CSA/ACVM Canadian Securities Administrators Autorités canadiennes en valeurs mobilières

CSA Notice of Consultation

Draft *Regulation to amend Regulation 81-102 respecting Investment Funds*

Exemptions from Certain Repurchase Transactions Requirements for Investment Funds

September 17, 2026

Introduction

The Canadian Securities Administrators (the **CSA** or **we**) are publishing draft *Regulation to amend Regulation 81-102 respecting Investment Funds* (the **Draft Amendments**) for a 60-day comment period.

The Draft Amendments provide exemptions from certain repurchase transactions requirements for reporting issuer investment funds where the purchaser is the Bank of Canada.

The Draft Amendments:

(a) codify the temporary exemptive relief issued on July 24, 2025 through Coordinated Blanket Order 81-930 *Exemptions from Certain Repurchase Transactions Requirements for Investment Funds* (the **Coordinated Blanket Order**) for the Bank of Canada's repurchase facility, the Contingent Term Repo Facility (**CTRF**), and

(b) provide an exemption for future repurchase facilities provided by the Bank of Canada.

The text of the Draft Amendments is published with this notice and will also be available on websites of the following CSA jurisdictions:

www.bcsc.bc.ca
www.asc.ca
www.fcaa.gov.sk.ca
www.mbsecurities.ca
www.osc.ca
www.lautorite.qc.ca
www.fcnb.ca
nssc.novascotia.ca

Substance and Purpose

The purpose of the Draft Amendments is to provide harmonized exemptions from certain repurchase transactions requirements for reporting issuer investment funds where the purchaser is the Bank of Canada. The exemptions contemplated in the Draft Amendments would allow reporting issuer investment funds to access the CTRF, as well as any future repurchase facilities provided by the Bank of Canada.

The Bank of Canada currently offers the CTRF for reporting issuer investment funds, which was developed to support the stability of the Canadian financial system by assisting market participants to address liquidity issues that may arise if there are severe market-wide liquidity stresses. Under the CTRF, the Bank of Canada will repurchase certain eligible fixed income securities issued or guaranteed by the Government of Canada or a provincial government. The CTRF offers Canadian-dollar funding for a term of up to 30 days to eligible participants. The CTRF may be activated and deactivated by the Bank of Canada, at its discretion. The Bank of Canada may offer other repurchase facilities to reporting issuer investments funds in the future.

The Draft Amendments further recommendations made by the International Monetary Fund's 2025 Financial Sector Assessment Program for Canada relating to systemic liquidity[1] as they facilitate access to bilateral liquidity for regulated investment funds to address potential severe market conditions.

The Coordinated Blanket Order was implemented through local blanket orders in each CSA jurisdiction. The Coordinated Blanket Order is not subject to an expiration date in any of the CSA jurisdictions except for in Ontario. The local Coordinated Blanket Order in Ontario (the **OSC Blanket Order**) is in effect from July 24, 2025 to January 24, 2027, and will, provided required approvals are obtained, be extended by OSC Rule 81-931 *Extension to Ontario Securities Commission Coordinated Blanket Order 81-930 Exemptions from Certain Repurchase Transactions Requirements for Investment Funds* (**OSC Rule 81-931**) for an additional 18-month period from January 24, 2027 to July 24, 2028. The temporary exemptive relief provided by the OSC Blanket Order and OSC Rule 81-931 cannot be subject to a further extension under Ontario securities laws.

The CSA will consider whether any changes to the Draft Amendments are needed following a consideration of any comments we receive on the publication for comment. If the Draft Amendments do not require a republication for comment, we anticipate seeking all necessary approvals to adopt the Draft Amendments with an aim of having the Draft Amendments come into force on July 24, 2028 (the **Effective Date**).

Background

During times when the CTRF is activated, we recognize that an investment fund with exposure to Canadian dollar money markets and/or fixed income securities may benefit from accessing the CTRF to manage its liquidity during periods of severe market-wide liquidity stresses in the Canadian dollar money markets and/or fixed income markets. However, accessing the CTRF would result in a reporting issuer investment fund being unable to comply with certain repurchase transactions requirements. The Coordinated Blanket Order provides reporting issuer

[1] Canada: Financial Sector Assessment Program-Technical Note on Systemic Liquidity Assessment (August 8, 2025) (IMF Country Report No. 25/233), Recommendation #10.

investment funds with exemptive relief from those requirements to facilitate access to the CTRF.

Summary of the Draft Amendments

The exemptions contemplated by the Draft Amendments are consistent with the temporary exemptions provided by the Coordinated Blanket Order. However, the Draft Amendments would also allow reporting issuer investment funds to access future repurchase facilities provided by the Bank of Canada.

Securities legislation sets out the standard of care for the management of investment funds, requiring managers to act honestly, in good faith, and in the best interests of the investment fund. Investment fund managers of investment funds that access the CTRF or another Bank of Canada repurchase facility would remain subject to the statutory standard of care.

Consistent with the Coordinated Blanket Order, the Draft Amendments would require that the cash delivered to the investment fund as consideration for sold securities in a repurchase transaction with the Bank of Canada only be used for liquidity management of the investment fund.

The Draft Amendments also require investment funds relying on the exemptions to comply with certain reporting requirements. The requisite notices and reports must be delivered to the regulator, except in Québec, or securities regulatory authority.

Local Matters

An annex 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 the Draft Amendments. Please submit your comments in writing on or before November 16, 2026.

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 of New Brunswick
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Securities Commission of Newfoundland and Labrador

Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon
Superintendent of Securities, Nunavut

Submit your comments here: https://www.securities-administrators.ca/consultations/. Your comments will be distributed to the participating CSA members.

If Québec is a participating jurisdiction, and you are submitting your comments through the link above, you are submitting your comments to:

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: 514 864-8381
E-mail: 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.asc.ca, the Autorité des marchés financiers at www.lautorite.qc.ca and the Ontario Securities Commission at www.osc.ca. Therefore, you should not include personal information directly in comments to be published. It is important that you state on whose behalf you are making the submission.

Questions

Please refer your questions to any of the following:

Autorité des marchés financiers

Philippe Lessard
Investment Funds Analyst
Asset Management Policy and Technological Innovation
Phone: 514 395-0337, ext. 4364
Email: philippe.lessard@lautorite.qc.ca

Robin Marcoux
Senior Analyst
Asset Management Oversight
Phone: 514 395-0337, ext. 4426
Email: robin.marcoux@lautorite.qc.ca

British Columbia Securities Commission

Noreen Bent
Deputy Director
Corporate Finance Legal Services
Phone: 604 899-6741
Email: nbent@bcsc.bc.ca

James Leong
Senior Legal Counsel
Corporate Finance
Phone: 604 899-6681
Email: jleong@bcsc.bc.ca

Alberta Securities Commission

Chad Conrad
Senior Legal Counsel, Investment Funds
Corporate Finance
Phone: 403 297-4295
Email: chad.conrad@asc.ca

Financial and Consumer Affairs Authority of Saskatchewan

Heather Kuchuran
Director, Corporate Finance
Securities Division
Phone: 306 787-1009
Email: heather.kuchuran@gov.sk.ca

Manitoba Securities Commission

Patrick Weeks
Deputy Director
Corporate Finance
Phone: 204 945-3326
E-mail: patrick.weeks@gov.mb.ca

Ontario Securities Commission

Frederick Gerra
Senior Legal Counsel
Investment Management Division
Phone: 416 204-4956
Email: fgerra@osc.ca

Stephen Paglia
Vice-President
Investment Management Division
Phone: 416 593-2393
Email: spaglia@osc.ca

Irene Lee
Senior Legal Counsel
Investment Management Division
Phone: 416 593-3668
E-mail: ilee@osc.ca

Neeti Varma
Associate Vice-President
Investment Management Division
Phone: 416 593-8067
E-mail: nvarma@osc.ca

Financial and Consumer Services Commission of New Brunswick

Ray Burke
Manager
Corporate Finance
Phone: 506 643-7435
Email: ray.burke@fcnb.ca

Nova Scotia Securities Commission

Jack Jiang
Securities Analyst
Phone: 902 424-7059
Email: jack.jiang@novascotia.ca