



March 8, 2019

Ontario Securities Commission  
20 Queen Street West  
20th Floor  
Toronto Ontario  
M5H 3S8

Attention: The Secretary

[comments@osc.gov.on.ca](mailto:comments@osc.gov.on.ca)

**RE: OSC Staff Notice 11-784 Burden Reduction**

This letter is submitted on behalf of the Canadian Exchange-Traded Fund Association ("CETFA"). Based in Toronto, CETFA is the sole exchange-traded fund ("ETF") association in Canada and represents Canadian ETF providers accounting for approximately 96% of all assets under management of Canadian ETFs as of January 31, 2019.

One of CETFA's primary goals is to deal with policy or regulatory issues that impact Canadian listed ETFs, our member firms and their investors. Accordingly, CETFA appreciates the opportunity to provide comments on the OSC Staff Notice 11-784 Burden Reduction.

We would like to address the inconsistencies in filing requirements and align the requirements required for PIF filings.

Currently, the financial filing requirements for ETFs and all investment funds differ between security regulations (Part 3 of National Instrument 18-106, Investment Fund Continuous Disclosure) and the International Financial Reporting Standards ("IFRS") rules thus creating inconsistent information for investors. We recommend the alignment of requirements for consistency and to be more in line with the global investment rules. This would include the elimination of the Schedule of Investments, currently required in Part 3 and to use the required disclosures in IFRS 7 – Financial Instruments: Disclosures, which include disclosure of information about the significant of financial instruments to an entity, and the nature and extent of risks arising from those financial instruments, both in qualitative and quantitative terms. This would provide investors with sufficient risk metrics for the management of their portfolio.

We also recommend the reduction in the disclosure requirements in the Management Report of Fund Performance ("MRFPs") and to allow ETF Providers to post all MRFPs and financial statements to be published on a company's public website would be sufficient for those investors who want

access to these documents. This would eliminate the need and cost for the mailing to investors confirming their request to receive the financial statements.

We recommend the elimination of the redundancies in the Personal Information Form (“PIF”) process. Currently, ETF Providers must have their insiders (in certain cases up to 15 insiders per fund family) provide their personal data for both the exchange that the product is listed on, as well as the appropriate CSA regulator. Exchanges are currently making changes to reduce the burden associated with completing PIFs; CETFA thinks the OSC should mirror those efforts. We believe that the redundancies in the PIF filing process could be significantly reduced by the creation of a single, secure PIF data repository. This would lead to the streamlining of the data collection process, and provide for an easy way to request confirmation of accuracy of the submitted information on a periodic basis.

CETFA believes that this would be a positive first step in the creation of a single, secure data repository, overseen by the CSA that would streamline the data collection process and an easy way to request confirmation of accuracy on an annual basis.

Our recommendations will assist the industry in removing inconsistencies, streamline processes and reduce costs which will be a benefit for investors.

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Thank you for giving us this opportunity to comment on OSC Staff Notice 11-784. We welcome any further discussions regarding this initiative.

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