

ANNEX D

SUMMARY OF COMMENTS AND CSA RESPONSES

This Annex summarizes the comments we received and our responses to those comments.

ITEM	TOPIC	SUMMARIZED COMMENT	CSA RESPONSE
1.	Support for the adoption of a new national filing system	<p>We received 9 comment letters. The commenters generally support the adoption of a new national system to replace the CSA national systems.</p> <p>The following are examples of the comments received:</p> <ul style="list-style-type: none">• We are broadly supportive of the updates being made by the CSA to the CSA national systems, including SEDAR.• Our members look forward to the implementation of a new integrated national information and filing system.• The potential benefits of [SEDAR+] to regulators, market participants and investors are clear and significant. For regulators, a single structured database presents the opportunity to streamline internal workflow processes, break down silos, develop analytics to optimize organizational performance, and identify compliance review priorities. For market participants, the opportunity to easily access the information and data they are required to file would reduce the need for multiple manual data entries, streamline their own internal work processes, and improve compliance by enabling firms to leverage this data in their business operations and compliance supervision activities.• [We are] very supportive of the CSA's proposed centralized information technology system, as well as the harmonized	<p>We acknowledge the comments of support and thank the commenters.</p>

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		<p>approach the CSA is taking with respect to [SEDAR+]. We believe that replacing outdated, fragmented reporting systems and databases with more efficient, centralized, and secure technology is a key step in reducing regulatory burden, increasing information security, and facilitating information flow in an efficient and cost-effective manner.</p> <ul style="list-style-type: none"> • We view [SEDAR+] as an important opportunity to improve information flow that is worth the short-term investment for the longer-term benefit of all stakeholders, including for investors and the CSA. • We thank the CSA for the work being done to create and roll out [SEDAR+]. Technology and database updates are often more complex than they seem, but this undertaking is well overdue and, we believe, very worth the resources and time devoted by CSA staff to make it a reality. • [We have] been an advocate for modernizing the national records filing system for years and [are] pleased that the CSA has moved forward on long awaited revisions to this system. • The redevelopment of the existing outdated and unwieldy systems into an integrated framework is an important step in ensuring that the regulatory infrastructure employs appropriate technology and system design to meet the industry’s current and future requirements. • [We commend] the CSA for undertaking the proposed integrated information and filing system, as the existing databases and processes are outdated and have exceeded their useful lifespan. 	

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		<ul style="list-style-type: none"> • We are very encouraged that the CSA has adopted a harmonized approach to [SEDAR+] as we anticipate that this approach will result in a more efficient exchange of information, thereby increasing productivity for both registrants and regulators. • We are fully in support of the concept behind [SEDAR+] referred to in the CSA Notice. Replacing these outdated platforms with a single, nationally harmonized platform could reduce the regulatory burden of compliance while improving the efficient flow of information that underpins fair and transparent capital markets. • [SEDAR+] will provide long-term added value to industry, regulators and investors if an open architecture path is chosen. • We appreciate the CSA’s adoption of the existing principal jurisdiction analysis in Multilateral Instrument 11-102 <i>Passport System</i> in [NI 13-103]. 	
2.	Comments related to [SEDAR+] generally	<p>Many of the commenters provided feedback and suggestions on matters related to the design, development and implementation of [SEDAR+]. These include comments related to system design, implementation, testing prior to launch, search functionality, systems governance, functionality related to data mining and data. We also received comments on the design of the components of the system related to the Disciplined List, the CTO Database, and the National Registration Database, and comments related to filing of reports of exempt distribution and associated fees.</p>	<p>We thank the commenters for their feedback and suggestions, however these comments are outside of the scope of the NI 13-103. [SEDAR+] program staff have reached out directly to commenters to discuss these comments further in connection with their ongoing work on system design, development and implementation.</p>

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3.	<p>Documents required in connection with a hearing, compliance review, proceeding or investigation</p>	<p>Two commenters commented on the decision that documents required in connection with a hearing, compliance review, proceeding or investigation will never be filed or delivered through [SEDAR+].</p> <p>One of the commenters questioned why these documents should not be filed or delivered through [SEDAR+], given the system security presumed to be included. The commenter noted that allowing for the electronic exchange of these types of documents would further eliminate regulatory burden for registrants and increase efficiency for regulators.</p> <p>The other commenter urged the CSA to expand its system capabilities to allow for the filing of these documents to be delivered securely and seamlessly to the relevant CSA staff. The commenter stated that parallel systems of this nature would considerably improve information flow, reduce regulatory burden, and address several long-standing technology challenges and frustrations that registrants experience when communicating information during a compliance review or otherwise; several firms have difficulties transmitting large files via email, necessitating several smaller emails to the regulator, causing unnecessary work and fragmentation of documents during what is already a resource, time and document-intensive process.</p>	<p>Hearings, compliance reviews, proceedings, and investigations are local jurisdictional responsibilities. SEDAR+ in its initial phases is focused primarily on national filings, and not on local filings or transfers of large files. Local jurisdictions will continue to receive documents required in connection with a hearing, compliance review, proceeding, or investigation outside of SEDAR+ as they do now.</p>
4.	<p>Changing access status of a document</p>	<p>Two commenters noted that CP 13-103 states that there are limited circumstances in which the CSA will consider changing the access status of a document from public to private in [SEDAR+] without a formal request for confidentiality, which include instances in which a person or company that is entitled to file a redacted version of a material contract or agreement “transmits a non-redacted version of the document as a result of technical software errors in electronic</p>	<p>We have considered the comments and agree that the provision is too restrictive. We have broadened the provision to permit a change of access status to private in all circumstances where a filer</p>

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		<p>redaction software”. The commenter believes that this is too restrictive, as it would not permit the change of access status where information is mistakenly filed without redaction, and recommended that the provision be amended to permit a change of access status to private when there has been any mistake in filing a properly redacted version.</p>	<p>is entitled to file a redacted version of a material contract or agreement, and transmits a non-redacted version in error. This would include technical software errors in electronic redaction software, as well as other errors.</p>
5.	<p>Requirement to update profile</p>	<p>Two commenters commented on the provision of NI 13-103 requiring that, where information in a profile becomes inaccurate, the profile must be updated at the earlier of the next time a document is transmitted through the system, or 10 days after the date on which the information becomes inaccurate. The commenter recommended that, in order to reduce the potential burden imposed by this obligation, the CSA consider a more nuanced approach by assessing the relative importance of the information within the profile, and that more critical profile information should be updated within 10 days, while less critical profile information could be updated when a document is next transmitted through [SEDAR+].</p>	<p>We have considered the suggestions made by the commenters; however, we think that profile information is important information used by market participants, investors and the CSA that needs to be kept current. Also, we do not think that there is a significant burden associated with updating profile information within the timeframes provided.</p>