business days after the occurrence of one of the specified events, unless substantially the same information has been previously reported to the Commission by the issuer under cover of Form 1-KC or Form 1-SC.

The Commission estimates that the proposed rules would result in a new paperwork burden for affected entities. For purposes of the PRA, the Commission estimates that, for Form 1-UC, the proposed amendments would result in an increase of 132 burden hours and $14,764 for the services of outside professionals.

Form TR Short Statement

If adopted, the proposed amendments would require respondents to file a transition report containing the information required by Form TR no later than four years after the date on which the issuer filed a notice of reliance. Form TR would be used to satisfy the transition report requirements under the startup exemption, the fundraising exemption, and the investment contract safe harbor. The form would, therefore, set forth different disclosure requirements depending on the rule pursuant to which it was being filed.

The Commission estimates that the proposed rules would result in a new paperwork burden for affected entities. For purposes of the PRA, the Commission estimates that, for Form TR, the proposed amendments would result in an increase of 11,180 burden hours and $2,365,375 for the services of outside professionals.

Form ID Short Statement

If adopted, the proposed amendments would require respondents to file specified disclosures on EDGAR. The Commission anticipates that many issuers relying on Regulation Crypto Assets for the first time would not previously have filed an electronic submission with the Commission and, therefore, would need to complete and submit Form ID, the application for access to file on EDGAR. The proposed rules would not change the form itself, but the Commission anticipates that the number of Form ID filings would increase due to new issuers seeking to rely on Regulation Crypto Assets.

The Commission estimates that the amendments would result in an increase in the paperwork burden of affected entities. For purposes of the PRA, the Commission estimates that, for Form ID, the proposed amendments would result in an increase of 78 burden hours but no increase for the services of outside professionals.