

December 22, 2025

**In The Matter of the Securities Legislation of
Ontario (the Jurisdiction)**

And

**Alberta, British Columbia,
Manitoba, New Brunswick, Newfoundland and Labrador,
Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island,
Québec, Saskatchewan and Yukon**

And

**In The Matter Of
the Process for Exemptive Relief Applications
in Multiple Jurisdictions**

And

**In the Matter of
Wealthsimple Investments Inc.
(the Filer)**

Decision

Background

As set out in Canadian Securities Administrators (**CSA**) Staff Notice 21-327 *Guidance on the Application of Securities Legislation to Entities Facilitating the Trading of Crypto Assets* (**Staff Notice 21-327**) and Joint CSA/Investment Industry Regulatory Organization of Canada Staff Notice 21-329 *Guidance for Crypto-Asset Trading Platforms: Compliance with Regulatory Requirements* (**Staff Notice 21-329**), securities legislation applies to crypto asset trading platforms (**CTPs**) that facilitate or propose to facilitate the trading of instruments or contracts involving crypto assets because the user's contractual right to the crypto asset may itself constitute a security and/or a derivative (**Crypto Contract**).

To foster innovation and respond to novel circumstances, the CSA has considered an interim, time-limited registration that would allow CTPs to operate within a regulated environment, with regulatory requirements tailored to the CTPs' operations. The overall goal of the regulatory framework is to ensure there is a balance between the need to be flexible and to facilitate

innovation in the Canadian capital markets, while upholding the regulatory mandate of promoting investor protection and fair and efficient capital markets.

The Filer is currently registered in the category of investment dealer in all of the Applicable Jurisdictions (as defined below) and is a member of the Canadian Investment Regulatory Organization (**CIRO**). On January 1, 2024, Wealthsimple Investments Inc. and Wealthsimple Digital Assets Inc. (**WDA**) amalgamated to form the Filer. Prior to this amalgamation, the Filer applied for and received exemptive relief in a decision dated December 18, 2023 (the **Prior Decision**).

Under the terms and conditions of the Prior Decision, the Filer has operated, and continues to operate, a platform (the **Platform**) that permits clients resident in Canada to enter into Crypto Contracts to purchase, hold, stake, sell, deposit, and withdraw crypto assets.

The Filer, recognizing that the Prior Decision will expire on January 1, 2026, has submitted an application to extend the relief in the Prior Decision in order to allow the Filer to continue operating the Platform.

This Decision has been tailored for the specific facts and circumstances of the Filer, and the securities regulatory authority or regulator in the Applicable Jurisdictions will not consider this Decision as constituting a precedent for other filers.

Relief Requested

The securities regulatory authority or regulator in the Jurisdiction has received an application from the Filer (the **Passport Application**) for a decision under the securities legislation of the Jurisdiction (the **Legislation**) exempting the Filer from the prospectus requirements under the Legislation in respect of the Filer entering into Crypto Contracts with clients to purchase, hold, sell, deposit, withdraw, and stake Crypto Assets (as defined below) (the **Prospectus Relief**).

The securities regulatory authority or regulator in the Jurisdiction and each of the other jurisdictions referred to in Appendix A (collectively, the **Coordinated Review Decision Makers**) have received an application from the Filer (collectively with the Passport Application, the **Application**) for a decision under the securities legislation of those jurisdictions exempting the Filer from certain reporting requirements under the Local Trade Reporting Rules (as defined in Appendix A) (the **Trade Reporting Relief**, and together with the Prospectus Relief, the **Requested Relief**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a hybrid application):

- (a) the Ontario Securities Commission is the principal regulator for the Application (the **Principal Regulator**),

- (b) in respect of the Prospectus Relief, the Filer has provided notice that, in the jurisdictions where required, subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of the other provinces and territories of Canada (the **Non-Principal Jurisdictions**, and, together with the Jurisdiction, the **Applicable Jurisdictions**), and
- (c) the decision in respect of the Trade Reporting Relief is the decision of the Principal Regulator and evidences the decision of each Coordinated Review Decision Maker.

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, MI 11-102, Canadian securities legislation or the Prior Decision have the same meaning if used in this Decision, unless otherwise defined.

Representations

This Decision is based on the following facts represented by the Filer:

1. The Filer is a corporation incorporated under the federal laws of Canada with its principal office in Toronto, Ontario.
2. The Filer is a registered dealer in the category of investment dealer with the Applicable Jurisdictions and is a member of CIRO.
3. The Filer is a wholly owned subsidiary of Wealthsimple Financial Corp. (**WFC**), a holding company that owns 100% of the issued and outstanding securities of two operating companies that are registered under applicable securities legislation in each of the provinces and territories of Canada, the other being Wealthsimple Inc. (**WSI**), a registered adviser in the category of portfolio manager.
4. The Filer currently operates two order execution only (**OEO**) platforms as a CIRO dealer under CIRO rules. The first is the Platform, which permits clients to enter into Crypto Contracts to purchase, hold, stake, sell, deposit, and withdraw Crypto Assets. The second platform offers self-directed accounts with access to Canadian and U.S. marketplaces for trading of equities, options contracts, exchange-traded funds and money market securities (the **Securities Platform**). The Filer also acts as an investment fund manager for certain funds managed by WSI.
5. The Platform enables clients to enter into Crypto Contracts to purchase, hold, stake, sell, deposit, and withdraw Crypto Assets through the Filer.
6. The Filer was granted relief from the trade reporting requirement and prospectus requirement in connection with the operation of the Platform, subject to certain terms and conditions in the Prior Decision. The Filer has applied for the Requested Relief as the

relief granted in the Prior Decision expires on January 1, 2026 and the Filer wishes to continue operating the Platform.

7. The Filer makes the same representations as were made by the Filer in the Prior Decision, which remain true and complete to the extent not modified by the representations in this Decision.
8. Representation 2 of the Prior Decision is no longer accurate and is replaced with the following: The Filer is registered as a money services business under regulations made under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and the *Money-Services Businesses Act* (Quebec).
9. Representation 87 of the Prior Decision is no longer accurate and is replaced with the following: In addition to the insurance coverage available through Fireblocks for Crypto Assets held in its hot wallets, the Filer has obtained additional insurance to protect the Filer against the theft or loss of cryptocurrency owned, held in trust or managed by the Filer for its clients that results from unauthorised third-party access obtained through cyber-attack, hacking, phishing or other causes set out in the insurance policy. This additional insurance is provided by a syndicate of insurers comprised of Sompo International (Trisura Guarantee Insurance Company), Mosaic, Inigo, and Everest.

Decision

The Principal Regulator is satisfied that the Decision satisfies the test set out in the Legislation for the Principal Regulator to make the Decision and each Coordinated Review Decision Maker is satisfied that the Decision in respect of the Trade Reporting Relief, as applicable, satisfies the tests set out in the securities legislation of its jurisdiction for the Coordinated Review Decision Maker to make the Decision in respect of the Trade Reporting Relief, as applicable.

The Decision of the Principal Regulator under the Legislation is that the Prior Decision is revoked and the Requested Relief is granted, and the Decision of each Coordinated Review Decision Maker under the securities legislation in its jurisdiction is that the Trade Reporting Relief, as applicable, is granted, provided that:

- (a) The Filer complies with all of the terms and conditions of the Prior Decision as if the Prior Decision had not been revoked, except in respect of conditions (d) and (y) of the Prior Decision.
- (b) The Filer will only engage in the business of trading Crypto Contracts in relation to Crypto Assets that (i) are not securities or derivatives, or (ii) are Value-Referenced Crypto Assets that comply with the terms and conditions set out in Appendix B of this Decision.
- (c) The Filer will ensure that the maximum amount of Crypto Assets, excluding Specified Crypto Assets, that a client, except those clients resident in Alberta, British Columbia, Manitoba, Québec, and Saskatchewan, may purchase and sell on the Platform

(calculated on a net basis and is an amount not less than \$0) in the preceding 12 months:

- i. in the case of a client that is not an Eligible Crypto Investor, does not exceed a net acquisition cost of \$30,000;
- ii. in the case of a client that is an Eligible Crypto Investor, but is not an Accredited Crypto Investor, does not exceed a net acquisition cost of \$100,000; and
- iii. in the case of an Accredited Crypto Investor, is not limited.

(d) This Decision expires on the date that is four years from the date of this Decision.

(e) This Decision may be amended by the Principal Regulator upon prior written notice to the Filer in accordance with applicable securities legislation.

In respect of the Prospectus Relief

Dated: December 15, 2025

"Erin O'Donovan"

Erin O'Donovan

Associate Vice President, Corporate Finance

Ontario Securities Commission

In respect of the Trade Reporting Relief

Dated: December 22, 2025

"Michelle Alexander"

Michelle Alexander

Associate Vice President, Trading and Markets

Ontario Securities Commission

OSC File# 2025/0537

Appendix A

Local Trade Reporting Rules

In this Decision the “Local Trade Reporting Rules” collectively means each of the following:

- (a) Part 3, Data Reporting of Ontario Securities Commission Rule 91-507 *Trade Repositories and Derivatives Data Reporting* (**OSC Rule 91-507**);
- (b) Part 3, Data Reporting of Manitoba Securities Commission Rule 91-507 *Trade Repositories and Derivatives Data Reporting* (**MSC Rule 91-507**);
- (c) Part 3, Data Reporting of Multilateral Instrument 96-101 *Trade Repositories and Derivatives Data Reporting* in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Saskatchewan, and Yukon (**MI 96-101**).

Appendix B

Terms and Conditions for Trading Value-Referenced Crypto Assets with Clients

- (1) The Filer establishes that all of the following conditions are met:
 - (a) The Value-Referenced Crypto Asset references, on a one-for-one basis, the value of a single fiat currency (the **reference fiat currency**).
 - (b) The reference fiat currency is the Canadian dollar or United States dollar.
 - (c) The Value-Referenced Crypto Asset entitles a Value-Referenced Crypto Asset holder who maintains an account with the issuer of the Value-Referenced Crypto Asset to a right of redemption, subject only to reasonable publicly disclosed conditions, on demand directly against the issuer of the Value-Referenced Crypto Asset or against the reserve of assets, for the reference fiat currency on a one-to-one basis, less only any fee that is publicly disclosed by the issuer of the Value-Referenced Crypto Asset, and payment of the redemption proceeds within a reasonable period as disclosed by the issuer of the Value-Referenced Crypto Asset.
 - (d) The issuer of the Value-Referenced Crypto Asset maintains a reserve of assets that is:
 - (i) in the reference fiat currency and is comprised of any of the following:
 1. cash;
 2. investments that are evidence of indebtedness with a remaining term to maturity of 90 days or less and that are issued, or fully and unconditionally guaranteed as to principal and interest, by the government of Canada or the government of the United States;
 3. securities issued by one or more Money Market Funds licensed, regulated or authorized by a regulatory authority in Canada or the United States of America; or
 4. such other assets that the principal regulator of the Filer and the regulator or securities regulatory authority in each Canadian jurisdiction where clients of the Filer reside has consented to in writing;
 - (e) all of the assets that comprise the reserve of assets are:
 - (i) measured at fair value in accordance with Canadian GAAP for publicly accountable enterprises or U.S. GAAP at the end of each day;
 - (ii) held with a Qualified Custodian;
 - (iii) held in an account clearly designated for the benefit of the Value-Referenced Crypto Asset holders or in trust for the Value-Referenced Crypto Asset holders;

- (iv) held separate and apart from the assets of the issuer of the Value-Referenced Crypto Asset and its affiliates and from the reserve of assets of any other Crypto Asset, so that, to the best of the knowledge and belief of the Filer after taking steps that a reasonable person would consider appropriate, including consultation with experts such as legal counsel, no creditors of the issuer other than the Value-Referenced Crypto Asset holders in their capacity as Value-Referenced Crypto Asset holders, will have recourse to the reserve of assets, in particular in the event of insolvency; and
 - (v) not encumbered or pledged as collateral at any time; and
 - (f) the fair value of the reserve of assets is at least equal to the aggregate nominal value of all outstanding units of the Value-Referenced Crypto Asset at least once each day.
- (2) The issuer of the Value-Referenced Crypto Asset makes all of the following publicly available:
- (a) details of each type, class or series of the Value-Referenced Crypto Asset, including the date the Value-Referenced Crypto Asset was launched and key features and risks of the Value-Referenced Crypto Asset;
 - (b) the quantity of all outstanding units of the Value-Referenced Crypto Asset and their aggregate nominal value at least once each business day;
 - (c) the names and experience of the persons or companies involved in the issuance and management of the Value-Referenced Crypto Asset, including the issuer of the Value-Referenced Crypto Asset, any manager of the reserve of assets, including any individuals that make investment decisions in respect of the reserve of assets, and any custodian of the reserve of assets;
 - (d) the quantity of units of the Value-Referenced Crypto Asset held by the issuer of the Value-Referenced Crypto Asset or any of the persons or companies referred to in paragraph (b) and their nominal value at least once each business day;
 - (e) details of how a Value-Referenced Crypto Asset holder can redeem the Value-Referenced Crypto Asset, including any possible restrictions on redemptions such as the requirement for a Value-Referenced Crypto Asset holder to have an account with the issuer of the Value-Referenced Crypto Asset and any criteria to qualify to have an account;
 - (f) details of the rights of a Value-Referenced Crypto Asset holder against the issuer of the Value-Referenced Crypto Asset and the reserve of assets, including in the event of insolvency or winding up;
 - (g) all fees charged by the issuer of the Value-Referenced Crypto Asset for distributing, trading or redeeming the Value-Referenced Crypto Asset;
 - (h) whether Value-Referenced Crypto Asset holders are entitled to any revenues generated by the reserve of assets;

- (i) details of any instances of any of the following:
 - (i) the issuer of the Value-Referenced Crypto Asset has suspended or halted redemptions for all Value-Referenced Crypto Asset holders;
 - (ii) the issuer of the Value-Referenced Crypto Asset has not been able to satisfy redemption rights at the price or in the time specified in its public policies;
- (j) within 45 days of the end of each month, an assurance report from a public accountant that is authorized to sign such a report under the laws of a jurisdiction of Canada or the United States of America, and that meets the professional standards of that jurisdiction, that complies with all of the following:
 - (i) provides reasonable assurance in respect of the assertion by management of the issuer of the Value-Referenced Crypto Asset that the issuer of the Value-Referenced Crypto Asset has met the requirements in paragraphs (1)(c)-(f) as at the last business day of the preceding month and at least one randomly selected day during the preceding month;
 - (ii) the randomly selected day referred to in subparagraph (i) is selected by the public accountant and disclosed in the assurance report;
 - (iii) for each day referred to in subparagraph (i), management's assertion includes all of the following:
 - 1. details of the composition of the reserve of assets;
 - 2. the fair value of the reserve of assets in subparagraph (1)(e)(i);
 - 3. the quantity of all outstanding units of the Value-Referenced Crypto Asset in paragraph (a);
 - (iv) the assurance report is prepared in accordance with the Handbook, International Standards on Assurance Engagements or attestation standards established by the American Institute of Certified Public Accountants;
- (k) starting with the first financial year ending after December 1, 2023, within 120 days of the issuer of the Value-Referenced Crypto Asset's financial year end, annual financial statements of the issuer of the Value-Referenced Crypto Asset that comply with all of the following:
 - (i) the annual financial statements include all of the following:
 - 1. a statement of comprehensive income, a statement of changes in equity and a statement of cash flows, each prepared for the most recently completed financial year and the financial year immediately preceding the most recently completed financial year, if any;
 - 2. a statement of financial position, signed by at least one director of the issuer of the Value-Referenced Crypto Asset, as at the end of

the most recently completed financial year and the financial year immediately preceding the most recently completed financial year, if any;

3. notes to the financial statements;

(ii) the statements are prepared in accordance with one of the following accounting principles:

1. Canadian GAAP applicable to publicly accountable enterprises;
2. U.S. GAAP;

(iii) the statements are audited in accordance with one of the following auditing standards:

1. Canadian GAAS;
2. International Standards on Auditing;
3. U.S. PCAOB GAAS;

(iv) the statements are accompanied by an auditor's report that,

1. if (iii)(1) or (2) applies, expresses an unmodified opinion,
2. if (iii)(3) applies, expresses an unqualified opinion,
3. identifies the auditing standards used to conduct the audit, and
4. is prepared and signed by a public accountant that is authorized to sign such a report under the laws of a jurisdiction of Canada or the United States of America.

(3) The Crypto Asset Statement includes all of the following:

- (a) a prominent statement that no securities regulatory authority or regulator in Canada has evaluated or endorsed the Crypto Contracts or any of the Crypto Assets made available through the platform;
- (b) a prominent statement that the Value-Referenced Crypto Asset is not the same as and is riskier than a deposit in a bank or holding cash with the Filer;
- (c) a prominent statement that although Value-Referenced Crypto Assets may be commonly referred to as "stablecoins", there is no guarantee that the Value-Referenced Crypto Asset will maintain a stable value when traded on secondary markets or that the reserve of assets will be adequate to satisfy all redemptions;
- (d) a prominent statement that, due to uncertainties in the application of bankruptcy and insolvency law, in the event of the insolvency of [Value-Referenced Crypto Asset issuer], there is a possibility that creditors of [Value-Referenced Crypto Asset issuer] would have rights to the reserve assets that could outrank a Value-Referenced Crypto Asset holder's rights, or otherwise interfere with a Value-Referenced Crypto Asset holder's ability to access the reserve of assets in the event of insolvency;

- (e) a description of the Value-Referenced Crypto Asset and its issuer;
 - (f) a description of the due diligence performed by the Filer with respect to the Value-Referenced Crypto Asset;
 - (g) a brief description of the information in section (2) and links to where the information in that section is publicly available;
 - (h) a link to where on its website the issuer of the Value-Referenced Crypto Asset will disclose any event that has or is likely to have a significant effect on the value of the Value-Referenced Crypto Asset or on the reserve of assets;
 - (i) a description of the circumstances where the secondary market trading value of the Value-Referenced Crypto Asset may deviate from par with the reference fiat currency and details of any instances where the secondary market trading value of the Value-Referenced Crypto Asset has materially deviated from par with the reference fiat currency during the last 12 months on the Filer's platform;
 - (j) a brief description of any risks to the client resulting from the trading of a Value-Referenced Crypto Asset or a Crypto Contract in respect of a Value-Referenced Crypto Asset that may not have been distributed in compliance with securities laws;
 - (k) any other risks specific to the Value-Referenced Crypto Asset, including the risks arising from the fact that the Filer may not, and a client does not, have a direct redemption right with the issuer of the Value-Referenced Crypto Asset;
 - (l) a direction to the client to review the Risk Statement for additional discussion of general risks associated with the Crypto Contracts and Crypto Assets made available through the platform;
 - (m) a statement that the statutory rights in section 130.1 of the Act, and, if applicable, similar statutory rights under securities legislation of other Applicable Jurisdictions, do not apply in respect of the Crypto Asset Statement to the extent a Crypto Contract is distributed under the Prospectus Relief in this Decision;
 - (n) the date on which the information was last updated.
- (4) If the Filer uses the term "stablecoin" or "stablecoins" in any information, communication, advertising or social media related to the Platform and targeted at or accessible by Canadian investors, the Filer will also include the following statement (or a link to the following statement when impractical to include):
- "Although the term "stablecoin" is commonly used, there is no guarantee that the asset will maintain a stable value in relation to the value of the reference asset when traded on secondary markets or that the reserve of assets, if there is one, will be adequate to satisfy all redemptions."
- (5) The issuer of the Value-Referenced Crypto Asset has filed an undertaking in substantially the same form as set out in Appendix B of CSA Notice 21-333 Crypto Asset Trading

Platforms: *Terms and Conditions for Trading Value-Referenced Crypto Assets with Clients (CSA SN 21-333)* and the undertaking is posted on the CSA website.

- (6) To the extent the undertaking referred to in section (5) of this Appendix includes language that differs from sections (1) or (2) of this Appendix, the Filer complies with sections (1) and (2) of this Appendix as if they included the modified language from the undertaking.
- (7) The KYP Policy of the Filer requires the Filer to assess whether the Value-Referenced Crypto Asset or the issuer of the Value-Referenced Crypto Asset satisfies the criteria in sections (1), (2), (5) and (6) of this Appendix on an ongoing basis.
- (8) The Filer has policies and procedures to facilitate halting or suspending deposits or purchases of the Value-Referenced Crypto Asset, or Crypto Contracts in respect of the Value-Referenced Crypto Asset, as quickly as is commercially reasonable, if the Value-Referenced Crypto Asset no longer satisfies the criteria in sections (1), (2), (5) and (6) of this Appendix.
- (9) In this Appendix, terms otherwise not defined herein have the meanings set out in Appendix D of CSA SN 21-333.