

XBRL US Regulatory Modernization Working Group

November 2, 2021

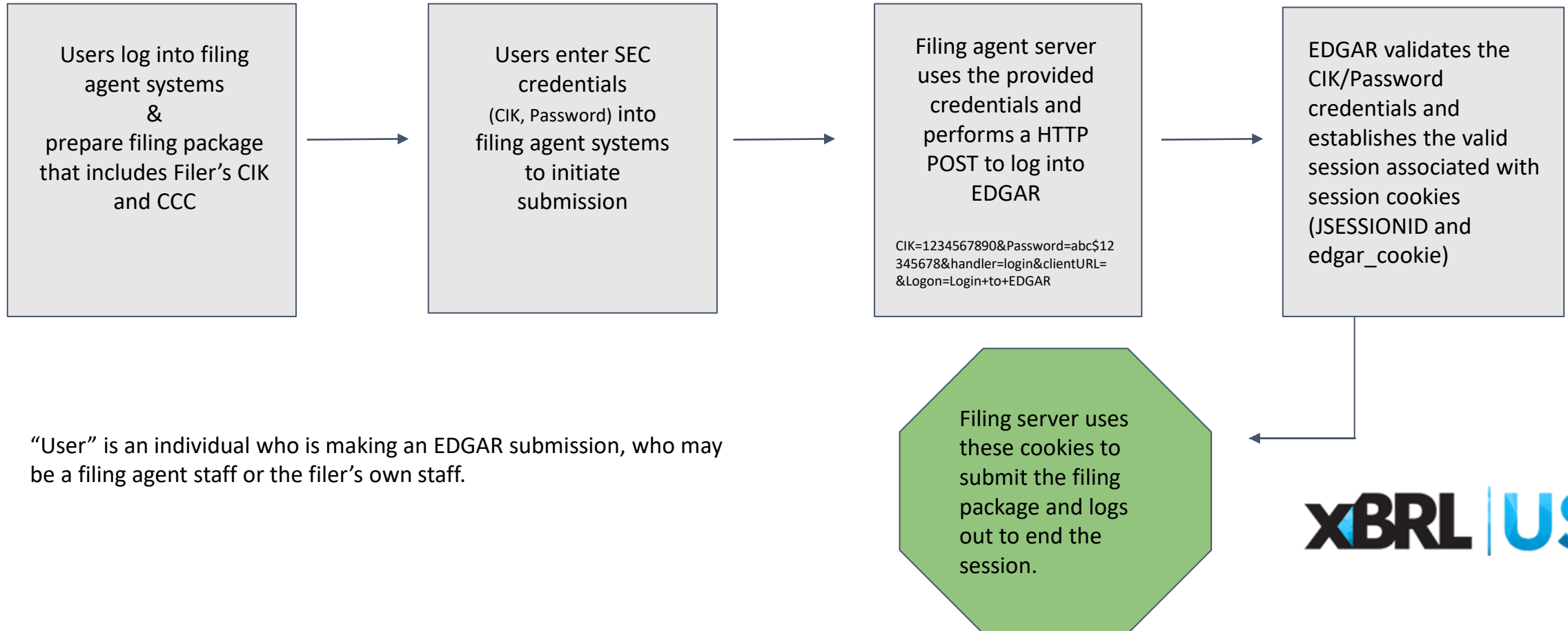
- Advanced Computer Innovations
- Broadridge Financial Solutions, Inc.
- Certent, an insightsoftware company
- Computer Science Resources
- DataTracks
- Donnelley Financial Solutions (DFIN)
- EZ-XBRL
- Exxon Mobil
- GlobalOne Filings, Inc.
- KPMG
- Mark V Systems
- Novaworks, LLC
- P3 Data Systems
- RDG Filings
- Toppan Merrill
- Workiva, Inc.



Current EDGAR Filing Process

EDGAR Prerequisites:

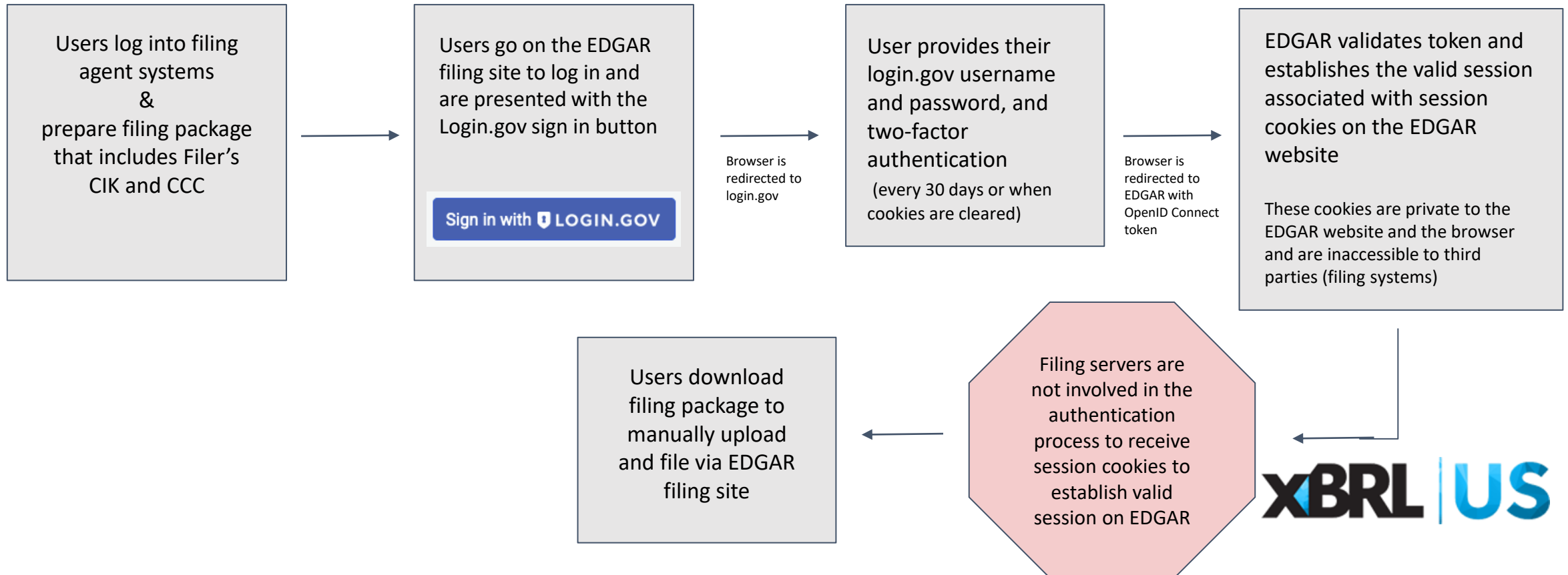
- Filer must have a valid CIK and CCC. SEC passwords expire on a yearly basis but CCC never expires.
 - Filing agent enters own CIK and Password to log in, and uses the filer's CCC to submit on their behalf
 - Self-filer enters own CIK, Password, & CCC to log in and submit



EDGAR Next Filing Process

EDGAR Prerequisites:

- Filer must to be set up in the new SEC's new Filer Management system, with two or more administrators and re-verify this on a yearly basis or be required to file a new Form ID.
- Individuals must have a login.gov account using their business email address, with mandatory two-factor auth. Individuals must be reauthorized by the filing administrators on a yearly basis, and confirm their own roles as user
- Filing Agents must be delegated to by the filer's administrators, and reconfirmed annually.



EDGAR Process Change Impacts

Current Process	EDGAR Next Process	Impacts
Users log into filing agent systems & prepare filing package that includes Filer's CIK and CCC	Users log into filing agent systems & prepare filing package that includes Filer's CIK and CCC	No change
Users enter SEC credentials (CIK, Password) into filing agent systems to initiate submission	Users go on the EDGAR filing site to log in and are presented with the Login.gov sign in button	<ul style="list-style-type: none"> Filing systems may already have authentication control. Users may be subject to dual burden of maintaining both sets of credentials. Increased submission risk associated with 3rd-party web-based process & user management compliance Filers may need to increase admin from __ to __ and users from __ to __ to ensure filing coverage Annual confirmation process may increase from one password reset to ___ user/admin confirmations Test filing volumes may also increase substantially for users to ensure connectivity
Filing agent server uses the provided credentials and performs a HTTP POST to log into EDGAR	User provides their login.gov username and password, and two-factor authentication	<ul style="list-style-type: none"> Increased filing submission time due to manual login, and add'l time for the authentication process <ul style="list-style-type: none"> Additional __ mins per filing X _____ filings per year = ____ total incremental filing time Increased submission risk associated with authentication device management Co-registrant filings may be subject to a very lengthy submission process to authenticate each CIK with multi factor? What if one co-registrant failed to delegate, does it impact the entire filing? <ul style="list-style-type: none"> Example: https://www.sec.gov/Archives/edgar/data/1370020/0000794170-21-000015-index.html Unclear if validation of CCC could still work
EDGAR validates the CIK/Password credentials and establishes the valid session associated with session cookies (JSESSIONID and edgar_cookie)	EDGAR validates token and establishes the valid session associated with session cookies on the EDGAR website.	<ul style="list-style-type: none"> The current proposal gears toward individual login process. Filing systems connection would need different authentication method(s) to work.
Filing server uses these cookies to submit the filing package and logs out to end the session.	<p>Filing servers are not involved in the authentication process to receive session cookies to establish valid session on EDGAR</p> <p>Users download filing package to manually upload and file via EDGAR filing site</p>	<ul style="list-style-type: none"> Direct submission from filing system would need different authentication method(s) to work <ul style="list-style-type: none"> Manual process required - Modernization with a severe side effect on existing automation that is needed to keep filings well run. Pre-scheduled filings, bulk filings especially impacted Earlier cutoff for filing preparation, increased submission time, higher risk of human error with manual steps, disconnected filing experience, increased risk of missing filing deadlines, and ultimately increased cost of compliance

Critical Takeaways

The SEC's core three-part mission is to protect investors, facilitate capital formation and fair and efficient markets.

- The filing community stands behind the success of EDGAR Next and is committed to be a partner in the modernization process, offering our collaboration, ideas, and expertise.
- Filing systems are integral part to the reporting process. To support the SEC's mission, EDGAR Next should be secure and efficient to ensure high quality and timely filing or it may inhibit an issuer's ability to raise capital.
- Rulemaking should support an efficient and effective disclosure ecosystem. This directly impacts an issuer's ability to successfully implement existing and new rules.
- We strongly encourage the SEC to consider our suggestions for server-to-server authentication and other measures to minimize the transition and ongoing burden.
- BETA Next test should support registrant and vendor ability to fully build and test their own systems. We encourage the SEC to extend the comment period to allow the filing community adequate time to test a fully functional test environment.