

September 17, 2021

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission, New Brunswick
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Office of the Superintendent of Securities, Service NL
Northwest Territories Office of the Superintendent of Securities
Office of the Yukon Superintendent of Securities
Superintendent of Securities, Nunavut

Ms. Grace Knakowski
Secretary to the Commission
Ontario Securities Commission
20 Queen Street West
22nd Floor, Box 55
Toronto, Ontario
M5H 3S8
Fax: 416-593-2318
comment@osc.gov.on.ca

M^e Philippe Lebel
Corporate Secretary and Executive Director, Legal Affairs
Autorité des marchés financiers
Place de la Cité, tour Cominar
2640, boulevard Laurier, bureau 400
Québec (Québec) G1V 5C1
Fax: 514-864-8381
consultation-en-cours@lautorite.qc.ca

Re: Proposed Amendments to National Instrument 51-102 Continuous Disclosure Obligations and Other Amendments and Changes Relating to Annual and Interim Filings of Non-Investment Fund Reporting Issuers and Seeking Feedback on a Proposed Framework for Semi-Annual Reporting – Venture Issuers on a Voluntary Basis

Dear Ms. Knakowski and M^e Lebel,

The Canadian Bankers Association (CBA) would like to take this opportunity to provide comments on the proposed amendments to NI 51-102 noted above. Overall, we are supportive of these amendments; however, some comments are outlined below for your consideration.

As an opportunity to further streamline the MD&A, kindly consider the following recommendations:

- Consistent with the proposal to remove the requirement related to the eight-quarter trend review, eliminate the requirement to review current year fourth quarter performance against prior year fourth quarter financial performance in the annual MD&A.
- Streamline/eliminate overlap of disclosure requirements regarding directors and officers and governance matters (i.e., name, residence, principal occupation, length of service, committee memberships, etc.) and the audit committee charter and related audit committee disclosure (e.g. financial literacy, etc.). Most of this information is available in other disclosures, such as the proxy circular, and it is easily found on an issuer's Investor Relations webpage. This change should not negatively impact investor protections. Further, such disclosure requirements could be required for inclusion in the proxy circular.
- Eliminate the AIF requirement to provide an explanation of the approach to credit ratings and outlook utilized by applicable rating agencies as this information relates to rating agencies rather than the issuer, and users should be able to obtain this information from the rating agencies directly.

In addition, we also kindly ask that you consider the following comments and recommendations:

- Consider clarifying the distinction, if any, between the requirements set out in section 3(2)(d) with respect to known trends, demands, commitments, events, risks or uncertainties that have affected an issuer's business, financial condition, financial performance and cash flows or are reasonably likely to affect them in the future and the requirement set out in section 16 with respect to risk factors.
- Consider clarifying whether the proposed transactions in section 7 are limited to material transactions.
- In the past, the description of social or environmental policies was only required where fundamental to an issuer's operations. Consider clarifying whether this remains the case or has this requirement been broadened to all issuers.
- Consider providing an illustrative disclosure for the new "annual disclosure statement" to enable issuers to visualize the document or determine whether cross references are needed between the AIF/MD&A/FS sections.
- Also, with respect to re-filings, we ask for clarification as to whether we should be considering our annual disclosure statement as one single document or if we should be treating as three distinct documents.

Lastly, in addition to the comments above, our response to a few of the specific questions outlined in this proposal are attached in Appendix A.

We would be pleased to discuss any questions you may have and would like to thank the OSC for the opportunity to express our views and opinions on these proposed amendments.

Regards,

“Darren Hannah”

Attached Appendix A

Appendix A – Responses to CSA’s request for comment items

Question #2

We have retained instruction (i) to section 5.2 of the Current AIF Form (as proposed section 16 of Form 51-102F1 Annual Disclosure Statement) which requires a reporting issuer to disclose risks in order of seriousness from the most serious to least serious. Proposed instruction (3) to the same section suggests that “seriousness” refers to impact/probability assessment. Would it be beneficial for reporting issuers if we provided further clarity on what “seriousness” means and how to determine the “seriousness” of a risk?

CBA response: We agree that additional clarity is required around the meaning of “seriousness”. Further, while we recognize the benefits of providing this disclosure in a tabular format, we would appreciate flexibility in presentation, which will allow us to best meet the needs of our investors.

Question #3

SEC’s Modernization of Regulation S-K Items 101, 103, and 105 adopts amendments which require the following:

- grouping similar risks together;*
- disclosing generic risks under the heading “general risks”; and*
- requiring a summary of risk factor disclosure if the risk factor disclosure exceeds 15 pages.*

If we adopted similar requirements to the SEC’s amendments, what would be the benefits and costs for investors and reporting issuers?

CBA response: The benefit of adopting similar requirements to the SEC’s amendments would be increased alignment with these SEC disclosure requirements, which would be beneficial to issuers that issue securities into the U.S. market.

Question #7

Considering that the annual disclosure statement will include annual financial statements, MD&A and, where applicable, AIF, do you think there will be an impact, including on auditing requirements, if a reporting issuer amends or re-files only one of these documents, or re-files the annual disclosure statement in its entirety?

CBA response: The CSA should be specific where re-filings will require complete or partial re-filings. Feedback from the relevant professional accounting firms or bodies should also be considered.