Investor Services

Market & Regulatory Digest

JUNE 2026 RBCISREGULATORYSOLUTIONS@RBCCM.COM

The Market & Regulatory Digest provides a scan of global regulatory changes and market developments from the past quarter.

The Americas

HIGHLIGHTS

- CSA reduces regulatory burden in continuous disclosure regime for investment funds
- Shortening the settlement cycle to T+1 in the EU
- DTCC announces tokenization service launch with initial production trades
- Bank of Canada, EDC, RBC and TD complete Project Samara
- Bill C-15 receives royal assent, implementing Budget 2025 measures including Canada's *Stablecoin Act*

- **The Canadian Securities Administrators** (CSA) has made or proposed amendments to several policy documents:
  - Finalized amendments to National Instrument (NI) 81-101, 81-102, 81-106 and 81-107, effective April 22, 2026, modernizing investment fund continuous disclosure. The changes streamline related-party transaction reporting and simplify financial statements by removing class-level disclosures, with transition periods extending to January 1, 2027.
  - Published final amendments to NI 23-101 Trading Rules, effective November 2, 2026, lowering the active trading fee cap for US inter-listed securities from CAD 0.0030 to 0.0017 per share for securities priced at CAD 1 or more.
  - Proposed amendments enhancing issuer bid, take-over bid and beneficial ownership reporting regimes, including a new issuer bid exemption for selective repurchases, enhanced derivative interest disclosure requirements and clarified early warning reporting guidance. The comment period closes August 12, 2026.
  - Proposed an amendment to NI 55-104 clarifying insider reporting requirements for investment funds and structured products based on reporting issuer securities, with comments due June 8, 2026.
  - Issued Staff Notice 11-349, identifying local amendments implemented in British Columbia, Ontario, Saskatchewan and Yukon to national and multilateral instruments, with effective dates ranging from April 1, 2025 to December 4, 2025.
  - Launched Project Tokenization to examine how distributed ledger technology intersects with Canada's securities laws and support coordinated regulatory responses. The initiative explores opportunities and risks of tokenized financial products through stakeholder engagement, issue mapping and targeted research, with workshops held on April 9 and June 11, 2026.
- **The Canadian Investment Regulatory Organization** (CIRO) published updated guidance notes as part of Phase 2 of its UMIR Guidance Update Project, covering third-party electronic access and trading supervision; key updates clarify FORM definitions, risk-bid tender pricing for portfolios of 10 or more securities, gatekeeper reporting for direct electronic access and routing arrangements, OEO account supervision with a 500 orders-per-day threshold, and ten-element trading supervision systems addressing manipulative trading strategies without creating new compliance obligations.

  The CSA approved CIRO amendments extending the reasonable expectation to settle requirement to all investment dealers, not just UMIR Participants, effective August 11, 2026. The amendments introduce a "deemed to own" exception allowing sellers to short securities they have committed to purchase or exercise warrants or options for, provided delivery occurs within 35 calendar days after restrictions lift. CIRO is also proposing amendments to the Investment Dealer Partially Consolidated Rules requiring investment dealers to establish policies and procedures for detecting and addressing client failures to deliver listed securities, with comments due July 3, 2026.

  Effective July 4, 2026, CIRO will assume regulatory oversight of Quebec's mutual fund dealers from the Chambre de l'assurance under Bill 16, supervising dealer representatives, managing continuing education (CE) requirements, and handling enforcement and investigations, while maintaining current CE cycles through November 30, 2027, and ending transitional fee reductions and activity-based registration fees as of July 1, 2026. Concurrently, CIRO has proposed Phase 2 amendments (comment period closing July 15, 2026) to harmonize CE requirements across Investment Dealer and Mutual Fund Dealer rules, including standardizing CE cycles to the calendar year, merging compliance and business conduct credits, extending post-cycle reporting to 30 days, adopting principles-based approaches, introducing proration to IDPC Rules and expanding CE requirements to executives and chief financial officers.

CIRO also published guidance on digital asset custody requirements for dealer members operating crypto-asset trading platforms, effective February 3, 2026, establishing tiered custodian standards based on capital, technology infrastructure, insurance and regulatory oversight, and requiring SOC 2 assurance, segregation controls and institutional-grade cybersecurity.

- **The Bank of Canada**, **Export Development Canada** (EDC), **RBC Capital Markets** and **TD Bank Group** completed Project Samara, issuing Canada's first tokenized bond using distributed ledger technology. EDC issued a CAD 100 million bond with payments settled in wholesale central bank deposits on the Samara Platform.

- **The Autorité des marchés financiers** (AMF) published a Third-Party Risk Management Guideline, effective April 1, 2027, requiring deposit institutions and trust companies to implement robust governance frameworks, determine risk appetite, establish management frameworks and maintain third-party arrangement inventories. It replaces the current Outsourcing Risk Management Guideline.

- **The Canada Revenue Agency** (CRA) clarified through GST/HST Notice 344 that most services provided by mutual fund dealers in exchange for trailing commissions are now taxable supplies subject to GST/HST, with an enforcement date of January 1, 2028. Following CSA regulatory changes requiring dealers to provide ongoing support and advice to earn trailing commissions, these services fall outside the financial services exemption and constitute advice or asset management services.

- **The Office of the Superintendent of Financial Institutions** (OSFI) is proposing a modernized senior leader regime requiring federally regulated financial institutions to develop accountability frameworks outlining suitability criteria, clear responsibility mapping, governance oversight and regular attestations, with comments due October 31, 2026. OSFI also launched a public consultation on proposed updates to its Capital and Liquidity Treatment of Crypto-asset Exposures (Banking) Guideline, recognizing cross-exchange hedging for Group 2a crypto-assets on regulated exchanges. Consultation closes July 20, 2026, with the final guideline expected September 2026 and implementation set for January 1, 2027, for banks with a December 31 fiscal year-end.

  Additional OSFI consultations—both closing July 20, 2026—address targeted adjustments to Guideline B-12 (Interest Rate Risk Management) updating interest rate shock scenarios to align with Basel Committee revisions, and draft amendments to Pillar 3 Disclosure Guidelines for domestic systemically important banks incorporating Basel standards for interest rate risk in the banking book. OSFI further consulted on a draft Guideline B-2 on Large Exposure Limits, extending scope to Category 1 and Category 2 small and medium-sized banks and limiting total exposures to single counterparties to 25% of Tier 1 capital, with comments due August 19, 2026, and implementation targeted for November 1, 2027, or January 1, 2028.

- **Bill C-15**, the *Budget Implementation Act 2025*, received royal assent on March 26, 2026, implementing key measures including small business tax relief, a lifetime capital gains exemption increase to CAD 1.25 million, the Digital Services Tax repeal, GST/HST amendments, the *High-Speed Rail Network Act*, the *Consumer-Driven Banking Act* and the *Stablecoin Act*, alongside enhanced OSFI oversight and fraud detection requirements.

- Several provincial updates are also noteworthy this quarter:
  - **Ontario**'s Bill 97, the *Plan to Protect Ontario Act* (Budget Measures), implements 17 schedules of legislative measures, including a CAD 35 billion investment fund, authorization of variable pension benefits, enhanced privacy protections with breach reporting requirements and regulation of secondary ticket markets.

    The Ontario Securities Commission is seeking feedback on proposed amendments to OSC Rule 13-502 Fees and OSC Rule 13-503 Fees (*Commodity Futures Act*), with comments due July 29, 2026, and an effective date of April 5, 2027. The proposals aim to lower costs for most market participants, make fees more predictable and proportional, and introduce new tiers for larger or more complex firms and crypto asset trading platforms.
  - **British Columbia**'s Order in Council 35 updates consumer protection laws, amending four key regulations, including setting a $5,000 threshold for low-value claims and clarifying rules for fitness and personal services contracts, effective August 1, 2026.
  - **Quebec** proposed amendments to both its Securities and Derivatives regulations, introducing higher fees for dealers, advisors and representatives with annual indexation linked to Canada's Consumer Price Index, effective March 11, 2026.
  - **Alberta**'s *Interprovincial Trade Mutual Recognition Act* removes interprovincial trade barriers for goods and implements Canadian free trade agreement obligations, with ministerial orders governing exemptions.
  - **Manitoba** introduced the *Securities Amendment Act* (Bill 46), prohibiting misrepresentations and unfair practices in promotional activities and establishing benchmark regulation and designated dispute resolution services with binding authority to order remediation and compensation. Manitoba also passed the *Business Practices Amendment Act*, which received royal assent on June 1, 2026, introducing protections against algorithmic pricing that varies prices for individual consumers using personal data without prominent disclosure and consent.

- **The U.S. Securities and Exchange Commission** (SEC) and **Commodity Futures Trading Commission** (CFTC) proposed amendments to Form PF, eliminating certain filing obligations and streamlining reporting requirements for SEC-registered investment advisers managing private funds. Comments were due June 23, 2026, with an effective date of April 24, 2026. The SEC's extended central clearing deadlines for U.S. Treasuries remain in effect—December 2026 for cash and June 2027 for repos—with DTCC's Fixed Income Clearing Corporation (FICC) preparing for expanded rules. FICC's daily cleared volume now exceeds USD 11 trillion, underscoring the critical role of Treasury markets in monetary policy and economic stability.
- **DTCC** is modernizing its clearing and settlement infrastructure through 2028, migrating to cloud-based architecture and adopting ISO 20022 messaging standards globally. Key enhancements include partial settlement capabilities, extended trading hours, reduced settlement cycles and a modular ecosystem design. DTCC is also launching a tokenization service in October 2026, enabling real-world assets to be represented digitally on blockchain while maintaining investor protections and custody through DTC. Initial production trades are set to begin July 2026, with more than 50 industry firms collaborating on interoperability and operational readiness.
- **Brazil:** The Brazilian Tax Authority (RFB) has issued new ultimate beneficial owner disclosure requirements for foreign portfolio investors (FPIs).
- The three integrated capital markets exchanges of NUAM—**Colombia**, **Peru** and **Chile**—are progressively rolling out a new unified equity trading platform. The platform went live in Colombia on April 1, 2026, and in Peru on April 27, 2026. Chile's implementation has been postponed to June 8, 2026.

EMEA updates

- **The European Union:** The European Union amended securities settlement regulations to shorten the mandatory settlement cycle from T+2 to T+1, aiming to reduce counterparty and volatility risks, free up capital and align EU markets with evolving global standards. The regulation enters into force 11, 2027. Along with this, the European Securities and Markets Authority (ESMA) launched a consultation on revised guidelines for standardized procedures and messaging protocols to support the T+1 transition, mandating electronic, standardized communication channels and international messaging standards, removing non-electronic methods except during temporary technical disruptions. Guidelines apply from December 7, 2026; consultation closes July 7, 2026, with final guidelines expected October 2026.
- **International:** In preparation for the EU's T+1 transition, Euroclear Bank and Clearstream Banking S.A. are introducing improvements to their Bridge settlement flows, including improved matching, a dedicated lifecycle framework for securities financing transactions, partial settlement capabilities and extended input deadlines for various currencies. Full timelines will be announced at a later date.
- **France, The Netherlands and Belgium:** Both Clearstream Europe AG (CEU) and Euroclear have been confirmed as alternative central securities depositories (CSDs) for Euronext markets in Paris, Amsterdam and Brussels, following Clearstream Europe's official request submitted to Euronext. This marks a significant step toward CSD competition and improved settlement efficiency across European equities markets.
- **Nigeria:** The Nigerian capital market transitioned to a T+1 on June 1, 2026. Trades executed on May 29 (the last T+2 trade date) and June 1 (the first T+1 trade date) both settled on June 2.

APAC updates

- **Australia:** The Australian Securities Exchange (ASX) completed CHESS Release 1 cutover activities on April 18, 2026, proceeding with go-live on April 20, 2026, as planned. The Clearing Service operated normally following health checks, and the settlement batch was completed on April 22, 2026, finalizing the lifecycle of the new workflow for trades executed and cleared on go-live day.
- **Hong Kong:** Hong Kong Exchanges and Clearing Limited (HKEX) published a consultation paper proposing to shorten the settlement cycle for the Hong Kong cash market from T+2 to T+1. The proposal outlines changes to the post-trade operating model aimed at enhancing settlement efficiency while maintaining existing trade execution arrangements and the clearing risk management framework. The consultation closed May 18, 2026. Current target transition date is Q4 2027.
- **China:** The State Administration of Foreign Exchange (SAFE) and the China Securities Regulatory Commission (CSRC) jointly issued a notice allowing qualified foreign investors (QFIs) to participate in Chinese Government Bond futures trading for hedging purposes only, effective April 24, 2026.
- **India:** The Securities and Exchange Board of India (SEBI) issued an updated standard operating procedure for the Single Window Automatic and Generalized Access for Trusted Foreign Investors (SWAGAT-FI) framework, streamlining access for trusted foreign investors including government funds and public retail funds. SEBI also notified the framework for net settlement of funds for FPIs in the cash equity market, allowing FPIs to net fund obligations for outright transactions in equity trades.

- **Taiwan:** The Financial Supervisory Commission (FSC) announced measures to enhance efficiency for foreign investors' futures margin transactions. The FSC also authorized qualified custodian banks to collect foreign currency cash dividends distributed by Taiwan Stock Exchange and Taipei Exchange listed companies, as well as Emerging Stock companies, on behalf of foreign investors.
- **South Korea:** The Korea Exchange (KRX) pre-announced revisions to the Business Regulations of the KOSPI, KOSDAQ and KONEX markets to remove the mandatory 100% cash margin requirement for stocks designated as Investment Alert Stocks or Investment Risk Stocks, reducing barriers for market participants in affected securities.
- **Malaysia:** The Securities Commission Malaysia (SC) issued revised guidelines on recognized markets for Digital Asset Exchanges, updating the regulatory framework governing digital asset trading platforms operating in Malaysia.
- **Philippines:** Philippine Peso-denominated government bonds are confirmed for inclusion in the J.P. Morgan Government Bond Index–Emerging Markets series in 2027, following the country's Index Watch-Positive placement announced in the prior quarter.