

CANADIAN SECURITIES ADMINISTRATORS

and the Saskatchewan Securities Commission

INSIDER REPORTING

is going online with SEDI

On November 13, 2001, electronic filing of insider reports will be mandatory. Here is what issuers, insiders, and their representatives and authorized agents need to know about the new filing requirements.

The benefits of electronic disclosure

SEDI holds advantages for market participants, regulators, and the public:

Convenience. Issuers need file only one report to comply with all provincial regulators, and can file 24 hours a day, seven days a week subject to maintenance requirements.

Improved access. The public enjoys Web access to the reports shortly after they are filed.

More efficient monitoring. Securities regulators can monitor compliance with insider reporting requirements more effectively.

Saskatchewan
Securities
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The System for Electronic Disclosure by Insiders (SEDI) – established by the Canadian securities regulatory authorities and operated by CSS INC. on their behalf – will replace paper-based reporting of insider trading data. Commencing November 13, 2001, insiders will be required to file insider reports electronically using SEDI.

SEDI issuers, their insiders, and their representatives or authorized agents will need to take certain steps in order to comply with the new requirement. (A SEDI issuer is any reporting issuer, other than a mutual fund, required to file disclosure documents electronically through SEDAR, the System for Electronic Document Analysis and Retrieval.)

In Saskatchewan, issuers are exempted from filing on SEDAR and SEDI if:

- their head office is in Saskatchewan,
- their securities are not listed on an exchange and do not trade in an over-the-counter market, and
- they are not required to file on SEDAR by the rules of any other province or territory.

Check your profile

Because SEDI relies on information contained in SEDAR, issuers must ensure that their existing SEDAR profile is accurate and complete. This first step should be completed before October 29, 2001.

Beginning October 29, issuers must register with SEDI and file in SEDI a supplement to their SEDAR profile, disclosing designations for all securities currently outstanding. Issuers will have five business days to complete the filing of the issuer profile supplement. Issuers that become SEDI issuers after October 29 will be required to file this within three business days.

A complete electronic record

Once registered, issuers must also file reports for certain corporate events so that insiders can update information about their holdings accordingly. In other words, SEDI will serve as a comprehensive, electronic record for corporate events that affect all holdings of a class of securities of an issuer in the same manner.

As of November 13, 2001, insiders must file their insider reports electronically on SEDI. To do this, insiders, or their representatives and authorized agents, must also register with SEDI. Note that reporting issuers that are also insiders must register and file in SEDI like any other insider.

A registration form will be available on the SEDI Web site on October 29, 2001. Users (SEDI issuers, insiders, their representatives or authorized agents) can complete and submit the form online, but they must also forward a signed hard copy of the registration form to CDS INC., the SEDI operator, to activate their SEDI account.

No SEDI fee

Before making their first electronic report, insiders must also file an electronic profile, identifying the insider and its relationship to one or more SEDI

issuers. Once the profile is filed, insiders will be issued their personal access key and will use SEDI to file all their reports due on or after November 13, 2001.

The information required in the electronic report is substantially the same as that required by the current paper report. The report itself consists of a series of computer screens containing information fields.

All applicable fields must be completed before moving to the next screen. For this reason, it's important that insiders have all the information they need to complete their electronic report before beginning the filing process.

There is no fee charged to insiders for filing in SEDI. Instead, an annual service charge will apply to all reporting issuers that are required to file continuous disclosure documents through SEDAR.

SEDI step-by-step checklist

<p>Make sure your PC is up to speed</p> <p>To make SEDI filings, your PC requires the following:</p> <ul style="list-style-type: none"> ▪ Modem or Internet connection of 33.6K BPS or faster ▪ Internet Explorer 4.01 or higher, or Netscape Communicator 4.5 or higher. <p>For more information about SEDI . . .</p> <ul style="list-style-type: none"> - Call the Saskatchewan Securities Commission, 306-787-5645 - Visit the SSC Web site at www.ssc.gov.sk.ca - Please refer to National Instrument 55-102 System for Electronic Disclosure by Insiders. 	<p><i>If you are an issuer, you must:</i></p> <ul style="list-style-type: none"> ▪ Ensure that your existing SEDAR profile is accurate and complete before October 29, 2001. ▪ Sometime between October 29 and November 2, register in SEDI and file supplemental information relating to your outstanding securities. ▪ Thereafter, use SEDI to report stock dividends, stock splits, consolidations, amalgamations, reorganizations, mergers, and other significant corporate developments within one business day following the occurrence of the event. 	<p><i>If you are an insider, or a representative or agent of an insider and need to file an electronic report on SEDI, you must:</i></p> <ul style="list-style-type: none"> ▪ Beginning October 29, complete a registration form in SEDI. Forward a signed hard copy to CDS. Once verified by CDS your SEDI account will be activated. ▪ File an electronic profile in SEDI before you file your first electronic insider report. You will then be issued your personal access key so that you can file your report. ▪ File all insider reports due on and after November 13 in SEDI. In Ontario (and most other Canadian jurisdictions), you are required to report trades within 10 days of the transaction.
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