

Comments by: Alistair Harrigan Investor living in British Columbia

51-405 Consideration of an Access Equals
Delivery Model for Non-Investment Fund Reporting Issuers [CSA Consultation Paper]

Before commenting on your specific questions, I would like to observe that in general online access has made it much easier for me as an investor and I encourage any efforts to further electronic information sharing. Concerning this initiative, I would assume that all this data would be available on a single common website that would be easily accessed by the public. Furthermore, there must be a feedback mechanism for users of the system and reports on whatever system is adopted.

1. Do you think it is appropriate to introduce an access equals delivery model into the Canadian market? Please explain why or why not.

I agree that the access equals delivery model would be beneficial to the Canadian market. This initiative will reduce costs and make information more available. That said, the information must be available through a simple interface preferably on a common website/portal that would also provide the notification of new information with an alert feature.

2. In your view, what are the potential benefits or limitations of an access equals delivery model? Please explain.

The potential benefits are reduced cost and increased speed of access. The limitation is making investors aware of where to find the information in an easy to follow website. There also needs to be a monitoring mechanism to avoid a post and forget mindset by the industry. The regulators should be conducting semi-annual reviews of filings and reporting compliance information.

3. Do you agree that the CSA should prioritize a policy initiative focussing on implementing an access equals delivery model for prospectuses and financial statements and related MD&A?

Yes as first step towards a full electronic ecosystem.

4. If you agree that an access equals delivery model should be implemented for prospectuses:

a. Should it be the same model for all types of prospectuses (i.e. long-form, short-form, preliminary, final, etc.)?

Yes

b. How should we calculate an investor's withdrawal right period?

Should it be calculated from:

- (i) the date on which the issuer issues and files a news release indicating that the final prospectus is available electronically,
- (ii) the date on which the investor purchases the securities, or
- (iii) another date? Please explain.

I believe that the date of purchase would be the best option for the investor as it will be clear date to the investor. Use of another date provides for arbitrary expirations that may not be clear to an individual investor.

c. Should a news release be required for both the preliminary prospectus and the final prospectus, or is only one news release for an offering appropriate?

A news release should be required for both. The cost of electronic posting of the news release is minimal. As identified previously a notification system on the website would also serve to advise investors.

5. For which documents required to be delivered under securities legislation (other than prospectuses and financial statements and related MD&A) should an access equals delivery model be implemented? Are there any investor protection or investor engagement concerns associated with implementing an access equals delivery model for rights offering circulars, proxy-related materials, and/or takeover bid and issuer bid circulars? In your view, would this model require significant changes to the proxy voting infrastructure (e.g. operational processes surrounding solicitation and submission of voting instructions)? Please explain.

I am a fan of all electronic access provided that is coordinated. I have been more engaged as an investor when companies have done electronic voting. I believe that the regulators should mandate electronic voting and that all TSX listed companies should web-cast their annual meetings. In the interest of cost savings standardized services, perhaps through the regulators, would ensure credibility in the voting process.

6. Under an access equals delivery model, an issuer would be considered to have effected delivery once the document has been filed on SEDAR and posted on the issuer's website.

a. Should we refer to "website" or a more technologically-neutral concept (e.g. "digital platform") to allow market participants to use other technologies? Please explain.

As identified above a website/portal would be best. I would be in favor of a common look and feel with access to all companies from one site.

b. Should we require all issuers to have a website on which the issuer could post documents?

No, the issuers should use a common source. This would reduce costs for the issuers and provide investors with a common source to access information. I would not want to be navigating multiple web sites with unique layouts.

7. Under an access equals delivery model, an issuer would issue and file a news release indicating that the document is available electronically and that a paper copy can be obtained upon request.

a. Is a news release sufficient to alert investors that a document is available?

Yes. That said, it should indicate where to source the information. A web alert would also be useful here linked to the web site(s) depending on how this will be implemented.

b. What particular information should be included in the news release?

Simple who, what, timeline and where to find the information.

8. Do you have any other suggested changes to or comments on the access equals delivery model described above? Are there any aspects of this model that are impractical or misaligned with current market practices?

I do not see any impractical aspects of this approach. The construction of a web environment will be the challenge. My preference would be for a common system to avoid multiple technical solutions and potential fraud by presentation of information in a less than forthright fashion. Also, there must be a follow-up and reporting by the regulators to ensure that this system evolves smoothly.