



NATIONAL ISSUER SERVICES LTD.

760 – 777 Hornby Street, Vancouver, BC, V6Z 1S4

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September 2, 2016

CDS Clearing and Depository Services Inc.
85 Richmond Street West, 3rd Floor
Toronto, Ontario, M5H 2C9

Attention: Fran Daly
Managing Director, Business Development

Dear Ms. Daly:

RE: Material Amendments to CDS Procedures Relating to CDS Transfer Agent Standards – Notice and Request for Comments

I am the President of National Issuer Services Ltd., a recently-approved CDS transfer agent participant, and write in respect of the notice and request for comments described above and published by CDS on August 4, 2016 (the “Notice”).

In general, I support the new standards described in the Notice, but would like to point out an important inconsistency in the Notice that I hope will be addressed in the final version of the proposed amendments. In the second row of the table that appears in Part B of the Notice (“Be a financial entity regulated by a provincial regulatory body or an appropriate SRO”), it states “See Note below” in the third column under the heading “Existing CDS-approved Transfer Agent”; however, the aforementioned note does not include any reference to financial entities, and only states that any such agent that is not a trust company “regulated by OSFI, or an appropriate SRO or government agency,” will not be required to obtain a trust service license. I assume that the omission of a direct reference to “a financial entity” in the note was innocent and can be attributed to some stylistic variations in language, but would nevertheless encourage CDS to ensure that the wording is consistent in the actual amendments in order to avoid any potential confusion.

In addition, I would like to express my concern over the absence of a proposed timeline for requiring existing CDS-approved transfer agents that are not trust companies to provide the three items set out in the foregoing note – namely, the annual third party verification, the FIB and annual audited financial statements. Although I recognize the purpose of implementing these new standards and the fact that CDS Rule 2.2.8 requires that CDS provide participants with “a reasonable time” to comply with them, the lack of detailed information is troubling, especially regarding the proposed deadline for obtaining the third party verification, since smaller participants may need to devote significant time and financial resources to this task and the requirement could therefore have a material negative impact on the existing marketplace for transfer agency and/or registrar services.

I appreciate being provided with the opportunity to comment on the proposed amendments and would welcome any feedback you may have on these issues.



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Sincerely,

A handwritten signature in black ink, appearing to read 'David Eppert', written in a cursive style.

David Eppert, President

CC:

Autorité des marchés financiers – Attention: Me Anne-Marie Beaudoin, Secrétaire générale

Ontario Securities Commission – Attention: Manager, Market Regulation, Market Regulation Branch

British Columbia Securities Commission – Attention: Doug MacKay, Manager, Market and SRO Oversight

British Columbia Securities Commission – Attention: Bruce Sinclair, Securities Market Specialist