

Chapter 2 - Policies, Legislation and Requests for Comments

2.1 Notice of Amendment to National Instrument 13-101

**NOTICE OF AMENDMENT TO NATIONAL INSTRUMENT 13-101
SYSTEM FOR ELECTRONIC DOCUMENT ANALYSIS AND RETRIEVAL (SEDAR)
AND
AMENDMENT TO THE SEDAR FILER MANUAL: STANDARDS, PROCEDURES
AND GUIDELINES FOR ELECTRONIC FILING WITH
THE CANADIAN SECURITIES ADMINISTRATORS**

Notice of Amendment

The Commission has, under section 5 of the Securities Regulation, amended National Instrument 13-101 System for Electronic Document Analysis and Retrieval (the "Amendment"). The Amendment will come into force on August 2, 1999.

The Commission has also approved certain amendments to the SEDAR Filer Manual: Standards, Procedures and Guidelines for Electronic Filing with the Canadian Securities Administrators (the "SEDAR Filer Manual").

Substance and Purpose of Amendment

National Instrument 13-101 System for Electronic Document Analysis and Retrieval (the "SEDAR Instrument") came into force on January 1, 1997. Shortly after that time, the Commission adopted National Instrument 14-101 Definitions (the "Definitions Instrument"), which contains definitions of commonly used terms as well as various interpretive provisions. The proposed amendment to the SEDAR Instrument eliminates certain definitions, interpretive sections and Appendices from the SEDAR Instrument that are also contained in the Definitions Instrument and are, therefore, no longer needed in the SEDAR Instrument.

The SEDAR Instrument currently incorporates by reference version 2.0 of the SEDAR Filer Manual. The proposed amendment to the SEDAR Instrument provides for incorporation by reference of the most recent version of the SEDAR Filer Manual in order to avoid the need to amend the SEDAR Instrument each time a new version of the SEDAR Filer Manual is released.

The SEDAR Instrument currently mandates the filing of mining reports in electronic format through SEDAR when they are being filed by an electronic filer as a "supporting document". It also contains a separate requirement that large maps and photographs, which sometimes form part of mining reports, must be omitted from an electronic filing and must be filed in paper format. While the SEDAR Instrument will continue to require the filing of mining reports in electronic format, the proposed amendment to the SEDAR Instrument provides that appendices and other supplemental materials forming part of mining reports may be filed in paper format.

The proposed amendment to the SEDAR Instrument also mandates the filing of certain additional documents through SEDAR and deletes certain transitional provisions and Appendices that are no longer needed.

The SEDAR Filer Manual currently permits the electronic filing of documents prepared in Portable Document Format or "PDF". Documents prepared in a wide range of electronic formats may be readily converted to PDF using the software product known as Adobe Acrobat. The SEDAR Filer Manual also currently permits electronic filing of documents that are created using specific versions of Corel WordPerfect and Microsoft Word. However, file formats created using newer versions of these word processors have proven to be inconsistent, with the result that electronic filings often cannot be viewed correctly. In order to ensure that documents filed and archived in electronic format through SEDAR are more accessible to both the Canadian securities regulatory authorities and members of the public, the SEDAR Filer Manual will be amended to provide that all electronic filings must be made in PDF format. Consistent with this change, correspondence transmitted by the Canadian securities regulatory authorities through SEDAR will also be in PDF format.

While the proposed amendment to the SEDAR Filer Manual may impose an additional cost on filers that do not currently own and use Adobe Acrobat, CDS INC., the SEDAR filing service contractor, has negotiated a special purchase arrangement for SEDAR subscribers that will reduce the cost of acquiring Adobe Acrobat. In conclusion, the CSA believes that the use of PDF as a single electronic file format will make electronic filings more accessible to filers, Canadian securities regulatory authorities and members of the public and will allow documents to be retrieved, viewed and printed more efficiently. In the view of the CSA, the benefits outweigh the costs.

Text of Amendment to the SEDAR Instrument

The text of the amendment to the SEDAR Instrument follows.

**AMENDMENT TO NATIONAL INSTRUMENT 13-101
SYSTEM FOR ELECTRONIC DOCUMENT ANALYSIS AND RETRIEVAL (SEDAR)**

PART 1 AMENDMENTS

1.2 Amendments - National Instrument 13-101 System for Electronic Document Analysis and Retrieval (SEDAR) is amended by

- (a) deleting the following definitions from section 1.1:

“equity security”;

“foreign jurisdiction”;

“jurisdiction”;

“local jurisdiction”;

“person or company”;

“phase-in date”;

“regulator”;

“securities directions”;

“securities legislation”; and

“securities regulatory authority”;

- (b) deleting subsections 1.2(5) and (6);

- (c) adding to subsection 2.2(1) the following paragraph after paragraph 5:

“6. A document that is required by securities legislation or securities directions other than this Instrument to be filed in electronic format.”;

- (d) adding to section 2.2 the following subsection:

“(3) Despite paragraph 3 of subsection (1), the appendices or other supplemental materials forming part of a mining report filed as a supporting document may be filed in paper format.”

- (e) deleting paragraph 1 of subsection 2.3(1) and replacing it with the following:

“1. A document that is required or permitted to be filed on a confidential basis under securities legislation or securities directions unless the securities legislation or securities directions require the confidential filing to be made in electronic format.”;

