



ONTARIO  
SECURITIES  
COMMISSION

## OSC Staff Notice 11-784 Burden Reduction

The OSC is seeking suggestions on ways to further reduce unnecessary regulatory burden, as provided in OSC Staff Notice 11-784.

We invite your comments on the Staff Notice through the survey below. Please note that each question has a 4000 character response limit.

Closing date: March 1, 2019

Thank you for sharing your thoughts with the OSC Burden Reduction Task Force.

### \* Required

1. Please provide your name. \*

Sheri Monardo

2. What is the name of your firm or company, if applicable?

Self employed consultant

3. What is your role in the capital markets? \*

Issuer

4. Do you have any general comments on the topic of regulatory burden reduction related to securities regulation? If so, please enter only the legislative reference for your suggestions in the box below (for example 31-103 1.1)

Form 45-106-F1

5. Please use the space below to provide your general comments.

Ontario, B.C. and the other Provinces have different requirements. For an exempt distribution, I have to sign into the Ontario Portal and fill it out, sign into the B.C. portal and fill it out, and then file a copy of the report on SEDAR. This is time consuming, repetitive, and costly if there are investors across the provinces. There should be one portal and one fee and no SEDAR filing. We already file a press release and material change report (if material) and we reiterate the information in our quarterly and annual financial statements and md&a. Count how many times the same information is reported.

6. Are there operational or procedural changes that would make market participants' day-to-day interaction with the OSC easier or less costly? If so, please enter only the legislative reference for your suggestions in the box below.

7. Please use the space below to provide your suggestions for operational or procedural changes.

My interaction with the OSC has been positive. I have no suggestions at this time.

8. Are there ways in which we can provide greater certainty regarding regulatory requirements or outcomes to market participants? If so, please enter only the legislative reference for your suggestions in the box below.

Legislative reference: all

9. Please use the space below to provide your suggestions regarding how the OSC could provide greater certainty regarding regulatory requirements or outcomes.

Certainty requires the knowledge of many different Instruments. One private placement requires me to look up Distributions, Continuous Disclosure, Insider Reports. I always wonder if I have done everything necessary to comply with the rules. These instruments are not written in plain language and can be confusing. Even looking up the final Instrument has problems. When I click open the webpage, there are multiple listings of amendments before finding the Instrument itself. Scrolling through the instruments toward relevant information is a lengthy process. I suggest an easier method of supplying the information using Q&A boxes that lead one to the correct information and using links within the documents themselves. Also, tips within a section that will lead me to realize other required documents. For example, reading one section of insider reporting and understanding that I have to file a report for a trade does not necessarily lead me farther into the research to understand anything about an early warning report. How would a novice know to keep reading? How do you know to look something up if you don't know that it exists? There is a learning curve. I have learned a lot over the years and I know a few things, but certainly

not everything. New Directors end up relying on lawyers which is costly and in my experience, even lawyers overlook minor things.

10. Are there forms and filings that issuers, registrants or other market participants are required to submit that should be streamlined or required less frequently? If so, please enter only the legislative reference for your suggestions in the box below.

51-102 Continuous Disclosure

11. Please use the space below to provide your suggestions regarding forms and filings.

Part of my business is the revival of shell companies, revocation of cease trade orders. One of the requirements is to file two years (Venture companies) of quarterly and annual reports. My suggestion is to add an exemption such that if a company has not been in operation for more than a certain number of years and had no revenue or expenses for those number of years, then only the annual statements are required. There is nothing to be gained by Nil quarterlies.

12. Are there particular filings with the OSC that are unnecessary or unduly burdensome? If so, please enter only the legislative reference for your suggestions in the box below.

62-103

13. Please use the space below to provide your comments regarding burdensome filings.

The early warning report is very long and redundant. The questions should be revised and condensed. They should be more to the point. The questions are not all written in plain language. I suggest that all EWR information be incorporated in SEDI. I have to report the trade in SEDI anyway, Currently the system only allows the input of >10% as part of a profile. The insider report should add an additional feature that gives us the opportunity to add percentages of issued and outstanding shares that meets the requirements of the EWR.

14. Is there information that the OSC provides to market participants that could be provided more efficiently?

The idea of a quarterly highlight for the MD&A is interesting, however, it is vague. I still put together everything required in the quarterly for fear of leaving out something that is required. We need a full explanation of what is expected in a quarterly highlight similar to the full explanation of everything that is expected in a full MD&A. We need specifics on what can be left out as well.

15. Are there requirements under the OSC rules that are inconsistent with the rules of other jurisdictions and that could be harmonized? If so, please enter only the legislative reference for your suggestions in the box below.

11-207

16. Please use the space below to provide your comments and suggestions around harmonization of rules.

There is a burden to file in multiple provinces for the revocation of a cease trade order in each province that it is registered. This is still confusing. I will be filing one of these for the first time and I already have questions as to how many applications I have to send out and if I will only be contacted by one securities commission for the response letters. How is it all coordinated? My suggestion is to have a portal and only one portal for the revocation of cease trade order similar to the portal for exempt distribution. The portal will ask for the relevant information and the applicant will fill out the form and upload specific documents. The applicant should only be contacted by one securities commission for response letters.

17. Are there specific requirements that no longer serve a valid purpose? If so, please enter only the legislative reference for your suggestions in the box below.

18. Please use the space below to provide your comments and suggestions around requirements that may no longer serve a valid purpose.

19. Are there ways to enhance and improve how investors experience disclosure provided: (i) before they invest; (ii) as part of ongoing public disclosure; and (iii) by registrants?

SEDAR is difficult for an investor. One must click on everything and can get confused. If there is an amendment, the original should be deleted. The description of the filings should also be expanded.

Also, please, please, please create a search button. The old ABCD way of searching is ancient. I should not have to go to a letter and scroll forever looking at tiny print to find a company. I also think that organizing a companies filings by category may be useful. If I search for a company, click the company, a page should pop up with further options such as "financials" or "AGM" or "Press Releases" and of course "ALL" so as not to miss anything.

SEDI also has its problems. When an insider is no longer an insider, the old share balance is still there and can confuse a researcher. One must always look at the date of "cease to be an insider". Perhaps the "cease to be an insider" should be more prominent. Stock splits and consolidations are not automated. I just did one and I had to manually go into each insider report and change the

number of shares owned. I was previously told that it happens automatically. It doesn't. If I am missing something, then that tells you that the system is not informative.

20. Please use the space below to provide your suggestions for modernizing information provided to investors because of regulatory requirements. For example, specific areas where we could promote the use of plain language?

SEDI needs to be modernized. It is not easy to read a report for the average person. Information should follow a logical way of reading a report, similar to reading a bank statement.

21. Do you have any other comments for the OSC Burden Reduction Task Force?

Thank you for taking up this subject. Full disclosure and plain language is very important, however, it isn't easy for a small issuer to know every nuance of legislation. Just as plain language is important for an investor, it is also important for small issuers. I make my own checklists when starting something. For example, a private placement checklist consists of, among other corporate items (resolutions, subscription forms, treasury orders), the regulatory burden of the news release, the material change report, the insider reports, the early warning report, the exempt distribution report (which may include the osc, b.c. and sedar). Depending on the material substance and the investor relationship of a financing, some or all of the above is necessary, but it still goes on the checklist as item to consider. My suggestion is that the OSC create lists of items to always consider. This list is helpful so as not to forget anything. The list should also have links to the proper legislative passage or instrument involved. I am in the process of creating my own workbooks with checklists.

22. If you don't have enough space for your response to any question above, please use the space below to continue your comments. Please indicate which question these comments relate to.