

Notice and Request for Comment

Proposed Amendments to National Instrument 55-102 *System for Electronic Disclosure by Insiders (SEDI)*, Form 55-102F1, Form 55-102F2, Form 55-102F3 and Form 55-102F6

The Canadian Securities Administrators (CSA or we) are publishing for comment proposed amendments to:

- National Instrument 55-102 *System for Electronic Disclosure by Insiders (SEDI)* (NI 55-102) and
- Forms 55-102F1 *Insider Profile*, 55-102F2 *Insider Report*, 55-102F3 *Issuer Profile Supplement* and 55-102F6 *Insider Report*.

We are publishing all the proposed amendments with this Notice. You can also find the proposed amendments on websites of CSA members, including :

- www.bcsc.bc.ca
- www.albertasecurities.com
- www.sfsc.gov.sk.ca
- www.msc.gov.mb.ca
- www.osc.gov.on.ca
- www.lautorite.qc.ca
- www.nbsc-cvmb.ca

We invite comment on these materials generally.

Introduction and background

The proposed amendments to NI 55-102 and the forms (together, the SEDI instruments), are an initiative of all members of the CSA.

SEDI was launched on May 5, 2003. The CSA implemented SEDI out of a desire to make the filing of insider information easier and faster, as well as to make information from insider reports accessible to the public in real time and in an easily readable format. While SEDI has fulfilled its purpose, the CSA has received numerous complaints and suggestions from direct users of the system about the quality of its user interface.

SEDI Release 1.7.0 was implemented on October 6, 2007. This release addresses certain issues raised in the SEDI user opinion survey we conducted in 2005 and 2006. The goal of SEDI Release 1.7.0 is to improve the SEDI filing system by modifying some of the processes that filers identified as the cause of the greatest difficulties. The substance and purpose of the proposed amendments to the SEDI instruments are to complement the changes made in SEDI Release 1.7.0.

The changes to the SEDI system streamline the insider report filing process by reducing the number of screens and enhancing user navigation, eliminating the use of the insider access key for insiders who are self filers and improving the usability of the “view insider profile” screen by enhancing its visual impact and adding optional features.

Summary of changes to the SEDI instruments

Section 5.2 of NI 55-102 is amended to reflect the fact that self-filing insiders who log on to SEDI using their SEDI user ID and password will no longer have to also input their access key, except when first linking to the insider profile created by an agent. Agents who file on behalf of an insider will still be required to input the insider’s access key.

Item 7 of Form 55-102F1 is amended to reflect the requirements under the laws of New Brunswick on the choice of language of correspondence.

Item 3 of Form 55-102F2 is amended to reflect the fact that when necessary, a filer will need to click on the left-hand tool bar item labeled “Amend insider profile” on the screen entitled “Amend insider profile” whereas the instructions in current Form 55-102F2 are to click on “Amend”.

Item 4 of Form 55-102F2 is amended to provide filers with the option of viewing an issuer event report by selecting the “View issuer event reports” feature on the screen entitled “File insider report (Form 55-102F2) – Select issuer”. The issuer event report will no longer be automatically displayed for review by the filer.

Forms 55-102F1, 55-102F2, 55-102F3 and 55-102F6 have been amended to include the reference to the New Brunswick Securities Commission.

The amendments to NI 55-102 are set out in Appendix A. The amendments to Form 55-102F1 *Insider Profile*, Form 55-102F2 *Insider Report*, Form 55-102F3 *Issuer Profile Supplement* and Form 55-102F6 *Insider Report* are set out in Appendix B.

Alternatives considered

We have not considered other alternatives.

Unpublished materials

In proposing amendments to NI 55-102, Form 55-102F1, Form 55-102F2, Form 55-102F3 and Form 55-102F6, we have not relied on any significant unpublished study, report, or other written materials.

Authority for Amendments – Ontario

Appendix C sets out the provisions of the *Securities Act* (Ontario) (the Act) which provide the Ontario Securities Commission with authority to make the amendments described in this Notice as well as a statement of anticipated costs and benefits associated with the proposed amendments.

Staff of the Ontario Securities Commission have determined that, under subsection 143.2(5)(c) of the Act, notice of and a comment period for the amendments to the SEDI instruments are not required to be provided as the amendments do not materially change an existing rule. Notwithstanding this, we are providing a comment period of 60 days. Comments received during the comment period will be published on the OSC website.

Comments on the Notice

We request your comments on the materials outlined above. Please provide your comments by February 5, 2008 and address your submissions to all of the CSA member commissions.

Please deliver your comments to the addresses below. Your comments will be distributed to the other participating CSA members.

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If you do not submit your comments by e-mail, a diskette containing the submissions in Word should also be provided.

We cannot keep submissions confidential because securities legislation in certain provinces requires that a summary of the written comments received during the comment period be published.

Questions

Please refer your questions to any of the people listed below:

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Amendments

The text of the amendments follow and can also be found on a CSA member website.

December 7, 2007