

## CANADIAN SECURITIES ADMINISTRATORS' STAFF NOTICE 13-306

Guidance for SEDAR Users

Staff of the Canadian Securities Administrators ("staff") are issuing this notice to provide guidance to users of the System for Electronic Document Analysis and Retrieval ("SEDAR"). We cover the following areas:

- issuers' responsibility for the accuracy of profile information stored on SEDAR;
- amending a filer profile;
- removal of duplicate filer profiles;
- filing of cover letters; and
- payment of SEDAR fees.

**Issuers' Responsibility for the Accuracy of Profile Information Stored on SEDAR**

Subsection 5.1(3) of National Instrument 13-101 - *System for Electronic Document Analysis and Retrieval (SEDAR)* ("National Instrument") says that an "electronic filer shall ensure that the information contained in its filer profile is correct in all material respects and shall file an amended filer profile in electronic format within 10 days following any change in the information contained in its filer profile".

Many issuers have failed to meet this obligation. Major problems include: selecting the wrong principal regulator for filings under the mutual reliance review system; failing to provide the basis for determining the principal regulator; omitting issuer contact information such as telephone and fax numbers; and failing to provide accurate or updated information about the industry classification or current size of the issuer. Maintenance of current, complete and accurate profile information is important for processing documents filed through SEDAR. We intend to be more vigilant in our review of and requirement for current profile information, particularly in our prospectus and continuous disclosure reviews. The SEDAR II system, when implemented, will contain additional requirements to assist issuers in maintaining current profiles.

When creating a new filer profile, you should ensure that you are using the correct profile type. Section 6.3 of version 6 of the SEDAR Filer Manual explains how. For example, securities offerings and continuous disclosure documents must only be filed using an "Other Issuer" or "Mutual Fund

The SEDAR code update on November 13, 2000 included new functionality to help filers use the most recent issuer profile. When a filing is made for an issuer, SEDAR compares the local copy of the issuer's profile to the most recent version of the issuer's profile on SEDAR. If the local copy does not match the SEDAR version, the filer is alerted by a message on SEDAR prompting the filer to refresh the local profile before proceeding with the filing.

**Amending a Filer Profile**

Section 6.4 of the Filer Manual explains when and how an issuer should amend or create a new

profile. A filer cannot change a previously selected profile type. If a filer needs a different profile type, the filer must create a new profile and disclose the previous profile number under the 'Previous

Section 6.4 of the Filer Manual explains how to amend filer profiles in the following situations: ceasing to be a reporting issuer; change of name; amalgamation or wind up; and divestiture or spin-off.

### **Removal of Duplicate Filer Profiles**

There is a large and growing number of duplicate filer profiles in SEDAR. These must be eliminated before implementation of the System for Electronic Disclosure by Insiders ("SEDI"), which will use profile information from SEDAR as the basis for electronic insider reports.

The SEDAR Working Group and CDS, the operator of SEDAR, periodically review SEDAR for duplicate filer profiles and delete them, after due process. However, we encourage issuers to identify duplicate profiles and request their deletion. Section 9.1(f) of the Filer Manual explains how. You can obtain a Duplicate Profile Deletion Request Form on [www.sedar.com](http://www.sedar.com), under "About SEDAR".

We also regularly delete "unused" profiles. An unused profile is one for which no fees have been paid to CDS and against which no filings have been made. When a new Other Issuer or Mutual Fund Issuer profile is created, CDS sends a pro-rated invoice for the annual filing service charge for continuous disclosure to the mailing address indicated on the profile within 30 days. A reminder letter is sent after 60 days and if no response is received within 90 days, the profile is considered to be unused and is deleted. Section 6.2 of the Filer Manual explains the service charges.

### **Filing of Cover Letters**

Some filers are still filing unnecessary cover letters in SEDAR. All information filed on SEDAR is stored in SEDAR and/or [sedar.com](http://sedar.com). Unnecessary documents waste storage space. For example, it is not necessary to file cover letters just to list the documents included with the filing. You should file a cover letter only if it is a required document or is necessary to provide additional information about the filing.

### **Payment of Fees**

Some filers continue to submit fee payments through SEDAR using incorrect fee descriptions. This can cause delays because we have to manually match the filing and fee category. The November 13, 2000 SEDAR code update included a new function, which permits users to change the font size in the fee schedules. We hope that allowing you to make the fee schedule more readable will help you find the correct fee description for your filing.

For more information please refer to the Filer Manual, available at [www.sedar.com](http://www.sedar.com), contact a SEDAR representative, or call the CDS SEDAR helpdesk at 1-800-219-5381.

For further information please contact:

Nathalie Dumancic  
Corporate Finance  
B.C. Securities Commission  
(604) 899-6725  
or (800) 373-6393 (in B.C.)  
[ndumancic@bcsc.bc.ca](mailto:ndumancic@bcsc.bc.ca)

Warren Cabral, CA  
Securities Analyst  
Alberta Securities Commission  
(780) 422-2490  
[warren.cabral@seccom.ab.ca](mailto:warren.cabral@seccom.ab.ca)

Marriane Bridge, CA

Danielle Boudreau

Senior Accountant, Advisory Services,  
Corporate Finance  
Ontario Securities Commission  
(416) 595-8907  
mbridge@osc.gov.on.ca

Analyst  
Commission des valeurs mobilières du Québec  
(514) 940-2199, ext. 4428  
danielle.boudreau@cvmq.com

Janet Short, CA  
Accountant, Continuous Disclosure,  
Corporate Finance  
Ontario Securities Commission  
(416) 595-8919  
jshort@osc.gov.on.ca

April 30, 2001