

**Notice relating to the revision of the covered bond issue limit for deposit and trust institutions – COVID-19**

Since March 19, 2020, the Autorité des marchés financiers (the “AMF”) has announced a series of measures to minimize the impact of the COVID-19 pandemic on Québec’s financial system, including specific measures for trust companies, savings companies and other deposit institutions, credit unions not members of a federation, member credit unions of a federation and federations of credit unions (the “financial institutions concerned”).

In a notice published on [March 31, 2020](#), the AMF announced a temporary increase in the covered bond issue limit requirements to 10% from the normal 5.5%. This temporary relief would be provided for at least one year and would be extended beyond that point if needed.

During the past year, the AMF has continued to monitor the liquidity of the financial institutions concerned and their access to term funding, both of which appear to have now stabilized. On [October 15, 2020](#), the Bank of Canada removed own-named covered bonds from the list of eligible securities for regular term repo operations. On [March 23, 2021](#), in response to developments in the economic environment, the Bank of Canada also announced the unwinding of other support measures.

In view of developments in the pandemic and the economy, the AMF today is announcing the unwinding of this treatment, effective immediately, and a return to the 5.5% covered bond issue limit.

If you have any questions, please contact:

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