

July 10, 2019

**BY EMAIL:**

British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission  
Manitoba Securities Commission  
Ontario Securities Commission  
Autorité des marchés financiers  
Financial and Consumer Services Commission of New Brunswick  
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward  
Island  
Nova Scotia Securities Commission  
Superintendent of Securities, Newfoundland and Labrador  
Registrar of Securities, Northwest Territories  
Registrar of Securities, Yukon Territory  
Superintendent of Securities, Nunavut

The Secretary  
Ontario Securities Commission  
20 Queen Street West 22 Floor  
Toronto, ON M5H 3S8  
[comments@osc.gov.on.ca](mailto:comments@osc.gov.on.ca)

Me Anne-Marie Beaudoin, Corporate Secretary  
Autorité des marchés financiers  
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C.P. 246, Place Victoria  
Montréal (Québec)  
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[consultation-en-cours@lautorite.qu.ca](mailto:consultation-en-cours@lautorite.qu.ca)

Dear Sirs/Mesdames:

**Re: Proposed National Systems Renewal Program Rule and Related  
Amendments (the “Proposed Amendments”)**

The Canadian Advocacy Council of CFA Societies Canada<sup>1</sup> (the CAC) appreciates the opportunity to provide the following general comments on the Proposed Amendments.

We are broadly supportive of the updates being made by the CSA to the CSA National Systems, including SEDAR. It is important that users of the information filed on

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<sup>1</sup> The CAC is an advocacy council for CFA Societies Canada, representing the 12 CFA Institute Member Societies across Canada and over 18,000 Canadian CFA charterholders. The council includes investment professionals across Canada who review regulatory, legislative, and standard setting developments affecting investors, investment professionals, and the capital markets in Canada. Visit [www.cfacanada.org](http://www.cfacanada.org) to access the advocacy work of the CAC. CFA Institute is the global association of investment professionals that sets the standard for professional excellence and credentials. The organization is a champion of ethical behavior in investment markets and a respected source of knowledge in the global financial community. Our aim is to create an environment where investors' interests come first, markets function at their best, and economies grow. There are more than 165,000 CFA charterholders worldwide in 164 markets. CFA Institute has nine offices worldwide and there are 156 local member societies. For more information, visit [www.cfainstitute.org](http://www.cfainstitute.org).

the system can find the continuous disclosure material quickly and without difficulty, as not every investor has access to subscription services that allow filed materials to be searched by topic and keywords.

Our comment relates specifically to the replacement of SEDAR. While the CSA Notice describing the Proposed Amendments contains a reference to improved user search capabilities, it is not explicit with respect to the ability of the regulators to use the improved systems to analyze the public searches.

In the United States, academic research has supported the use of data mining of issuer filings on EDGAR. In the paper entitled “Search-based peer firms: Aggregating investor perceptions through internet co-searches”<sup>2</sup>, researchers used an algorithm to analyze the page views to identify sets of companies that were being “co-viewed”, presumably by investors to compare firm fundamentals for investment purposes. The researchers concluded that historical EDGAR data was being extracted in a sophisticated manner. They also concluded that by identifying companies in this way, it provided an alternative method of identifying economic benchmarks in lieu of other standards such as industry classifications.

As another example, if staff were to review the number of times a particular type of document was viewed or downloaded from the new site, over time it could provide important data with respect to the perceived usefulness of those documents to the public, and potentially assist the CSA in its burden reduction initiatives by identifying infrequently accessed documents. If information can be extracted from a machine readable format, both the investing public and regulators would benefit from the data.

### **Concluding Remarks**

We thank you for the opportunity to provide these comments. We would be happy to address any questions you may have and appreciate the time you are taking to consider our points of view. Please feel free to contact us at [cac@cfacanada.org](mailto:cac@cfacanada.org) on this or any other issue in future.

(Signed) *The Canadian Advocacy Council of  
CFA Societies Canada*

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CFA Societies Canada**

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<sup>2</sup> Charles M.C. Lee, Paul Ma, and Charles C.Y. Wang, “Search-based peer firms: Aggregating investor perceptions through internet co-searches” (2015) *Journal of Financial Economics* 116 at 410-431.