



Dan Leib



December 1, 2021
Vanessa A. Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

RE: File Number S7-12-21; Potential Technical Changes to EDGAR Filer Access and Filer Account Management Processes

Dear Ms. Countryman:

Donnelley Financial Solutions (DFIN) is a leader in risk and compliance solutions, providing technology solutions and technology-enabled services to clients across the globe. Since 1983, we've been committed to delivering the best possible service and solutions to our clients in support of the Securities and Exchange Commission's (SEC's) ongoing modernization and rulemaking. Public and private companies, as well as investment and other regulated companies, engage DFIN for our SEC domain expertise and solutions to file secure, accurate, timely, and validated disclosures to the SEC, which are needed to ensure effectively functioning capital markets.

DFIN applauds the Commission's modernization efforts in general and, in particular, changes intended to enhance technology security. We are pleased to provide the SEC with comments with respect to the proposed technical changes set forth in the EDGAR Next Request for Comment.

While we support the Commission's efforts to upgrade and modernize the EDGAR process, we have concerns about the impact on filers and the reporting environment of what is currently proposed. Based on the survey conducted by XBRL US with 129 filers, 88% responded to the survey saying that they were "Not At All" or "Only Slightly Prepared" to successfully manage EDGAR Next as currently proposed. In fact, most respondents indicated that they had limited awareness of the EDGAR Next program. This is likely because most filers rely on their filing agents to manage the EDGAR process. Only three out of 129 respondents had participated in the EDGAR Next Beta.

Our main concern relates to the use of Login.gov with multi-factor authentication. This approach is not an efficient option for system-to-system authentication, the most common submission method used by the majority of filers today. We recognize the Commission's goal of providing additional security, however the proposed access through Login.gov will pose an added burden on filers as described herein.

We believe that eliminating the server-to-server submission process would introduce significant negative impacts to the reporting environment that healthy capital markets depend on, as well as significantly increase the burden to the SEC to support filers throughout the submission process. Ensuring filing systems' efficient and timely filings is essential to a successful transition to EDGAR Next. We encourage the SEC to consider our options set forth below for server-to-server authentication and other measures to minimize the transition and ongoing burden.

Additionally, given the magnitude of access changes and the real potential for significant disruption if implemented as currently drafted, we believe filers need more information, training, and a full submission testing process to adequately understand the potential impacts of these proposed changes. The proposed timeline does not give issuers sufficient preparation time and falls during an extremely busy annual filing and annual shareholder meeting period. We believe a transition period of more than six months is necessary to allow adequate time.

Per the Request, DFIN is submitting the following responses to the questions asked for the Commission's consideration:

QUESTIONS

- 1) Does the filing community have experience with obtaining account credentials from third-party service providers including or like Login.gov that the Commission should consider? If so, which third-party service providers, and what experience? Would the use of third-party service providers give rise to any security concerns for individual or entity filers?

DFIN Response:

- i) We believe that the filing community does have experience with third-party authentication services, and we do not believe that using third-party service providers gives rise to security concerns. The Commission should consider other login systems, however, that would be more appropriate for server-to-server communication. Login.gov is best applied to individual login, not to system-to-system login which is the current process for most filers
 - ii) We urge the Commission to consider alternatives that provide the same level of security but are better suited to adapt to the server-to-server communications such as digital certificates/keys
- 2) Under the potential access changes, there would need to be at least two filer administrators for filing entities and one filer administrator for individual filers; filers could designate as many filer administrators as they would like. Is this appropriate? If not, why? Should filing entities be required to have more than two filer administrators? For filing entities, would one filer administrator be adequate? Should individual filers be required to have more than one filer administrator? If so, why? Should there be a limit on the number of filer administrators?

DFIN Response:

- i) The two-filer administrator requirement is sufficient and should be required for entities, but the system should allow for more than two. Individual filers should be required to have more than one filer administrator as well for redundancy considerations
 - ii) No, there should not be a limit to the number of filer administrators
- 3) With the filer management tool, the filer administrator could view, add, remove, and confirm users and other filer administrators as well as change the permissions of a user to administrator and vice versa. Users could similarly use the tool to view and remove their own permissions. In addition, both filer administrators and users would use the filer management tool to confirm current permissions on an annual basis. Are there other functions that should be incorporated into the filer management tool or any other information that administrators or users should be able to view? Should any of these functions not be included on the filer management tool?

DFIN Response:

- i) Administrators and users should be able to view their rights and verify their identity and methods of access. Both should also be able to update their preferences and contact information, particularly regarding MFA
- ii) Filer Administrators should be able to verify access annually for their users

For Filing Agent Designations:

- i) Filer Administrators will need to manage multiple filing agents including additions and removals
 - ii) Filing agents will need the ability to accept filing requests from filers
- 4) With the filer management tool, the filer administrator could delegate filing authority to third parties such as filing agents and remove such delegations. Should filer administrators be able to delegate

filing authority to third parties and remove such delegations? Do commenters have any concerns with this function or any suggested modifications? Should “filing agents” be limited to entities listed in EDGAR as “filing agents” based on their Form ID filing or should it also include entities that function as filing agents but who identified themselves on their Form ID filing as “filer?”

DFIN Response:

- i) Yes, filer administrators should be able to delegate filing authority to filing agents and remove such delegations. It is critical that filers have the ability to delegate to filing agents and the flexibility to make changes quickly. This will help avoid change scenarios that could impact filing deadlines
 - ii) We urge the Commission to revise the authentication process for EDGAR Next to allow server- to-server authentication from EDGAR to Filing Agent. Eliminating this capability will result in the need to manually process filings and will eliminate the ability to pre-schedule and perform bulk filings. It will result in earlier cutoff times for filing preparation, introduce the potential for error due to manual processing, increase the risk of missing deadlines, and increase the cost of compliance
 - iii) To help support this process, we would encourage the Commission to design a system that allows for filers to efficiently manage the means by which they grant access to filing agents to file on their behalf
 - (1) Filers should be able to register multiple CIKs under which a filing agent may file on their behalf
 - (2) Filing agents should be able to designate authorized filers within their organization
 - iv) To accelerate the setup process for filers, we suggest that all filing agents which have submitted a filing on behalf of the filer’s CIK in the previous two years should automatically be added as authorized delegated filers. The Filer Administrator should confirm or remove pre-imported delegates as appropriate
- 5) Are there alternatives to the filer management tool that the Commission should consider? For example, are there alternative methods that would enable filers to take the same actions as they would using the filer management tool that would be easier to implement or more user-friendly? Do commenters have experience with alternatives to the filer management tool, whether positive or negative, that the Commission should consider?

DFIN Response:

As noted earlier in responses, we support a change that allows server-to-server authentication, rather than Login.gov with multi-factor authentication. This approach will help reduce risks and filing time associated with a manual filing process via the EDGAR filing sites.

- 6) Filer administrators and users would confirm their access permissions annually. The annual confirmation of permissions would help the filer remain aware of who makes submissions on EDGAR on its behalf. Should the confirmation be annual or at more or less frequent intervals? Are there concerns that the Commission should be aware of for filers that only make submissions annually or less frequently? Should both filer administrators and users confirm permissions annually, or only filer administrators? Should the requirement to apply for access again occur automatically upon failure by a filer to confirm the access permissions or should there be a grace period if the filer administrator fails to confirm the access permissions within a specified time period? If there should be a grace period, how long should it be? Would the annual confirmation create any additional burden on filers or filing agents compared to the current annual EDGAR password update requirement? If so, are there any improvements to the annual confirmation as currently described that would reduce the burden for filers or filing agents?

DFIN Response:

- i) We recommend reducing the management overhead and that reconfirmation be limited to Administrators

- ii) Filer administrators should be required to confirm all users and agents within their accounts - bulk confirmation capabilities will be needed
 - iii) The Commission should implement an active notification process to filers to inform them of an impending expiration
 - iv) Accounts should be deactivated with the ability to be reactivated
 - v) Because filers will now be required to manage authorized users as well as filing agents on an annual basis, this will require additional management effort
 - (1) This burden can be reduced with active notifications, a grace period, and efficient management tools
- 7) Would the potential access changes facilitate the responsible management of EDGAR filer credentials? Are there additional changes to the access process that we should make to encourage such responsible management? For example, should administrators be required to update their account permissions within a reasonable period following the separation of employment of a user from the filer or a change in the user's filing responsibilities? Would the potential access changes create any undue burdens for filers or filing agents? If so, how could the potential access changes be modified to ease such burdens? Are there any other concerns that the Commission should be aware of with the transition to the potential access changes?

DFIN Response:

- i) We do believe that modernizing the EDGAR access management system for security purposes will facilitate an accountability on the part of filers to understand how their EDGAR account is utilized and by whom
 - ii) No additional changes necessary at this time - once credentials are established by the filer, it should remain the responsibility of the filer to maintain and review those accounts on a periodic basis that makes sense to them and in obligation with their company's security procedures
 - iii) These changes do present an administrative burden to filers that they may not currently prepared to handle
 - (1) Because it represents a significant change, we advise the Commission to manage a phased roll-out in order to transition filers
- 8) Are there any issues specific to certain types of filers that should be considered with regard to the potential access changes? For example, asset-backed securities (ABS) issuers often create one or more serial companies each year, each of which is a separate legal entity with its own CIK, even though it generally has the same contact information as the ABS issuer. If the potential technical changes are implemented, should new serial companies have their user and filer administrator information automatically copied from the ABS issuer's user and filer administrator information? If so, in order to ensure that the ABS issuer has user and filer administrator information that could be copied to the new serial company, would there be any issues associated with requiring ABS issuers to have transitioned to Login.gov before the ABS issuer can create new serial companies? Separately, should we allow the annual confirmations of users and filer administrators for an ABS issuer to also apply to the serial companies associated with that ABS issuer, if the same users and filer administrators were associated with each serial company?

DFIN Response:

- i) Yes, for large entities that manage multiple CIKs there should be a simplified account management process to expedite setup and filing agent designation. Without this support, we believe bulk filings could be especially impacted. Individual CIK authentication using a manual process would be extremely time consuming
- ii) The Commission should consider a permission that will allow for efficient management of serial companies within a single account to make it easier for filers to manage their EDGAR filing information. For example, within the issuer's primary account, allow them to add serial companies as a sub-account and not require separate login.gov accounts for every serial company

9) How long would it take existing filers to adjust to the potential access changes?

DFIN Response:

- i) DFIN supports the XBRL US Regulatory Modernization Working Group and their response from survey results: “We believe the transition should begin no sooner than June 2022 with an 18–24-month transition period with longer lead times for smaller filers, based on SEC category”
- ii) Depending on the size of the organization, it could take 12-18 months for filers to migrate over to the new process
- iii) Filers will need to create new internal processes for management, setup of filing agents, and for annual confirmations

10) Should we transition existing active accounts to the potential access changes on a gradual basis over a several month period, possibly beginning in spring 2022? If so, how? For example, should the transition period be tiered based on the volume of filings made by a filer or a filing agent on an annual basis? Should another method be used? What is an appropriate length of time for the transition period?

DFIN Response:

- i) We do agree with gradual transition approach similar to other transitions that the Commission has managed throughout its history of implementing digital change in the filing system
- ii) It is recommended to start the process after the spring peak activity period
- iii) We believe the transition should provide time for filers to adopt this new process and should be rolled out in a phased approach:
 - (1) A beta period to test new processes along with new EDGAR automation
 - (2) A setup period for filers to create their accounts and manage filing agents
 - (3) An optional period for early adopters to start using the new process to allow for feedback
 - (4) Phased rollout for all filers

11) What other changes to the EDGAR filer access and account management processes should the Commission consider in the future?

DFIN Response:

We suggest adding an initial phase where inputs can be captured from the filing ecosystems prior to the start of large project initiatives.

Sincerely,



Dan Leib
Chief Executive Officer