

SUPPORTING STATEMENT FOR THE PAPERWORK REDUCTION ACT
INFORMATION COLLECTION SUBMISSION FOR FORM 1-SA

A. JUSTIFICATION

1. CIRCUMSTANCES MAKING THE COLLECTION OF INFORMATION NECESSARY

The Securities Act of 1933, as amended (the “Securities Act”), generally requires that a registration statement be filed with the Securities and Exchange Commission (the “Commission”) disclosing prescribed information before securities may be offered for sale to the public. While the Securities Act already authorizes the Commission to exempt certain securities and transactions from registration, Section 401 of the Jumpstart Our Business Startups Act added Section 3(b)(2) to the Securities Act, creating a new exemption from registration. The Commission has adopted various rules (collectively, “Regulation A”) establishing a limited offering exemption from the registration requirements of the Securities Act. Regulation A provides an exemption for offerings that satisfy certain conditions, such as filing an offering statement with the Commission, limiting the dollar amount of the offering and, in certain instances, filing ongoing reports with the Commission. Form 1-SA is filed with the Commission under Regulation A.

2. PURPOSE AND USE OF THE INFORMATION COLLECTION

The purpose of Forms 1-SA is to better inform the public about companies that have conducted Tier 2 offerings under Regulation A. Form 1-SA provides semiannual, interim financial statements and information about the issuer’s liquidity, capital resources and operations after the issuer’s second fiscal quarter. The Commission will use very little of the collected information itself, except on an occasional basis in the enforcement of federal securities laws.

3. CONSIDERATION GIVEN TO INFORMATION TECHNOLOGY

Form 1-SA is filed electronically using the Commission’s Electronic Data Gathering, Analysis and Retrieval (EDGAR) system.

4. DUPLICATION OF INFORMATION

The Commission makes every effort to coordinate with other regulatory entities when necessary or appropriate in the public’s interest and for the protection of investors and to streamline regulations to enhance the production of capital. We are not aware of any forms or rules that conflict with or substantially duplicate the requirements of Form 1-SA.

5. REDUCING THE BURDEN ON SMALL ENTITIES

Regulation A is an exemption from Securities Act registration relating to small issues and small issuers. Regulation A provides an exemption to small issuers while allowing them to conduct larger offerings that are exempt from Securities Act registration. We believe that many of the issuers in Regulation A offerings are small entities, but we currently do not collect information on total assets of companies that use Regulation A to determine if they are small entities.

6. CONSEQUENCES OF NOT CONDUCTING COLLECTION

The information required by Regulation A and its offering statement are used by public investors and serve the purpose of protecting our financial markets from fraud, which helps to instill investor confidence. The information required by Regulation A is also intended to ensure the adequacy of information to investors regarding offerings pursuant to that exemption. The exemption from Securities Act registration made in reliance on the amendments would not be available without this collection of information.

7. SPECIAL CIRCUMSTANCES

There are no special circumstances.

8. CONSULTATIONS WITH PERSONS OUTSIDE THE AGENCY

No comments were received during the 60-day comment period prior to OMB's review of this submission.

9. PAYMENT OR GIFT TO RESPONDENTS

No payment or gift has been provided to any respondents.

10. CONFIDENTIALITY

Rule 251(e) (§ 230.251(e)) allows for requests for confidential treatment to be made under existing Rule 406 (§ 230.406) for information required to be filed with the Commission and existing Rule 83 (§ 230.83) for information not required to be filed with the Commission. The collections of information required by Regulation A and its offering statement are public documents.

11. SENSITIVE QUESTIONS

No information of a sensitive nature, including social security numbers, will be required under this collection of information. The information collection collects basic Personally Identifiable Information (PII) that may include name, address, and zip code. However, the agency has determined that the information collection does not constitute a system of record for purposes of the Privacy Act. Information is not retrieved by a personal identifier. In accordance with Section 208 of the E-Government Act of 2002, the agency has conducted a Privacy Impact Assessment (PIA) of the EDGAR system, in connection with this collection of information. The EDGAR PIA, published on March 6, 2025, is provided as a supplemental document and is also available at <https://www.sec.gov/privacy>.

12. ESTIMATE OF RESPONDENT REPORTING BURDEN

Estimated Reporting Burden

Information Collection Title	OMB Control Number	Number of Responses	Burden Hours
Form 1-SA	3235-0721	464	74,163

We estimate that an average of 464 issuers annually filed the Form 1-SA over the three-year period ended December 31, 2024, and we estimate the average number of hours to prepare a Form 1-SA is 188.04 hours. We further estimate that 85% of the 188.04 hours per response (159.834 hours) is carried internally by the issuer for an annual reporting burden of 74,163 hours (159.834 hours per response x 464 responses).

We derived our burden hour estimates by estimating the average number of hours it would take an issuer to compile the necessary information and data, prepare and review disclosure, file documents and retain records. In connection with rule amendments to the form, we occasionally receive Paperwork Reduction Act (“PRA”) estimates from public commenters about incremental burdens that are used in our burden estimates. We believe that the actual burdens will likely vary among individual issuers based on the nature of their operations. For administrative convenience, the presentation of the total related to the paperwork burden hours has been rounded to the nearest whole number. The estimated burden hours is made solely for the purpose of the PRA.

13. ESTIMATE OF TOTAL ANNUALIZED COST BURDEN

Estimated Cost Burden

Information Collection Title	OMB Control Number	Number of Responses	Cost Burden
Form 1-SA	3235-0721	464	\$7,852,550

We estimate that 15% of the 188.04 hours per response (28.206 hours) is carried externally by outside professionals. We estimate an annual cost burden of \$7,852,550, calculated assuming an hourly cost for outside professionals of \$600 (\$600 per hour x 28.206 hours per response x 464 annual responses).

We estimate an hourly cost of \$600 for outside professionals, including legal and accounting services used in connection with public company reporting. This estimate is based on our consultations with registrants and professional firms who regularly assist registrants in preparing and filing disclosure documents with the Commission. Our estimates reflect average burdens, and therefore, some companies may experience costs in excess of our estimates and some companies may experience costs that are lower than our estimates. For administrative convenience, the presentation of the total cost burden has been rounded to the nearest dollar. The cost estimate is made solely for the purpose of the PRA.

14. COSTS TO FEDERAL GOVERNMENT

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

15. REASON FOR CHANGE IN BURDEN

Change In Burden Hours and Cost Burden Adjustments

Information Collection Title	OMB Control Number	Number of Responses Adjustment Increase	Burden Hours Adjustment Increase	Cost Burden Adjustment Increase
Form 1-SA	3235-0721	409	65,372	\$7,234,130

The increase of 65,372 burden hours and the increase in cost burden of \$7,234,130 displayed in the above table are due to two adjustments: the first is an increase of 409 in the number of annual responses, calculated by the difference between 464, the average number of respondents annually filing Forms 1-SA over the last three-year period ended December 31, 2024, and 55, the average number of respondents annually filing the Forms 1-SA over the

previously reported three year period; and the second is the Commission's change in the estimated cost burden per hour for outside professionals from \$398 per hour to \$600 per hour. Accordingly, based on our estimates, we calculate the burden hours adjustment increase to be 65,372, calculated, as follows: $85\% \times 188.04 \text{ hours per response} \times 409 \text{ responses}$. We also calculate the cost burden adjustment increase to be \$7,234,130, calculated based on the difference between the estimated annual cost burden of \$7,852,550, as reported in the table under Question 13 above, assuming 464 responses per year, and the annual cost burden of \$618,420, as reported in our supporting statement for the previous reporting period, assuming 55 responses per year.

16. INFORMATION COLLECTION PLANNED FOR STATISTICAL PURPOSES

The information collection is not planned for statistical purposes.

17. APPROVAL TO OMIT EXPIRATION DATE

We request authorization to omit the expiration date on the electronic version of the forms. Including the expiration date on the electronic version of the form will result in increased costs, because the need to make changes to the form may not follow the EDGAR 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 Paperwork Reduction Act submissions.

B. STATISTICAL METHODS

The information collection does not employ statistical methods.