

Section 1

Identification questions submitted via e-form through the CSA website

October 6, 2026 - Delivered via e-form through the CSA website

Publication title

CSA Consultation Paper 51-406 Modernizing the Regulation of Public Companies

Comment addressed to participating jurisdictions:

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

Identification

Instrument Number:

51-406

Publication Date:

07/17/2026

Email:

[REDACTED]

Place of residence:

AB, CA

Are you commenting on behalf of an organization?

Yes

Organization Name:

SRI Capital Advisors

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Phone number of the organization:

[REDACTED]

October 6, 2026

Canadian Securities Administrators

Via Online Consultation Portal

Re: CSA Consultation Paper 51-406 - Modernizing the Regulation of Public Companies

To the Canadian Securities Administrators:

SRI Capital Advisors is pleased to provide comments on the CSA's consultation on modernizing the regulation of public companies.

SRI Capital Advisors provides corporate finance and strategic advisory services to emerging and public companies. These comments are informed by my approximately 30 years of experience in Canada's junior public markets, including investment banking, corporate finance, public-company finance and capital raising.

I support the CSA's efforts to reduce unnecessary regulatory burden and improve the competitiveness of Canadian public markets. Initiatives such as LIFE, semi-annual reporting for eligible venture issuers and efforts to streamline disclosure are constructive.

But I believe there is a broader issue that needs to be part of this discussion.

Canada does not just have an issuer problem. We have an investor problem.

Much of the discussion around public-market reform focuses on making it easier and less expensive for companies to access capital. That is important. But capital formation has two sides.

Companies need access to capital. Investors need a reason to provide it.

For smaller public companies, investors are assuming considerably more business, financing and liquidity risk than they would with larger established issuers. If the expected return does not adequately compensate them for that risk, capital will simply go elsewhere.

That is why I believe regulatory modernization should be viewed through a broader lens.

Reducing unnecessary compliance costs helps. Simplifying financings helps. Removing duplicative disclosure helps. Reconsidering the four-month hold period on private placements may help. More proportionate regulation for smaller issuers would help.

But none of these measures, on their own, creates investor demand.

That matters because the health of our public markets ultimately depends on the willingness of investors to finance emerging Canadian companies.

I would encourage the CSA to consider the following principles as part of its review:

- **Regulation should be proportionate.** A small public company should not necessarily face the same regulatory burden as a large, mature issuer simply because both are public.
- **Disclosure should be useful, not repetitive.** The objective should be better information for investors, not simply more documents.
- **Capital raising should be as efficient as reasonably possible.** Restrictions that add cost, delay or illiquidity should be periodically reassessed to determine whether their investor-protection benefit continues to justify the burden.
- **Investor economics matter.** Public-market policy should consider the risk-adjusted return available to investors, not just the ability of issuers to sell securities.

The last point extends beyond securities regulation.

Canada has previously used tax policy to encourage investment in higher-risk sectors, most notably through flow-through shares. There may be merit in examining whether similar incentives could encourage investment in newly issued equity of Canadian growth companies more broadly.

That is obviously not something the CSA can implement on its own. But I believe the broader conversation about Canadian capital formation needs to include regulators, governments, exchanges, issuers and investors.

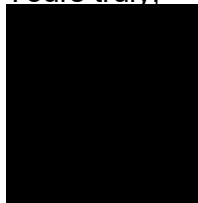
The objective should not simply be more public companies or fewer regulations.

It should be a stronger public market in which good Canadian companies can raise capital and investors are willing to provide it.

We need both sides of that equation to work.

Thank you for the opportunity to comment.

Yours truly,



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SRI Capital Advisors