

## CSA Notice and Request for Comment Proposed Amendments to Multilateral Instrument 13-102 *System Fees*

November 21, 2024

### Introduction

The Canadian Securities Administrators except the British Columbia Securities Commission (the **CSA** or **we**) are publishing for a 90-day comment period proposed amendments (the **Proposed Amendments**) to Multilateral Instrument 13-102 *System Fees* (**MI 13-102**)<sup>1</sup>. The British Columbia Securities Commission is not publishing the proposed amendments and changes for comment at this time while it awaits necessary government approvals.

The text of the Proposed Amendments is contained in Annex A of this notice and will also be available on the websites of CSA jurisdictions, including:

[www.bcsc.bc.ca](http://www.bcsc.bc.ca)

[www.albertasecurities.com](http://www.albertasecurities.com)

[www.fcaa.gov.sk.ca](http://www.fcaa.gov.sk.ca)

[www.mbsecurities.ca](http://www.mbsecurities.ca)

[www.osc.gov.on.ca](http://www.osc.gov.on.ca)

[www.lautorite.qc.ca](http://www.lautorite.qc.ca)

[www.fcnb.ca](http://www.fcnb.ca)

[nssc.novascotia.ca](http://nssc.novascotia.ca)

### Substance and Purpose

The CSA is proposing to introduce an updated system fee regime with annual increases in system fees over a 5-year period commencing late 2025. Under the Proposed Amendments:

- the total system fees collected by the CSA will increase,
- no new system fees are introduced,
- system fees remain established on a cost-recovery basis, and
- the flat-fee structure is retained.

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<sup>1</sup> While the Manitoba Securities Commission is not a participant in MI 13-102, it is a participant in the system fee regime as a result of Regulation 158/2013 under *The Securities Act* (Manitoba). It is anticipated that the Proposed Amendments would be reflected in corresponding changes to Regulation 158/2013.

We note that system fees fund the costs of the technology systems shared by the CSA and its members and are separate from any regulatory or other fees a user may be required to pay in any province or territory.

## **Background**

In 2013, MI 13-102 was adopted to replace the filing service charge schedules under the SEDAR Filer Manual and the NRD User Guide. On adopting MI 13-102, the CSA reduced some fee rates but retained the fee structure from the filing service charge schedules, which required fees to be paid to principal and non-principal regulators in differing amounts. These fee reductions were made in response to the underlying costs of operating the national systems having been reduced at that time.

In 2019, the CSA proposed that MI 13-102 be repealed and replaced so that the principal and non-principal regulator system fees could be replaced with flat fees per filing type paid only to a filer's principal regulator. This change simplified the system fee regime for filers and was implemented when SEDAR+ went live in July 2023. This change also removed system fees for certain filing types and introduced some new fees. The system fee changes under this new structure, combined with changes in filing patterns, reduced the annual system fee revenue by 18%. As a result, fiscal 2024 system fee revenue was less than the fiscal 2013 system fee revenue.

When this change was proposed in 2019, the accelerated growth in IT labour costs for both system development and operations (including SEDAR+), could not have been anticipated. From 2021 to 2024, the labour costs for IT services increased between 35% and 45%, outpacing costs growth in other sectors<sup>2</sup>. These IT labour costs are expected to continue increasing at a steady pace over the next few years.

The CSA's experience with cost increases is consistent with external research<sup>3</sup>, which shows that IT costs have increased significantly across all industries in recent years due to several factors, including higher technology costs, higher cybersecurity risk mitigation costs and higher specialized labour costs.

## **Summary of the Proposed Amendments**

The CSA is proposing to increase system fees to better align system fee revenues with projected national systems operating costs over the next 5 years.

To meet current national systems funding needs, the CSA is proposing a 60% system fee increase in November 2025 and 3% increases in each of the following four years. The proposed system fee increase will be less than \$2,500 for 95% of filing and registrant organizations and less than \$1,000 for 85% of filing and registrant organizations, in the first year.

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<sup>2</sup> <https://www.gartner.com/en/documents/3996699>

The Gartner Labor Rate Tool provides rates for 30+ countries for a selection of IT services. It uses salary analysis, which sources salary data from 65,000 global sources including government salary data, job boards, and corporate sources to collect compensation data. North American parameters were used to assess labor rate increases.

<sup>3</sup> Gartner, Statistica

These system fee increases are necessary to ensure sufficient funding to operate the CSA's national systems over those five years. Since system fees continue to be based on the type and number of filings submitted and the number of individual registrants, the proportional fee increases will equitably impact all market segments.

We are reviewing whether the CSA can develop and operate national systems more effectively and efficiently. As part of that review, the CSA is developing a long-term strategic plan for the national systems that considers use of the latest technology tools and alternative operating models.

### **Local Matters**

Annex B is being published in any local jurisdiction that is making related changes to local securities laws, including local notices or other policy instruments in that jurisdiction. It also includes any additional information that is relevant to that jurisdiction only.

### **Request for Comments**

We welcome your comments on all aspects of the Proposed Amendments.

Please submit your comments in writing on or before February 19, 2025.

Address your submission to all of the CSA as follows:

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  
Nova Scotia Securities Commission  
Financial and Consumer Services Division, Justice and Public Safety, Prince Edward Island  
Office of the Superintendent of Securities, Newfoundland and Labrador  
Office of the Superintendent of Securities, Northwest Territories  
Office of the Yukon Superintendent of Securities  
Office of the Superintendent of Securities, Nunavut

Deliver your comments **only** to the addresses below. Your comments will be distributed to the other participating CSA regulators.

The Secretary  
Ontario Securities Commission  
20 Queen Street West  
22nd Floor, Box 55  
Toronto, Ontario M5H 3S8  
Fax: 416-593-2318  
[E-mail: comments@osc.gov.on.ca](mailto:comments@osc.gov.on.ca)

Me Philippe Lebel  
Corporate Secretary and Executive Director, Legal Affairs  
Autorité des marchés financiers  
Place de la Cité, tour PwC  
2640, boulevard Laurier, bureau 400  
Québec (Québec) G1V 5C1  
Fax : 514-864-6381  
[E-mail: consultation-en-cours@lautorite.qc.ca](mailto:consultation-en-cours@lautorite.qc.ca)

We cannot keep submissions confidential because securities legislation in certain provinces requires publication of the written comments received during the comment period. All comments received will be posted on the websites of each of the Alberta Securities Commission at [www.albertasecurities.com](http://www.albertasecurities.com), the Autorité des marchés financiers at [www.lautorite.qc.ca](http://www.lautorite.qc.ca) and the Ontario Securities Commission at [www.osc.gov.on.ca](http://www.osc.gov.on.ca). You should not include personal information directly in comments as the comments will be published and publicly available.

It is important that you state on whose behalf you are making the submission.

### List of Annexes

This notice contains the following annexes:

- Annex A – Proposed amendments to MI 13-102
- Annex B – Local matters, where applicable

### Questions

Please refer your questions to any of the following:

<i>British Columbia Securities Commission</i>  Noreen Bent Chief, Corporate Finance Legal Services <a href="mailto:nbent@bcsc.bc.ca">nbent@bcsc.bc.ca</a>	<i>British Columbia Securities Commission</i>  Ken Chow Senior Legal Counsel Corporate Finance Legal Services <a href="mailto:kchow@bcsc.bc.ca">kchow@bcsc.bc.ca</a>
<i>Alberta Securities Commission</i>  Duncan Pardoe Legal Counsel, Office of the General Counsel <a href="mailto:Duncan.Pardoe@asc.ca">Duncan.Pardoe@asc.ca</a>	<i>Financial and Consumer Services Commission Authority of Saskatchewan</i>  Sonne Udemgba, Director, Legal, Securities Division Financial and Consumer Affairs <a href="mailto:sonne.udemgba@gov.sk.ca">sonne.udemgba@gov.sk.ca</a>

<p><i>Manitoba Securities Commission</i></p> <p>Leigh-Anne Mercier  General Counsel  <a href="mailto:leigh-anne.mercier@gov.mb.ca">leigh-anne.mercier@gov.mb.ca</a></p>	<p><i>Ontario Securities Commission</i></p> <p>Ashley Hsu  Legal Counsel, General Counsel’s Department  <a href="mailto:ahsu@osc.gov.on.ca">ahsu@osc.gov.on.ca</a></p>
<p><i>Autorité des marchés financiers</i></p> <p>Mathieu Laberge  Senior Legal Counsel, Legal Affairs  <a href="mailto:mathieu.laberge@lautorite.qc.ca">mathieu.laberge@lautorite.qc.ca</a></p>	<p><i>Autorité des marchés financiers</i></p> <p>Sylvia Pateras  Senior Legal Counsel, Legal Affairs  <a href="mailto:sylvia.pateras@lautorite.qc.ca">sylvia.pateras@lautorite.qc.ca</a></p>
<p><i>Financial and Consumer Services Commission (New Brunswick)</i></p> <p>Ray Burke  Manager, Corporate Finance  <a href="mailto:ray.burke@fcnb.ca">ray.burke@fcnb.ca</a></p>	<p><i>Nova Scotia Securities Commission</i></p> <p>Doug Harris  General Counsel, Director of Market Regulation and Policy and Secretary  <a href="mailto:Doug.Harris@novascotia.ca">Doug.Harris@novascotia.ca</a></p>

## ANNEX A

### PROPOSED AMENDMENTS TO MULTILATERAL INSTRUMENT 13-102 *SYSTEM FEES*

1. *Multilateral Instrument 13-102 System Fees is amended by this Instrument.*
2. *Subsection 3(1) is replaced with the following:*
  - (1) If a person or company described in Column A of Appendix A transmits a filing of a type described in Column B of the Appendix, the person or company must pay to the person or company's principal regulator the system fee specified in Column C of the Appendix for the filing for the reference period corresponding to the date of transmission of the filing..
3. *Section 4 is amended by adding "for the reference period corresponding to that date" after "Appendix B".*
4. *Appendix A is replaced with the following:*

#### Appendix A System Fees

In this Appendix,

**"application"** means a request transmitted through SEDAR+ for a decision of the regulator or securities regulatory authority but, for greater certainty, does not include a pre-filing;

**"pre-filing"** means a request to consult with the principal regulator regarding the application of securities legislation or securities directions generally or the application of securities legislation or a direction to a particular transaction or matter or proposed transaction or matter.

Item	Column A	Column B	Column C				
	Person or company required to file	Filing type	Reference periods and system fee payable				
			From 11/30/2025 to 11/29/2026	From 11/30/2026 to 11/29/2027	From 11/30/2027 to 11/29/2028	From 11/30/2028 to 11/29/2029	After 11/29/2029
1	Sponsoring firm – in respect of an individual registrant	Application for registration or reactivation of registration	\$138	\$143	\$148	\$153	\$158
2	International dealer or international adviser	Annual notice of reliance on exemption from dealer registration requirement or adviser registration requirement	\$560	\$577	\$595	\$613	\$632
3	Investment fund that is a reporting issuer	Annual financial statements	\$840	\$866	\$892	\$919	\$947
4	Investment fund	Preliminary, pro forma, or combined preliminary and pro forma long form prospectus	\$3520, regardless of whether the applicable long form prospectus relates to the distribution of the	\$3626, regardless of whether the applicable long form prospectus relates to the distribution of the	\$3735, regardless of whether the applicable long form prospectus relates to the distribution of the	\$3848, regardless of whether the applicable long form prospectus relates to the distribution of the	\$3964, regardless of whether the applicable long form prospectus relates to the distribution of the

Item	Column A	Column B	Column C				
	Person or company required to file	Filing type	Reference periods and system fee payable				
			From 11/30/2025 to 11/29/2026	From 11/30/2026 to 11/29/2027	From 11/30/2027 to 11/29/2028	From 11/30/2028 to 11/29/2029	After 11/29/2029
			securities of one or more than one investment fund	securities of one or more than one investment fund	securities of one or more than one investment fund	securities of one or more than one investment fund	securities of one or more than one investment fund
		Preliminary, pro forma, or combined preliminary and pro forma simplified prospectus	\$3520, regardless of whether the applicable simplified prospectus relates to the distribution of the securities of one or more than one investment fund	\$3626, regardless of whether the applicable simplified prospectus relates to the distribution of the securities of one or more than one investment fund	\$3735, regardless of whether the applicable simplified prospectus relates to the distribution of the securities of one or more than one investment fund	\$3848, regardless of whether the applicable simplified prospectus relates to the distribution of the securities of one or more than one investment fund	\$3964, regardless of whether the applicable simplified prospectus relates to the distribution of the securities of one or more than one investment fund
5	Reporting issuer other than an investment fund	Annual financial statements	\$1224	\$1261	\$1299	\$1338	\$1379
6	Reporting issuer, other than an investment fund, that is	Annual information form	\$688	\$709	\$731	\$753	\$776



Item	Column A	Column B	Column C				
	Person or company required to file	Filing type	Reference periods and system fee payable				
			From 11/30/2025 to 11/29/2026	From 11/30/2026 to 11/29/2027	From 11/30/2027 to 11/29/2028	From 11/30/2028 to 11/29/2029	After 11/29/2029
	not a short form prospectus issuer						
7	Investment fund that is not a short form prospectus issuer	Annual information form	\$688	\$709	\$731	\$753	\$776
8	Reporting issuer that is a short form prospectus issuer	Annual information form	\$4048	\$4170	\$4296	\$4425	\$4558
9	Issuer other than an investment fund	Preliminary long form prospectus Preliminary prospectus governed by a CPC instrument	\$1520	\$1566	\$1613	\$1662	\$1712
		Preliminary short form prospectus, preliminary shelf prospectus or preliminary	\$2400	\$2472	\$2547	\$2624	\$2703

Item	Column A	Column B	Column C				
	Person or company required to file	Filing type	Reference periods and system fee payable				
			From 11/30/2025 to 11/29/2026	From 11/30/2026 to 11/29/2027	From 11/30/2027 to 11/29/2028	From 11/30/2028 to 11/29/2029	After 11/29/2029
		MJDS prospectus					
10	All filers	Issuer bid circular filed under Part 2 of National Instrument 62-104 <i>Take-Over Bids and Issuer Bids</i> or take-over bid circular filed under Part 2 of National Instrument 62-104 <i>Take-Over Bids and Issuer Bids</i>	\$560	\$577	\$595	\$613	\$632
11	Issuer, other than an investment fund	Rights offering circular	\$2400	\$2472	\$2547	\$2624	\$2703
12	All filers	Report of exempt distribution	\$64	\$66	\$68	\$71	\$74
13	All filers	Pre-filing that is transmitted	\$560	\$577	\$595	\$613	\$632

Item	Column A	Column B	Column C				
	<b>Person or company required to file</b>	<b>Filing type</b>	<b>Reference periods and system fee payable</b>				
			<b>From 11/30/2025 to 11/29/2026</b>	<b>From 11/30/2026 to 11/29/2027</b>	<b>From 11/30/2027 to 11/29/2028</b>	<b>From 11/30/2028 to 11/29/2029</b>	<b>After 11/29/2029</b>
		through SEDAR+					
14	All filers	<p>Application that is required to be transmitted through SEDAR+ under National Instrument 13-103 <i>System for Electronic Data Analysis and Retrieval + (SEDAR+)</i>,</p> <p>(a) if a pre-filing referred to in Item 13 was previously transmitted in respect of the application, and</p> <p>(b) in any other case</p>	\$0	\$0	\$0	\$0	\$0
			\$560	\$577	\$595	\$613	\$632

5. *Appendix B is replaced with the following:*

**Appendix B  
System Fees**

Column A	Column B	Column C				
Person or company required to file	Filing type	Reference periods and system fee payable				
		From 11/30/2025 to 11/29/2026	From 11/30/2026 to 11/29/2027	From 11/30/2027 to 11/29/2028	From 11/30/2028 to 11/29/2029	After 11/29/2029
Sponsoring firm – in respect of each individual registrant sponsored by the firm	Annual registration renewal	\$138	\$143	\$148	\$153	\$158

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6. (1) This Instrument comes into force on [●].
- (2) In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after [●], this Instrument comes into force on the day on which it is filed with the Registrar of Regulations.