

electronically.⁹⁶ As a result, EDGARLink filing no longer is available for these forms.⁹⁷

Users of the test site commented that the new system was easy to use and intuitive. They identified some improvements that would be beneficial to filers. Most of these changes will be implemented in EDGAR Release 8.6, currently scheduled for the end of July.⁹⁸

Some filers, either directly or through agents, may wish to create a customized form and file it as a reduced content filing. A reduced content filing is a filing that provides header information (e.g., form type) and the data for mandatory fields that we specify and otherwise complies with specified technical filing requirements. In March 2003, we announced the necessary reduced content specifications, including, mandatory fields and technical filing requirements, to provide adequate preparation time before the new system's implementation.⁹⁹ Reduced content filings will enable issuers and insiders to use third-party service providers for filings, if they wish to do so, just as they do today.

In order to file, persons will need the same codes as are required to file on EDGARLink. Persons can acquire the codes only by submitting a Form ID.¹⁰⁰ We urge Form ID filers to keep the information they provide up to date by revising the information on-line through our Web site as necessary. Companies and other third party filing agents with appropriate access codes will continue to be able to submit forms on behalf of insiders.¹⁰¹ We expect to introduce enhanced verification procedures in the future.

Under the new system, if a filing is made on behalf of multiple insiders, each insider will be required to have a Central Index Key (CIK) and CIK Confirmation Code (CCC) for

validation.¹⁰² Multiple insiders will be allowed to report on a single form only if they all have an interest in a transaction or holding reported.

To access and file the forms through our Web site, filers must begin by having valid EDGAR access codes and logging on to the site. A button on the menu will give filers the option to create an on-line Form 3, 4 or 5, or an amendment to any of these forms. The filer should have all the necessary information available before going on-line to file. Due to cost and technical limitations, data entry must be performed quickly enough to avoid time-outs that end the session. A time-out will occur one hour following the user's last activity on the system. The system will not be able to provide a way to save an incomplete form on-line from session to session. The system will validate as many fields as possible for data type and required fields while the filer fills in the form. Filers will have the chance to correct errors and verify the accuracy of the information before submitting the filing. An on-line help function will be available.

The filer will be able to download and print the filing and add attachments before submission.¹⁰³ Once the filing is submitted, the system will display the accession number of the filing or a message that says the accession number will follow in a return notification.¹⁰⁴ A filer will be able to obtain a return copy of the form shortly after filing, and also will be able to see the filing on our Web site. Filers who submit their forms directly by entering information into the on-line templates must click on the "Transmit Submission" button on or before 10 p.m. Eastern time on a Commission business day for the submission to be completed that day. Similarly, a reduced content filing must begin transmission on or before 10 p.m. Eastern time to be completed the same day.

Summarized below are comments we received regarding the system relating to access codes, filing options and system features, and our responses.

Four commenters asked us to address the situation where a Form ID is filed to obtain a new CCC access code for an insider who already has a CCC code. Two commenters stated that this can happen, for example, where an insider serves on multiple boards and more than one issuer arranges Form ID filing. The situation cited is that a new CCC is issued, which cancels the previous CCC. As a result, an attempt to file arranged by a person unaware of the change could result in an error message, delay and extra effort. As potential alternative resolutions, commenters suggested that the Commission:

- In response to a repeat Form ID, either provide the existing codes and permission to use them or return the Form ID to the insider with a notice that the insider already has access codes;
- Provide a mechanism to allow filers to determine whether the insider already has access codes;¹⁰⁵
- Provide separate access code sets with respect to each issuer as to which the person files reports;¹⁰⁶ or
- Take the position that a good faith attempt to obtain and use codes that results in mishandling or termination of existing codes constitutes a valid basis for a temporary hardship exemption.¹⁰⁷

We are sensitive to the concerns expressed regarding granting access codes to individuals. In some cases, an individual is an insider of more than one issuer. The staff takes care to assign only one CIK code to each individual, regardless of the number of issuers as to which the person files reports. When multiple issuers request CIK codes for the same individual, however, occasionally new access codes are assigned in error. Often one issuer tells the staff that the original codes have been lost or compromised when, in fact, the insider is using them when submitting filings as to another issuer. When new codes are generated for the same person, as identified by the unique CIK code, the previously generated codes become invalid.

¹⁰⁵ We assign to every person that requests access codes a CIK code unique identifier that is available publicly, for persons that have used their CIK code in making a filing, on our Web site under the "Companies and Other Filers" search at <http://www.sec.gov/edgar/searchedgar/companysearch.html>.

¹⁰⁶ Providing separate access codes as to each issuer would make it more difficult to find all the filings of a given insider and, thereby, undermine our goals of facilitating rapid and easy access to information.

¹⁰⁷ As previously discussed, temporary hardship exemptions will be unavailable to Forms 3, 4 and 5. One commenter claimed that sometimes delays in obtaining codes prevent timely filing. We are making strong efforts to provide codes timely, especially as more and more persons seek codes in connection with the implementation of mandated electronic filing.

⁹⁶ Each new EDGAR release represents an updated version of the EDGAR system. See the draft Filer Manual for Release 8.5 on our Web site at <http://www.sec.gov/info/edgar/filermanual85.htm>.

⁹⁷ As previously discussed, unofficial PDF copy submissions are unavailable to Forms 3, 4 and 5.

⁹⁸ The principal needed improvement relates to modifying mandatory field requirements for certain holdings and types of transactions. On May 1, 2003, we released interim guidance on how to report the affected items before this improvement is made. The interim guidance is available on our Web site at <http://www.sec.gov/divisions/corpfin/sec16faq.htm>.

⁹⁹ The mandatory fields and technical filing requirements are available on our Web site at <http://www.sec.gov/info/edgar/edgar85xmlspec.htm>.

¹⁰⁰ 17 CFR 239.63, 249.446, 259.602, 269.7 and 274.402.

¹⁰¹ Companies and other third party filing agents will need, in addition to their own access codes, the CIK and CCC codes of the insiders on whose behalf they file.

¹⁰² In contrast, on EDGARLink, only one of the insiders needed a CIK and CCC.

¹⁰³ Filers should reference attachments in the form as exhibits and number them for clarity. As described above, a new General Instruction to each form specifies how exhibits should be numbered. In the rare event that a filer files an exhibit separately in paper under a continuing hardship exemption, the filer should place a Form SE [17 CFR 239.64, 249.444, 259.603, 269.8 and 274.403] cover on the exhibit. Use of Form SE for this purpose will help assure the exhibit is linked to the form.

¹⁰⁴ An "accession number" is a unique number generated by EDGAR for each electronic submission. Assignment of an accession number does not mean that EDGAR has accepted a submission.