

**SUPPORTING STATEMENT FOR PROPOSED RULES
UNDER THE SECURITIES ACT OF 1933 AND
SECURITIES EXCHANGE ACT OF 1934**

This is a submission under the Paperwork Reduction Act of 1995, 44 U.S.C. §3501, *et seq.*, consisting of this supporting statement and the following attachment:

A. Proposing Release (Release No. 33-11048)

A. JUSTIFICATION

1. CIRCUMSTANCES MAKING THE COLLECTION OF INFORMATION NECESSARY

On March 30, 2022, the Securities and Exchange Commission (the “Commission”) proposed rules to enhance investor protections in initial public offerings by special purpose acquisition companies (“SPACs”) and in subsequent business combination transactions between SPACs and private operating companies (“de-SPAC transactions”).¹ Specifically, the Commission proposed new Subpart 1600 of Regulation S-K, which would set forth specialized disclosure requirements with respect to, among other things, compensation paid to sponsors, conflicts of interest, dilution, and the fairness of de-SPAC transactions. The Commission also proposed new rules and amendments to certain rules and forms under the Securities Act of 1933 and the Securities Exchange Act of 1934 to:

- Require additional disclosures about the private operating company in connection with de-SPAC transactions;
- Require that disclosure documents in de-SPAC transactions be disseminated to investors at least 20 calendar days in advance of a shareholder meeting or the earlier date of action by consent, or the maximum period for disseminating such disclosure documents permitted under the laws of the jurisdiction of incorporation or organization if such period is less than 20 calendar days;
- Deem a private operating company in a de-SPAC transaction to be a co-registrant of a registration statement on Form S-4 or Form F-4 when a SPAC files such a registration statement for a de-SPAC transaction;
- Amend the definition of “smaller reporting company” to require a re-determination of smaller reporting company status following the consummation of a de-SPAC transaction;
- Define the term “blank check company” for purposes of the Private Securities Litigation Reform Act of 1995 (PSLRA) to encompass SPACs and certain other blank check

¹ See *Special Purpose Acquisition Companies, Shell Companies, and Projections*, Release No. 33-11048 (Mar. 30, 2022) [87 FR 29458 (May 13, 2022)].

companies such that the safe harbor for forward-looking statements under the PSLRA would not be available to these issuers; and

- Deem anyone who has acted as an underwriter of the securities of a SPAC and takes steps to facilitate a de-SPAC transaction, or any related financing transaction or otherwise participates, directly or indirectly, in the de-SPAC transaction to be engaged in a distribution and to be an underwriter in the de-SPAC transaction.

In addition, the Commission proposed new Rule 145a under the Securities Act that would deem any business combination transaction involving a reporting shell company, including a SPAC, to involve a sale of securities to the reporting shell company's shareholders and proposed to amend a number of financial statement requirements in Regulation S-X applicable to business combination transactions involving shell companies.² The Commission also proposed to update its guidance regarding the use of projections in Commission filings and to require additional disclosure regarding projections when disclosed in connection with de-SPAC transactions.³

The proposed new rules and amendments contain "collection of information" requirements within the meaning of the Paperwork Reduction Act. The titles of these requirements are:⁴

- Regulation 14A (Commission Rules 14a-1 through 14a-21 and Schedule 14A) (OMB Control No. 3235-0059);
- Regulation 14C (Commission Rules 14c-1 through 14c-7 and Schedule 14C) (OMB Control No. 3235-0057);
- Schedule TO (OMB Control No. 3235-0515);
- Form S-1 (OMB Control No. 3235-0065);
- Form S-4 (OMB Control No. 3235-0324);
- Form F-1 (OMB Control No. 3235-0258);
- Form F-4 (OMB Control No. 3235-0325);

² Throughout this Paperwork Reduction Act submission, the terms "shell company" and "reporting shell company" are used in lieu of the phrases "shell company, other than a business combination related shell company" and "reporting shell company, other than a business combination related shell company."

³ Further, the Commission proposed a new safe harbor (proposed Rule 3a-10) under the Investment Company Act of 1940 that would provide that a SPAC that satisfies the conditions of the proposed rule would not be an investment company and therefore would not be subject to regulation under that Act. We have prepared a separate Paperwork Reduction Act submission for this proposed rule.

⁴ We estimate that there would be a negligible or no change in burden to Form 20-F and Form 8-K as a result of the proposed amendments to Regulation S-X, in that these proposed amendments would be codifying existing interpretations of existing rules. Accordingly, we are not making any revisions to the PRA burden estimates for Form 20-F and Form 8-K at this time.

- Form 10-K (OMB Control No. 3235-0063); and
- Form 10-Q (OMB Control No. 3235-0070).

2. PURPOSE AND USE OF THE INFORMATION COLLECTION

The proposed new rules and amendments are intended to improve the relevance, completeness, clarity, and comparability of the disclosures provided by SPACs at the initial public offering and de-SPAC transaction stages, and to provide important investor protections to strengthen investor confidence in the SPAC market. The proposed new rules and amendments are also intended to (1) provide reporting shell company shareholders with more consistent Securities Act protections in business combination transactions; (2) more closely align the financial statement reporting requirements in business combination transactions involving shell companies with those in traditional initial public offerings; and (3) enhance the reliability of projections disclosure in Commission filings. Compliance with these information collections is mandatory to the extent applicable to each registrant.⁵

3. CONSIDERATION GIVEN TO INFORMATION TECHNOLOGY

The collection of information requirements of the proposed new rules and amendments are set forth in the affected rules and forms. All of the affected forms and schedules in this submission are filed electronically with the Commission using the Commission’s Electronic Data Gathering, Analysis and Retrieval (“EDGAR”) system.

4. DUPLICATION OF INFORMATION

The proposed disclosure requirements in Subpart 1600 may partially duplicate and overlap with a number of existing disclosure requirements under Regulation S-K that are currently applicable to SPAC registered offerings and in de-SPAC transactions. To the extent that the disclosure requirements in proposed Subpart 1600 overlap with these existing disclosure requirements, the requirements of proposed Subpart 1600 would be controlling. Other than these proposed disclosure requirements, the Commission believes that the proposed new rules and amendments would not duplicate, overlap or conflict with other federal rules.

5. REDUCING THE BURDEN ON SMALL ENTITIES

The proposed specialized disclosure and other requirements with respect to SPAC registered offerings and de-SPAC transactions are intended to improve the usefulness and clarity of the information provided to investors so that they can make better informed decisions as to whether to purchase securities in SPAC registered offerings, or in secondary trading markets, and in voting, investment and redemption decisions in connection with de-SPAC transactions. They are also intended to enhance investor protections as well as provide additional clarity regarding the legal obligations of target companies and others in connection with a de-SPAC

⁵ Registrants claiming smaller reporting company status have the option to comply with the scaled disclosures available to them on an item-by-item basis.

transaction. We believe that these proposed requirements are equally appropriate for SPACs of all sizes that are engaged in a registered offering and for SPACs and target private operating companies that are engaged in a de-SPAC transaction. As a result, we do not believe that it is appropriate to propose different compliance or reporting requirements for small entities; clarify, consolidate or simplify compliance and reporting requirements for small entities; or to exempt small entities from these requirements. In our view, a private operating company's method of becoming a public company should not negatively impact investor protection.

Proposed Rule 145a would deem business combinations involving a reporting shell company and a non-shell company to involve a sale of securities to the reporting shell company's shareholders. Given that proposed Rule 145a is intended to address potential disparities in the disclosure and liability protections available to reporting shell company shareholders, we do not believe that it is appropriate to propose different compliance or reporting requirements for small entities; clarify, consolidate or simplify compliance and reporting requirements for small entities; or to exempt small entities from the proposed rule.

The proposed amendments to Regulation S-X would generally codify existing staff guidance on financial statement requirements for certain business combinations involving shell companies, and, based on staff analysis of disclosures in these transactions, we believe that most companies already report consistent with this staff guidance. Further, the amendments are not expected to have any significant adverse effect on small entities (and are, in fact, expected to relieve burdens for some of these entities). Accordingly, we do not believe that it is necessary to exempt small entities from all or part of the proposed amendments to Regulation S-X; establish different compliance or reporting requirements for such entities; or clarify, consolidate or simplify compliance and reporting requirements for small entities.

6. CONSEQUENCES OF NOT CONDUCTING COLLECTION

The proposed new rules and amendments affect Form 10-Q, Form 10-K, Form F-1, Form F-4, Form S-1, Form S-4, Schedule 14A, Schedule 14C, and Schedule TO. These forms and schedules set forth the disclosure requirements for periodic reports, registration statements, proxy statements, information statements, and tender offer statements filed by companies to help investors make informed investment, voting, and/or redemption decisions. Less frequent collection would deprive investors of access to information that is important to their voting, investment, and/or redemption decisions.

7. SPECIAL CIRCUMSTANCES

There are no special circumstances in connection with these proposed new rules and amendments.

8. CONSULTATIONS WITH PERSONS OUTSIDE THE AGENCY

The Commission has issued a proposing release soliciting comment on the new “collection of information” requirements and associated paperwork burdens.⁶ A copy of the proposing release is attached. In response to the solicitation for comment in the proposing release, registrants, investors, and other market participants provide comments. In addition, the Commission and staff participate in ongoing dialogue with representatives of various market participants through public conferences, roundtables and meetings. All comments received on the proposed new rules and amendments are available at <https://www.sec.gov/comments/s7-13-22/s71322.htm>. 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 information collections in this submission are not kept confidential, and there is no mandatory retention period for the information disclosed.

11. SENSITIVE QUESTIONS

No information of a sensitive nature would be required under the following collections of information in connection with the proposed new rules and amendments: Form S-1, Form F-1, Form S-4, and Form F-4, Form 10-Q, Form 10-K, Schedule 14A, Schedule 14C, and Schedule TO. 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 February 18, 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

The tables below show the estimated incremental and aggregate increases in paperwork burden as a result of the proposed new rules and amendments. These estimates represent the average burden for all respondents, both large and small. In deriving these estimates, we recognize that the burdens will likely vary among individual respondents based on a number of factors, including the size and complexity of their business. These estimates include the time and the cost of preparing and reviewing disclosure, filing documents, and retaining records. We believe that some registrants will experience costs in excess of this average and some registrants

⁶ See Release No. 33-11048.

will experience less than the average costs. The methodologies for deriving these estimates are discussed below.

The burden estimates represent the burden for all SPACs that file registration statements with the Commission for registered offerings and all registrants that file disclosure documents in connection with a de-SPAC transaction or a business combination involving a shell company or a reporting shell company. Additionally, the burden estimates take into account an expected increase in the number of Securities Act registration statements as a result of proposed Rule 145a. Based on a review of Commission filings during the period 2011 – 2021 and an analysis of the effects of the proposed new rules and amendments,⁷ the staff estimates that:

- SPACs will file an average of 90 registration statements each year for registered offerings on Form S-1 and 8 registration statements on Form F-1, other than for de-SPAC transactions;
- An average of 30 registration statements on Form S-4 and 4 registration statements on Form F-4, 30 definitive proxy statements on Schedule 14A, 4 definitive information statements on Schedule 14C, and 2 tender offer statements on Schedule TO will be filed each year in connection with de-SPAC transactions; and
- An average of 20 registration statements on Form S-4 and 2 registration statements on Form F-4 will be filed each year for business combination transactions involving a reporting shell company and a non-shell company, other than de-SPAC transactions.⁸

For purposes of the Paperwork Reduction Act, the burden is allocated between internal burden hours and outside professional costs. The portion of the burden carried by outside professionals is reflected as a cost, while the portion of the burden carried by the company internally is reflected in hours. The following Table 1 sets forth the percentage estimates the Commission uses for the burden allocation for each form and schedule, consistent with current OMB estimates and recent Commission rulemakings. We estimate that the average cost of retaining outside professionals is \$400 per hour.⁹

⁷ We based these estimates, in part, on a review of Commission filings over a 10-year period because we believe that this longer timeframe would more accurately reflect the average number of registration statements filed by SPACs and disclosure documents for de-SPAC transactions in a given year.

⁸ This estimate represents the upper bound of the estimated number of Forms S-4 and F-4 filed for these transactions.

⁹ We recognize that the costs of retaining outside professionals may vary depending on the nature of the professional services, but for purposes of this analysis, we estimate that such costs would be an average of \$400 per hour. As of the date of the proposing release, this was the rate we typically estimated for outside professional services used in connection with public company reporting.

Table 1. Standard Estimated Burden Allocation for Specified Forms, Schedules, and Records

Form / Schedule / Record Type	Internal	Outside Professionals
Forms S-1, F-1, S-4, and F-4	25%	75%
Schedules 14A and 14C	75%	25%
Schedule TO	25%	75%
Form 10-K and Form 10-Q	75%	25%

The following Table 2 summarizes the estimated effects of the proposed new rules and amendments, other than Rule 145a, on the paperwork burdens associated with the affected forms, schedules, and records:¹⁰

Table 2. Calculation of the Incremental Change in Burden Estimates of Current Responses Resulting from the Proposed New Rules and Amendments, Other Than Rule 145a

Form / Schedule / Record	Number of Estimated Affected Responses	Estimated Burden Hour Increase or Decrease / Affected Response	Total Incremental Increase or Decrease in Burden Hours	Estimated Increase or Decrease in Internal Burden Hours	Estimated Increase or Decrease in Outside Professional Hours	Total Increase or Decrease in Outside Professional Costs
	(A)	(B)	(C) = (A) * (B)	(D) = (C) * (Allocation %)	(E) = (C) * (Allocation %)	(F) = (E) * \$400
Schedule 14A	30	(30)	(900)	(675)	(225)	(\$90,000)
Schedule 14C	4	(30)	(120)	(90)	(30)	(\$12,000)
Schedule TO	2	(27)	(54)	(14)	(41)	(\$16,200)
Form S-1	90	6	540	135	405	\$162,000
Form S-4	30	95	2,850	713	2,138	\$855,000
Form F-1	8	6	48	12	36	\$14,400
Form F-4	4	95	380	95	285	\$114,000
Total	168	115	2,744	176	2,568	\$1,027,200

¹⁰ We note Table 6 below, which provides a breakdown of the reasons for the burden change for each affected form based on each proposed amendment.

The following Table 3 summarizes the estimated effects of proposed Rule 145a on the paperwork burdens associated with the affected forms:

Table 3. Calculation of the Change in Burden Estimates of the Affected Forms Resulting from Proposed Rule 145a

Form / Schedule / Record	Estimated Increase in the Number of Responses	Estimated Burden Per Form	Total Incremental Increase or Decrease in Burden Hours	Estimated Increase in Internal Burden Hours	Estimated Increase in Outside Professional Hours	Total Increase in Outside Professional Costs
	(A)	(B)	(C) = (A) * (B)	(D) = (C) * (Allocation %)	(E) = (C) * (Allocation %)	(F) = (E) * \$400
Form S-4	20	3,826	76,520	19,130	57,390	\$22,956,000
Form F-4	2	1,441	2,882	720	2,162	\$864,600
Total	22	5,267	79,402	19,850	59,552	\$23,820,600

In addition, we estimate that an average of 50 fewer post-business combination companies following a de-SPAC transaction will qualify as smaller reporting companies than under the current rules until the next annual re-determination date.¹¹ While we cannot predict with certainty the number of these post-business combination companies, we estimate for purposes of these calculations that currently all post-business combination companies qualify as SRCs following de-SPAC transactions in which the SPAC is the legal acquirer and that 80% of these companies that are eligible to use the scaled SRC disclosure provisions do so.¹² We estimate that these registrants would file, on average, one Form 10-K, 1.5 Forms 10-Q, one Schedule 14A, and one registration statement on Form S-1 prior to the next re-determination of SRC status.

¹¹ This estimate is based, in part, on our estimate of the number of de-SPAC transactions in which the SPAC is the legal acquirer.

¹² This estimated realization rate is based on the same methodology and data set forth in *Smaller Reporting Company Definition*, Release No. 33-10513 (June 28, 2018) [83 FR 31992 (July 10, 2018)], at Section V.D. Though the estimated realization rate in Release No. 33-10513 preceded the effective date of the amendments to the smaller reporting company definition in 2018, we expect that the current realization rate for eligible companies using the scaled SRC disclosure provisions to be generally consistent with the estimated realization rate in 2018.

The following Table 4 summarizes the estimated effects of the proposed re-determination of SRC status on the paperwork burdens associated with the affected forms and schedules:

Table 4. Calculation of the Incremental Change in Burden Estimates of Current Responses Resulting from the Proposed Re-Determination of SRC Status

Form / Schedule / Record	Number of Estimated Affected Responses	Estimated Burden Hour Increase or Decrease / Affected Response	Total Incremental Increase or Decrease in Burden Hours	Estimated Increase or Decrease in Internal Burden Hours	Estimated Increase or Decrease in Outside Professional Hours	Total Increase or Decrease in Outside Professional Costs
	(A)	(B)	(C) = (A) * (B)	(D) = (C) * (Allocation %)	(E) = (C) * (Allocation %)	(F) = (E) * \$400
Schedule 14A	40	1	40	30	10	\$4,000
Schedule 14C	4	1	4	3	1	\$400
Form S-1	40	23	920	230	690	\$276,000
Form 10-K	40	586	23,440	17,580	5,860	\$2,344,000
Form 10-Q	60	48	2,880	2,160	720	\$288,000
Total	184	659	27,284	20,003	7,281	\$2,912,400

The following Table 5 summarizes the requested paperwork burden changes to existing information collections, including the estimated total reporting burdens and costs, under the proposed new rules and amendments.

Table 5. Requested Paperwork Burden under the Proposed New Rules and Amendments¹³

Form / Schedule	Current Burden			Program Change			Requested Change in Burden		
	Current Annual Responses	Current Burden Hours	Current Cost Burden	Number of Affected Resp.	Estimated Increase or Decrease in Outside Prof. Hours	Increase or Decrease in Outside Professional Costs	Annual Responses	Burden Hours	Cost Burden
	(A)	(B)	(C)	(D)	(E)	(F)	(G) = (A)	(H) = (B) + (E)	(I) = (C) + (F)
Schedule 14A	6,369	860,389	\$114,684,112	70	(645)	(\$86,000)	6,369	859,744	\$114,598,112
Schedule 14C	569	63,901	\$8,520,944	8	(87)	(\$11,600)	569	63,814	\$8,509,344
Schedule TO	1,378	30,834	\$12,333,000	2	(14)	(\$16,200)	1,378	30,820	\$12,316,800
Form S-1	898	141,978	\$174,015,643	130	365	\$438,000	898	142,343	\$174,453,643
Form S-4	588	560,988	\$675,605,379	50	19,843	\$23,811,000	608	580,831	\$699,416,379
Form F-1	66	26,571	\$32,130,375	8	12	\$14,400	66	26,583	\$32,144,775
Form F-4	39	13,999	\$17,013,425	6	815	\$978,600	41	14,814	\$17,992,025
Form 10-K	8,292	13,988,811	\$1,835,594,519	40	17,580	\$2,344,000	8,292	14,006,391	\$1,837,938,519
Form 10-Q	22,925	3,098,084	\$410,257,154	60	2,160	\$288,000	22,925	3,100,244	\$410,545,154
Total	41,124	18,785,555	\$3,280,154,551	374	40,029	\$27,760,200	41,146	18,825,584	\$3,307,914,751

+ See Tables 2 and 4 for the number of affected responses for Schedules 14A and 14C.

++ See Tables 2 and 4 for the number of affected responses for Form S-1.

+++ See Tables 2 and 3 for the number of affected responses for Form S-4 and Form F-4.

14. COSTS TO FEDERAL GOVERNMENT

The annual cost of reviewing and processing disclosure documents, including registration statements, post-effective amendments, proxy statements, annual reports and other filings of operating companies amounted to approximately \$131,724,880 in fiscal year 2023, based on the

¹³ Figures in this table have been rounded to the nearest whole number. In addition, the “Annual Responses” in column (G) for Form S-4 and Form F-4 reflect the estimated increases in the number of responses reflected in Table 3.

Commission’s computation of the value of staff time devoted to this activity and related overhead.

15. REASON FOR CHANGE IN BURDEN

The following Table 6 summarizes the reasons for the changes in burden in connection with the proposed new rules and amendments:

Table 6. Estimated Paperwork Burden Effects of the Proposed New Rules and Amendments Applicable to SPACs

Proposed Requirement and Effects	Affected Forms and Schedules	Estimated Effect Per Affected Response ¹⁴
<p>Item 1602: Registered offerings by special purpose acquisition companies</p> <ul style="list-style-type: none"> • Require certain information on the prospectus cover page and in the prospectus summary of registration statements for offerings by SPACs other than de-SPAC transactions. • Require enhanced dilution disclosure in these registration statements. 	<p>Forms S-1 and F-1</p>	<ul style="list-style-type: none"> • 1 hour increase in compliance burden per Form S-1 or F-1
<p>Item 1603: SPAC sponsor; conflicts of interest</p> <ul style="list-style-type: none"> • Require certain disclosure regarding the sponsor and its affiliates and any promoters of SPACs. • Require disclosure regarding conflicts of interest between the sponsor or its affiliates or promoters and unaffiliated security holders. 	<ul style="list-style-type: none"> • Forms S-1, F-1, S-4, and F-4 • Schedules 14A and 14C • Schedule TO 	<ul style="list-style-type: none"> • 2 hour increase in compliance burden per Form S-1, F-1, S-4 or F-4 • 2 hour increase in compliance burden per Schedule 14A or 14C • 2 hour increase in compliance burden per Schedule TO
<p>Item 1604: De-SPAC transactions</p> <ul style="list-style-type: none"> • Require certain information on the prospectus cover page and in the prospectus summary of registration statements for de-SPAC transactions. • Require enhanced dilution disclosure in these registration statements. 	<ul style="list-style-type: none"> • Forms S-4 and F-4 • Schedules 14A and 14C • Schedule TO 	<ul style="list-style-type: none"> • 1 hour increase in compliance burden per Form S-4 or F-4 • 1 hour increase in compliance burden per Schedule 14A or 14C • 1 hour increase in compliance burden per Schedule TO

¹⁴ Estimated effect expressed as increase or decrease of burden hours on average and, as applicable, derived from Commission staff review of samples of relevant sections of the affected forms.

Proposed Requirement and Effects	Affected Forms and Schedules	Estimated Effect Per Affected Response ¹⁴
<p>Item 1605: Background of and reasons for the de-SPAC transaction; terms of the de-SPAC transaction; effects</p> <ul style="list-style-type: none"> Require disclosure on the background, material terms and effects of the de-SPAC transaction. 	<ul style="list-style-type: none"> Forms S-4 and F-4 Schedules 14A and 14C Schedule TO 	<ul style="list-style-type: none"> 1 hour increase in compliance burden per Form S-4 or F-4 1 hour increase in compliance burden per Schedule 14A or 14C 1 hour increase in compliance burden per Schedule TO
<p>Item 1606: Fairness of the de-SPAC transaction and any related financing transaction</p> <ul style="list-style-type: none"> Require disclosure on whether a SPAC reasonably believes that a de-SPAC transaction and any related financing transactions are fair or unfair to investors. Require a discussion of the bases for this reasonable belief. 	<ul style="list-style-type: none"> Forms S-4 and F-4 Schedules 14A and 14C Schedule TO 	<ul style="list-style-type: none"> 4 hour increase in compliance burden per Form S-4 or F-4 4 hour increase in compliance burden per Schedule 14A or 14C 4 hour increase in compliance burden per Schedule TO
<p>Item 1607: Reports, opinions, appraisals and negotiations</p> <ul style="list-style-type: none"> Require disclosure regarding any report, opinion or appraisal received by a SPAC or its sponsor from an outside party relating to the fairness of a de-SPAC transaction or any related financing transaction, including disclosure on the qualifications of the outside party, method of selection, and certain material relationships that existed during the past two years. 	<ul style="list-style-type: none"> Forms S-4 and F-4 Schedules 14A and 14C Schedule TO 	<ul style="list-style-type: none"> 1 hour increase in compliance burden per Form S-4 or F-4 1 hour increase in compliance burden per Schedule 14A or 14C 1 hour increase in compliance burden per Schedule TO
<p>Item 1608: Tender offer filing obligations in de-SPAC transactions</p> <ul style="list-style-type: none"> Require additional disclosures in a Schedule TO filed in connection with a de-SPAC transaction. 	<ul style="list-style-type: none"> Schedule TO 	<ul style="list-style-type: none"> 3 hour increase in compliance burden per Schedule TO
<p>Item 1609: Financial projections in de-SPAC transactions</p> <ul style="list-style-type: none"> Require additional disclosures regarding financial projections disclosed in a disclosure document for a de-SPAC transaction. 	<ul style="list-style-type: none"> Forms S-4 and F-4 Schedules 14A and 14C Schedule TO 	<ul style="list-style-type: none"> 2 hour increase in compliance burden per Form S-4 or F-4 2 hour increase in compliance burden per Schedule 14A or 14C 2 hour increase in compliance burden per Schedule TO

Proposed Requirement and Effects	Affected Forms and Schedules	Estimated Effect Per Affected Response ¹⁴
<p>Item 1610: Structured data requirement</p> <ul style="list-style-type: none"> Require information disclosed pursuant to Subpart 1600 to be tagged in a structured, machine-readable data language. 	<ul style="list-style-type: none"> Forms S-1, F-1, S-4, and F-4 Schedules 14A and 14C Schedule TO 	<ul style="list-style-type: none"> 1 hour increase in compliance burden per Form S-1, F-1, S-4 or F-4 1 hour increase in compliance burden per Schedule 14A or 14C 1 hour increase in compliance burden per Schedule TO
<p>Proposed Amendments to Regulation S-X¹⁵</p> <p>Amend financial statement requirements and the forms and schedules filed in connection with business combination transactions involving shell companies (other than business combination related shell companies), including de-SPAC transactions, to more closely align required disclosures about the target private operating company with those required in a Form S-1 or F-1 for an initial public offering, including:</p> <ul style="list-style-type: none"> Expanding the circumstances in which target companies may report two years, instead of three years, of audited financial statements (resulting in a net decrease in burden) (proposed Rule 15-01(b)); and Further aligning the requirements for audited financial statements in these transactions with those required in a registered initial public offering (resulting in a net decrease in burden) (proposed Rule 15-01(c), (d) and (e)). 	<ul style="list-style-type: none"> Forms S-4 and F-4 Schedules 14A and 14C Schedule TO 	<ul style="list-style-type: none"> 50 hour net decrease in compliance burden per affected Form S-4 or F-4 50 hour net decrease in compliance burden per affected Schedule 14A or 14C 50 hour net decrease in compliance burden per affected Schedule TO
<p>Proposed Amendments to Align Non-Financial Statement Disclosures in De-SPAC Transactions</p> <ul style="list-style-type: none"> Amend the forms and schedules filed in connection with de-SPAC transactions to more closely align required non-financial statement disclosures about the target private operating company with those required in a Form S-1 or F-1 for an initial public offering. 	<ul style="list-style-type: none"> Forms S-4 and F-4 Schedules 14A and 14C Schedule TO 	<ul style="list-style-type: none"> 8 hour increase in compliance burden per Form S-4 or F-4 8 hour increase in compliance burden per Schedule 14A or 14C 8 hour increase in compliance burden per Schedule TO

¹⁵ We arrive at an estimate for these amendments to Regulation S-X on the assumption that approximately 30% of affected responses would require one fewer year of audited financial statements under proposed Rule 15-01(b) than under the current rules from registrants that would not otherwise have prepared financial statements for such year. Coupled with an incremental increase in burden for the proposed amendments to Regulation S-X other than proposed Rule 15-01(b), when this decrease is spread across all affected responses, we arrive at a net burden decrease of 50 hours.

Proposed Requirement and Effects	Affected Forms and Schedules	Estimated Effect Per Affected Response¹⁴
<p>Proposed Amendment to Forms S-4 and F-4</p> <ul style="list-style-type: none"> Amend Form S-4 and Form F-4 to require that the SPAC and the target private operating company be treated as co-registrants when the Form S-4 or Form F-4 is filed by the SPAC in connection with a de-SPAC transaction 	<ul style="list-style-type: none"> Forms S-4 and F-4 	<ul style="list-style-type: none"> 100 hour increase in compliance burden per Form S-4 or F-4^{16***}

In addition, the Commission proposed to require that a post-business combination company re-determine whether it is a smaller reporting company (SRC) following a de-SPAC transaction. As proposed, the post-business combination company would be required to reflect this re-determination in its first periodic report after the de-SPAC transaction and in Commission filings thereafter until its next annual re-determination of SRC status. We estimate that the proposed re-determination of SRC status would result in increased burdens in filing Forms 10-K, Forms 10-Q, Schedules 14A, Schedules 14C, and Forms S-1 for those post-business combination companies that would lose SRC status, which takes into account the increased incremental burden in providing disclosures pursuant to non-SRC disclosure requirements.

The following Table 7 sets forth our estimates regarding the increase in compliance burden when a post-business combination company loses SRC status:

Table 7. Increase in Compliance Burden After Losing SRC Status

Form / Schedule	Estimated Increase in Internal Hours per Filing	Estimated Increase in Outside Professional Hours per Filing	Estimated Increase in Outside Professional Costs per Filing
Form 10-K*	439	147	\$58,800
Form 10-Q*	36.57	11.88	\$4,752
Schedule 14A**	0.75	0.25	\$100
Schedule 14C***	0.75	0.25	\$100
Form S-1*	5.75	17.25	\$6,900

¹⁶ The estimated 100 hour increase in burden is based on an estimate of the additional time that a target company, as a co-registrant, would spend on preparing disclosures in a Form S-4 or F-4 filed by a SPAC for a de-SPAC transaction.

Notes:

* The estimated increases in compliance burdens are based on the difference between the current estimates for the applicable form and the estimated burden for SRCs in filing the form. We estimate the compliance burden for an SRC in filing these forms using the same methodology as in 2018 when the Commission amended the smaller reporting company definition. *See* Release No. 33-10513, at Section V.

** In regard to Schedule 14A, we estimate that a company that loses SRC status would experience an increased compliance burden of 0.75 internal burden hours and a cost of \$100 (0.25 professional hours x \$400/hour) per schedule, based on our estimate of the compliance burden for 17 CFR 229.407(d)(5) and (e)(4) and (5) (Item 407(d)(5) and (e)(4) and (5) of Regulation S-K), with which smaller reporting companies are not required to comply.

*** Similar to Schedule 14A, we estimate that, in regard to Schedule 14C, a company that loses SRC status would experience an increased compliance burden of 0.75 burden hours and a cost of \$100 (0.25 professional hours x \$400/hour) per report, based on our estimate of the compliance burden for Item 407(d)(5) and (e)(4) and (5) of Regulation S-K.

16. INFORMATION COLLECTION PLANNED FOR STATISTICAL PURPOSES

The information collections do not employ statistical methods.

17. EXPLANATION AS TO WHY EXPIRATION DATE WILL NOT BE DISPLAYED

We request authorization to omit the expiration date on the electronic versions of the forms and schedules. Including the expiration date on the electronic versions of the forms and schedules will result in increased costs because the need to make changes to the forms and schedules 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 S-1 SHORT STATEMENT

The proposed new rules and amendments are intended to improve the usefulness and clarity of the information provided to investors so that they can make better informed decisions as to whether to purchase securities in SPAC registered offerings, including initial public offerings, and in voting, investment and redemption decisions in connection with de-SPAC transactions. The proposed new rules and amendments are also intended to enhance investor protections as well as provide additional clarity regarding the legal obligations of target companies and others in connection with de-SPAC transactions. We anticipate that the proposed new rules and amendments would, in the aggregate, increase the burdens and costs to SPACs and target private operating companies. These estimated burden and cost increases are expected to result primarily from the proposals to require additional disclosures in SPAC registered offerings and de-SPAC transactions, including additional disclosures on the sponsor of the SPAC, potential conflicts of interest, dilution, and the fairness of the de-SPAC transaction. In addition, the proposed re-determination of smaller reporting company (SRC) status would result in increased burdens in filing Forms 10-K, Forms 10-Q, Schedules 14A, Schedules 14C, and Form S-1 for those post-business combination companies that would lose SRC status, which takes into account the increased incremental burden in providing disclosures pursuant to non-SRC disclosure requirements. For purposes of the PRA, we estimate that the proposals relating to Form S-1 will result in a net increase of 365 burden hours and a net increase in the cost burden of \$438,000 for the services of outside professionals.

FORM F-1 SHORT STATEMENT

The proposed new rules and amendments are intended to improve the usefulness and clarity of the information provided to investors so that they can make better informed decisions as to whether to purchase securities in SPAC registered offerings, including initial public offerings, and in voting, investment and redemption decisions in connection with de-SPAC transactions. The proposed new rules and amendments are also intended to enhance investor protections as well as provide additional clarity regarding the legal obligations of target companies and others in connection with de-SPAC transactions. We anticipate that the proposed new rules and amendments would, in the aggregate, increase the burdens and costs to SPACs and target private operating companies. These estimated burden and cost increases are expected to result primarily from the proposals to require additional disclosures in SPAC registered offerings and de-SPAC transactions, including additional disclosures on the sponsor of the SPAC, potential conflicts of interest, dilution, and the fairness of the de-SPAC transaction. For purposes of the PRA, we estimate that the proposals relating to Form F-1 will result in a net increase of 12 burden hours and a net increase in the cost burden of \$14,400 for the services of outside professionals.

FORM S-4 SHORT STATEMENT

The proposed new rules and amendments are intended to improve the usefulness and clarity of the information provided to investors so that they can make better informed voting, investment and redemption decisions in connection with de-SPAC transactions. The proposed new rules and amendments are also intended to enhance investor protections as well as provide additional clarity regarding the legal obligations of target companies and others in connection with de-SPAC transactions. We anticipate that the proposals to require additional disclosures in de-SPAC transactions would increase the compliance burden on SPACs and target private operating companies, which would be offset, to an extent, by a decrease in compliance burden from the proposed amendments to Regulation S-X. In addition, we anticipate that proposed Rule 145a would result in an increase in the number of registration statements on Form S-4 and Form F-4. For purposes of the PRA, we estimate that the proposals relating to Form S-4 will result in a net increase of 19,843 burden hours and a net increase in the cost burden of \$23,811,000 for the services of outside professionals.

FORM F-4 SHORT STATEMENT

The proposed new rules and amendments are intended to improve the usefulness and clarity of the information provided to investors so that they can make better informed voting, investment and redemption decisions in connection with de-SPAC transactions. The proposed new rules and amendments are also intended to enhance investor protections as well as provide additional clarity regarding the legal obligations of target companies and others in connection with de-SPAC transactions. We anticipate that the proposals to require additional disclosures in de-SPAC transactions would increase the compliance burden on SPACs and target private operating companies, which would be offset, to an extent, by a decrease in compliance burden from the proposed amendments to Regulation S-X. In addition, we anticipate that proposed Rule 145a would result in an increase in the number of registration statements on Form S-4 and Form F-4. For purposes of the PRA, we estimate that the proposals relating to Form F-4 will result in a net increase of 815 burden hours and a net increase in the cost burden of \$978,600 for the services of outside professionals.

FORM 10-K SHORT STATEMENT

The proposed re-determination of smaller reporting company (SRC) status would result in increased burdens in filing Forms 10-K, for those post-business combination companies that would lose SRC status, which takes into account the increased incremental burden in providing disclosures pursuant to non-SRC disclosure requirements. For purposes of the PRA, we estimate that the proposals relating to Form 10-K will result in a net increase of 17,580 burden hours and a net increase in the cost burden of \$2,344,000 for the services of outside professionals.

FORM 10-Q SHORT STATEMENT

The proposed re-determination of smaller reporting company (SRC) status would result in increased burdens in filing Forms 10-Q, for those post-business combination companies that would lose SRC status, which takes into account the increased incremental burden in providing disclosures pursuant to non-SRC disclosure requirements. For purposes of the PRA, we estimate that the proposals relating to Form 10-Q will result in a net increase of 2,160 burden hours and a net increase in the cost burden of \$288,000 for the services of outside professionals.

REGULATION 14A SHORT STATEMENT

The proposed new rules and amendments are intended to improve the usefulness and clarity of the information provided to investors so that they can make better voting, investment and redemption decisions in connection with de-SPAC transactions. The proposed new rules and amendments are also intended to enhance investor protections as well as provide additional clarity regarding the legal obligations of target companies and others in connection with de-SPAC transactions. We anticipate that the proposals to require additional disclosures in SPAC registered offerings and de-SPAC transactions would increase the compliance burden on SPACs and target private operating companies, which would be offset, to an extent, by a decrease in compliance burden from the proposed amendments to Regulation S-X. In addition, the proposed re-determination of smaller reporting company (SRC) status would result in increased burdens in filing Schedules 14A for those post-business combination companies that would lose SRC status, which takes into account the increased incremental burden in providing disclosures pursuant to non-SRC disclosure requirements. For purposes of the PRA, we estimate that, overall, the proposals relating to Schedule 14A will result in a net decrease of 645 burden hours and a net decrease in the cost burden of \$86,000 for the services of outside professionals.

REGULATION 14C SHORT STATEMENT

The proposed new rules and amendments are intended to improve the usefulness and clarity of the information provided to investors so that they can make better informed voting, investment and redemption decisions in connection with de-SPAC transactions. The proposed new rules and amendments are also intended to enhance investor protections as well as provide additional clarity regarding the legal obligations of target companies and others in connection with de-SPAC transactions. We anticipate that the proposals to require additional disclosures in SPAC registered offerings and de-SPAC transactions would increase the compliance burden on SPACs and target private operating companies, which would be offset, to an extent, by a decrease in compliance burden from the proposed amendments to Regulation S-X. In addition, the proposed re-determination of smaller reporting company (SRC) status would result in increased burdens in filing Schedules 14C for those post-business combination companies that would lose SRC status, which takes into account the increased incremental burden in providing disclosures pursuant to non-SRC disclosure requirements. For purposes of the PRA, we estimate that, overall, the proposals relating to Schedule 14C will result in a net decrease of 87 burden hours and a net decrease in the cost burden of \$11,600 for the services of outside professionals.

SCHEDULE TO SHORT STATEMENT

The proposed new rules and amendments are intended to improve the usefulness and clarity of the information provided to investors so that they can make better informed voting, investment and redemption decisions in connection with de-SPAC transactions. The proposed new rules and amendments are also intended to enhance investor protections as well as provide additional clarity regarding the legal obligations of target companies and others in connection with de-SPAC transactions. We anticipate that the proposals to require additional disclosures in SPAC registered offerings and de-SPAC transactions would increase the compliance burden on SPACs and target private operating companies, which would be offset, to an extent, by a decrease in compliance burden from the proposed amendments to Regulation S-X. For purposes of the PRA, we estimate that, overall, the proposals relating to Schedule TO will result in a net decrease of 14 burden hours and a net decrease in the cost burden of \$16,200 for the services of outside professionals.