

**Multilateral CSA Notice of Amendments to
National Instrument 13-101 *System for Electronic Document
Analysis and Retrieval (SEDAR)*
and Multilateral Instrument 13-102 *System Fees for
SEDAR and NRD***

December 3, 2015

Introduction

The members of the Canadian Securities Administrators (the **CSA**), except for the Ontario Securities Commission (**OSC**) and the British Columbia Securities Commission (**BCSC**) (the **participating jurisdictions** or **we**), have adopted amendments to each of the following:

- National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)* (**NI 13-101**), and
- Multilateral Instrument 13-102 *System Fees for SEDAR and NRD* (**MI 13-102**),

(collectively, the **Amendments**).

Provided all necessary ministerial approvals are obtained, the Amendments will come into force on **May 24, 2016** (the **effective date**).

The Amendments will be adopted in each of the participating jurisdictions either as an amendment to a rule or as an amendment to a regulation.

Substance and purpose

The substance and purpose of the Amendments is to provide an interim electronic filing solution to issuers for exempt market filings (as defined below). The interim solution will eventually be replaced by a national electronic filing system that accommodates exempt market filings in all CSA jurisdictions. A nominal fee will be charged on reports of exempt distribution for cost recovery purposes.

Background

The Amendments will require the following documents (the **exempt market filings**), which exist or are proposed under prospectus exemptions, to be filed in electronic format on SEDAR in accordance with NI 13-101 in the participating jurisdictions:

- Form 45-106F1 *Report of Exempt Distribution*;
- the offering memorandum and any other document, such as financial statements or marketing materials, that may be required in the future to be filed or delivered under section 2.9 [*Offering memorandum*] of National Instrument 45-106 *Prospectus Exemptions* (**NI 45-106**);

- in Saskatchewan, Manitoba, Québec, New Brunswick and Nova Scotia, the offering document and Form 5 – *Start-up Crowdfunding – Report of Exempt Distribution* under the start-up crowdfunding prospectus and registration exemptions and the offering document, distribution materials, financial statements, notices and certain other documents under Multilateral Instrument 45-108 *Crowdfunding*¹ (together the **crowdfunding exemptions**); and
- in Québec, a disclosure document delivered to subscribers required to be filed under section 37.2 of the *Securities Regulation* (Québec).²

The Amendments would also impose a SEDAR system fee of \$25 per filing of a report of exempt distribution, including a report of exempt distribution prepared in accordance with Form 45-106F1 *Report of Exempt Distribution* or Form 5 – *Start-up Crowdfunding – Report of Exempt Distribution*. This fee would be in addition to any filing fee required in the participating jurisdictions.

On June 30, 2015, we published a Notice and Request for Comment relating to the Amendments (the **June 2015 Publication**) in which we proposed requiring electronic filing of the exempt market filings, as set out above.

Summary of written comments received by the CSA

The comment period for the June 2015 Publication ended on August 31, 2015. We received submissions from 6 commenters. We considered the comments received and thank all of the commenters for their input. The names of commenters are contained in Annex A of this notice and a summary of their comments, together with our responses, is contained in Annex B of this notice.

Summary of changes to the June 2015 Publication

After considering the comments received on the June 2015 Publication, we have decided to proceed with our proposal to require exempt market filings to be made on SEDAR substantially as described in our June 2015 Publication. However, we have made revisions to the SEDAR system to reduce the risk of confidential information inadvertently being made public at the time of the filing and to change the access level on SEDAR for documents filed under the crowdfunding exemptions.

¹ In Saskatchewan, MI 45-108 is being published for a second comment period. It has been adopted in Manitoba, New Brunswick, Nova Scotia, Ontario and Québec.

² Section 37.2 of *Securities Regulation* (Québec) requires that, when a distribution is made pursuant to an exemption, any disclosure document delivered to subscribers, even if such document is not required by the *Securities Act* (Québec) or the Regulations, be filed without delay with the Autorité des marchés financiers, unless it has previously been filed.

Confidential information & SEDAR

In the June 2015 Publication, we described the filing of the report of exempt distribution as follows:

The report of exempt distribution is divided into two sections: the body of the report, which is generally public information; and, Schedule 1 of the report, which includes personal information about each investor, which is generally confidential information. Since the information on Schedule 1 is generally kept confidential, a filer will need to detach Schedule 1 from the body of the report of exempt distribution and file it with a separate access level on SEDAR that allows the Schedule 1 information to remain private.

As a result of the comments received, we have modified SEDAR to further reduce the risk of confidential information inadvertently being made public by the filer. The modifications include:

1. adding a pop-up warning message, once the document has been uploaded to the report of exempt distribution filing type, that notifies the filer that Schedule 1 must be filed separately because it contains sensitive personal information and that failure to do so will result in this information being made public; and
2. requiring the filer to acknowledge that Schedule 1 has been removed from the report of exempt distribution before the filer is able to submit the filing. We have made this feature more interactive so that it is not merely a tick-the-box exercise.

The filer will receive one additional general warning message reminding them of their obligation to comply with privacy laws when submitting filings on SEDAR that the filer will need to acknowledge before the filing will be accepted and made public.

Notwithstanding the safeguards that have been put in place, if a filer still includes confidential information in a public filing, the filer can notify staff at a securities regulatory authority in one of the participating jurisdictions and staff will assist the filer by making this filing private.

Access level for Crowdfunding documents

In the June 2015 Publication, we indicated that the offering document and distribution materials relating to the crowdfunding exemptions would have a private access level on SEDAR. However, in order to provide consistent access level to all public information, we intend to make the offering document and distribution materials relating to the crowdfunding exemption publicly available on SEDAR.

Voluntary filing period

The participating jurisdictions will issue blanket orders to allow issuers to electronically file certain exempt market filings in advance of the effective date. A copy of the applicable blanket order is included in Annex D1. The blanket order will take effect on December 7, 2015.

Between December 7, 2015 and May 24, 2016, there will be no SEDAR system fee for voluntarily filing exempt market filings on SEDAR.

For additional information and considerations relating to making filings and electronic payments on SEDAR, please see the Multilateral CSA Notice that accompanied the June 2015 Publication. An updated version of the SEDAR filer manual is available on the SEDAR website at www.sedar.com.

To obtain a list of filing agents or for questions regarding the SEDAR software, please refer your questions to:

EMFonSEDAR-Support@csa-acvm.ca

Contents of Annexes

The following annexes form part of this CSA Notice:

Annex A	List of Commenters
Annex B	Summary of Comments and Responses
Annex C1	Amendments to NI 13-101
Annex C2	Amendments to MI 13-102
Annex D1	Local Matters – Blanket Order
Annex D2	Local Matters – Other

Questions

Please refer your questions to any of the following:

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