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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
Securities Commission of Newfoundland and Labrador
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon
Superintendent of Securities, Nunavut

29 June 2020

Me Philippe Lebel
Corporate Secretary and Executive
Director, Legal Affairs
Autorité des marchés financiers
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The Secretary
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Email: comment@osc.gov.on.ca

Dear Me Philippe Lebel,

CSA Request for Comment – Proposed National Instrument 52-112

We are pleased to provide our comments to the Canadian Securities Administrators (CSA) on the Second Notice and Request for Comment on Proposed National Instrument 52-112 “Non-GAAP and Other Financial Measures Disclosure” (the Proposed Instrument) and the related Proposed Companion policy and consequential amendments and changes.

We support the CSA’s initiative of issuing a Proposed Instrument that has the force of law to improve the consistency and transparency of Non-GAAP and other financial measures disclosures for stakeholders, including investors and analysts. We commend the CSA on the substantive changes made from the original proposed materials first published on September 6, 2018. We believe the changes made to the original proposed materials strike a better balance between providing investor protection and reducing the regulatory burden.

Work effort and transition requirements

Although the scope of the Proposed Instrument has been reduced from the original materials, we believe that a more than insignificant amount of effort will be required by reporting issuers to implement the disclosure requirements of the Proposed Instrument. As such, and in light of the current challenging environment, we believe issuers should be provided with a transition period of at least one year to implement the Proposed Instrument following its finalization. We continue to believe that the Proposed Instrument should be effective for the beginning of an annual financial reporting period to ensure comparable reporting over subsequent periods.

In determining the effective date for the Proposed Instrument, we would also encourage the CSA to consider the International Accounting Standards Board's (IASB's) current project on General Presentation and Disclosures, including disclosure of management performance measures in financial statements, and to assess the likely extent and timing of change required if the IASB's proposals are adopted after the Proposed Instrument is effective. The CSA's assessment of the extent of regulatory burden in comparison to the benefit of further change required within a relatively short time frame from the Proposed Instrument becoming effective may influence the CSA's determination of the appropriate effective date of the Proposed Instrument.

We would be pleased to discuss our comments on the Proposed Instrument. If you wish to do so, please contact Kam Grewal (Kam.Grewal@ca.ey.com).

Yours sincerely,



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Licensed Public Accountants