

**CSA NOTICE REGARDING
COORDINATED BLANKET ORDER 81-930
EXEMPTIONS FROM CERTAIN REPURCHASE TRANSACTIONS
REQUIREMENTS FOR INVESTMENT FUNDS**

July 24, 2025

Introduction

The Canadian Securities Administrators (the **CSA** or **we**) are publishing substantively harmonized exemptions from certain repurchase transaction requirements in National Instrument 81-102 *Investment Funds* (**NI 81-102**) to allow investment funds to access the Bank of Canada's repurchase facility, the Contingent Term Repo Facility (**CTRF**).

Every member of the CSA is implementing the relief through a local blanket order entitled Coordinated Blanket Order 81-930 *Exemptions from Certain Repurchase Transactions Requirements for Investment Funds* (the **Coordinated Blanket Order**). Although the outcome is the same in all CSA jurisdictions, the language of the Coordinated Blanket Order issued by each province or territory may not be identical because each jurisdiction's blanket order must fit within the authority provided for in local securities legislation.

The text of the Coordinated Blanket Order is contained in Annex A of 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.fcmb.ca
nssc.novascotia.ca

Substance and Purpose

The purpose of the Coordinated Blanket Order is to provide investment funds with exemptions from certain repurchase transaction requirements in NI 81-102 (collectively, the **certain repurchase transaction requirements**) to facilitate access to the CTRF offered by the Bank of Canada should it become activated in the future. The Bank of Canada has developed the CTRF 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.¹ Under

¹ <https://www.bankofcanada.ca/markets/market-operations-liquidity-provision/market-operations-programs-and-facilities/contingent-term-repo-facility/>

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 Bank of Canada has recently revised its eligibility criteria to provide greater clarity on the eligibility of investment funds that may access the CTRF.²

Background

CTRF

The application, access and settlement requirements for the CTRF are solely determined by the Bank of Canada. An investment fund must submit an application to the Bank of Canada to become an approved counterparty and the Bank of Canada then reviews the application to confirm the investment fund meets the eligibility requirements. Once approved, the investment fund must sign the Bank of Canada's master repurchase agreement prior to accessing the CTRF.

The CTRF may be activated and deactivated by the Bank of Canada, at its discretion. Currently, the CTRF is not activated.

Exemptions

We recognize that during times when the CTRF is activated, an investment fund with exposure to Canadian dollar money markets and/or fixed income securities may need to access 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 an investment fund being unable to comply with the certain repurchase transaction requirements.

The Coordinated Blanket Order provides investment funds with exemptive relief to facilitate access to the CTRF on the conditions that:

- it would be in the best interest of the investment fund to do so;
- the cash delivered to the investment fund as consideration for sold securities in the CTRF is used for liquidity management of the investment fund; and
- certain reporting requirements are complied with.³

The CSA is of the view that it would not be prejudicial to the public interest to grant the exemptions from the certain repurchase transactions requirements.

² <https://www.bankofcanada.ca/2025/03/bank-canada-announces-planned-changes-contingent-term-repo-facility/>.

³ The reporting requirements exclude any operational tests that may be conducted by the Bank of Canada during the onboarding process for the CTRF.

Effective Date

The Coordinated Blanket Order will come into effect on July 24, 2025 (the **Effective Date**).

Under securities legislation, the Coordinated Blanket Order is not subject to an expiration date in any of the CSA jurisdictions, except in Ontario. In Ontario, the term of the Coordinated Blanket Order is 18 months and it will cease to be effective on January 24, 2027, unless it is extended or revoked. In Ontario, the Coordinated Blanket Order may be extended for a further period of up to 18 months by way of rule.

Content of Annex A

This Notice contains Annex A: Coordinated Blanket Order 81-930 *Exemptions from Certain Repurchase Transactions Requirements for Investment Funds*.

Questions

Please refer your questions to any of the following:

British Columbia Securities Commission

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Financial and Consumer Affairs Authority of Saskatchewan

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Financial and Consumer Services Commission of New Brunswick

Coordinated Blanket Order 81-930

Citation: Exemptions from Certain Repurchase Transactions Requirements for Investment Funds

(Order under Section 208 of the Securities Act)

Date: July 24, 2025

Definitions

1. Terms defined in the *Securities Act* (New Brunswick) (**Act**), Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) and National Instrument 81-102 *Investment Funds* (**NI 81-102**) have the same meaning as in this Order.

Background

2. Investment funds that are reporting issuers are subject to the NI 81-102 requirements for repurchase transactions.
3. The Bank of Canada (**Bank**) has developed a facility 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. The Contingent Term Repo Facility (**CTRF**) is a facility under which the Bank 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.
4. The Financial and Consumer Services Commission of New Brunswick (the **Commission**) recognizes that investment funds with exposure to Canadian dollar money markets and/or fixed income securities may need to access the CTRF to manage their liquidity during periods of severe market-wide liquidity stresses in the Canadian dollar money markets or fixed income markets.
5. An investment fund that accesses the CTRF would not be able to comply with certain requirements for repurchase transactions in NI 81-102 for the reasons set out below:
 - (a) the cash to be delivered to the investment fund at the beginning of the CTRF will be less than an amount equal to at least 102% of the market value of the sold securities as required by paragraph 2.13(1)5 of NI 81-102;
 - (b) the sold securities would be marked to market on each business day, but the amount of sale proceeds in the possession of the investment fund would not be adjusted on each business day, as applicable, as required by paragraph 2.13(1)6 of NI 81-102;

- (c) given (a) and (b) above, the Bank's master repurchase agreement for the CTRF would not implement the requirements of section 2.13(1) of NI 81-102 as required by paragraph 2.13(1)2 of NI 81-102;
 - (d) the cash delivered to an investment fund as consideration for sold securities would be used for liquidity management of the investment fund which is not permitted under subsection 2.13(2) of NI 81-102; and
 - (e) to promptly manage liquidity during periods of severe market-wide liquidity stresses in the Canadian dollar money markets and/or fixed income markets,
 - (i) mutual funds, other than exchange-traded mutual funds not in continuous distribution, may not have sufficient time to provide the disclosure required by paragraph 2.17(1)(a) of NI 81-102 before accessing the CTRF;
 - (ii) exchange-traded mutual funds that are not in continuous distribution or non-redeemable investment funds may not have sufficient time to provide a news release of the required prospectus disclosure and the date on which the investment funds intend to begin entering the CTRF as required by paragraph 2.17(1)(b) of NI 81-102; and
 - (iii) investment funds may not have sufficient time to provide their securityholders with the 60 days' written notice required by paragraph 2.17(1)(c) of NI 81-102 prior to accessing the CTRF.
6. The Commission has delegated to the Executive Director of Securities the Commission's power under section 208 of the *Act* to exempt, in whole or in part, a person or class of persons from any requirement of any National Instrument, Multilateral Instrument, or Local Instrument, subject to such terms and conditions considered appropriate.

Order

7. The Executive Director of Securities, considering that to do so would not be prejudicial to the public interest, orders under section 208 of the *Act* that investment funds that are reporting issuers are exempt from paragraphs 2.13(1)2, 5 and 6, subsection 2.13(2) and subsection 2.17(1) of NI 81-102 for the purpose of accessing the CTRF, provided that:
- (a) the manager has determined that accessing the CTRF is in the best interest of the investment fund;
 - (b) the cash delivered to an investment fund as consideration for sold securities in the CTRF is used for liquidity management of the investment fund;
 - (c) as soon as practicable, and in any event within 5 business days after an investment fund's application to become an eligible counterparty to the CTRF is approved by the Bank, the investment fund provides notification to its principal regulator by email as set out in Annex B that the investment fund's CTRF application has been approved and the investment fund intends to rely on this Order;

- (d) as soon as practicable, and in any event within 5 business days after each instance an investment fund accesses the CTRF, the investment fund provides notification to its principal regulator by email as set out in Annex B that the investment fund has accessed the CTRF; and
- (e) as soon as practicable after each instance an investment fund accesses the CTRF, the investment fund provides the information required in Annex A in an Excel document to their principal regulator by email as set out in Annex B.

Effective Date and Term

8. This Order comes into effect on July 24, 2025.

For the Commission:

“original signed by”

To-Linh Huynh
Executive Director of Securities

ANNEX A

1. Date (dd/mm/yy)	
2. Name of the investment fund manager	
3. Name of the investment fund	
4. CTRF access start date (dd/mm/yy)	
5. CTRF access end date (dd/mm/yy)	
6. CTRF amount accessed (\$CAD)	
7. CTRF amount accessed as a percentage of the investment fund's NAV on the CTRF access start date (%)	
8. The outstanding amount of all borrowings of the investment fund, including the CTRF amount accessed, as a percentage of its NAV on the CTRF access start date (%)	
9. The outstanding amount of all borrowings of the investment fund as a percentage of its NAV on the CTRF access end date (%)	

ANNEX B

CSA Jurisdiction	Email Address
British Columbia	examiners@bcsc.bc.ca
Alberta	Investment.Funds@asc.ca
Saskatchewan	corpfin@gov.sk.ca
Manitoba	securities@gov.mb.ca
Ontario	IMDivision@osc.gov.on.ca
Québec	dsfi@lautorite.qc.ca
New Brunswick	IMDivision@osc.gov.on.ca
Nova Scotia	NSSC_Corp_Finance@novascotia.ca
Prince Edward Island	IMDivision@osc.gov.on.ca
Newfoundland and Labrador	SecuritiesExemptions@gov.nl.ca
Yukon	IMDivision@osc.gov.on.ca
Northwest Territories	IMDivision@osc.gov.on.ca
Nunavut	IMDivision@osc.gov.on.ca