

**For Immediate Release  
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**Canadian securities regulators outline expectations for investment funds holding crypto assets**

**TORONTO and MONTREAL** – The Canadian Securities Administrators (CSA) today [published guidance](#) to help fund managers understand and comply with securities law requirements for public investment funds holding crypto assets (public crypto asset funds).

The guidance provides an overview of public crypto asset funds operating in Canada and describes related oversight initiatives by CSA members. The notice also covers:

- Market characteristics of crypto assets that could impact their viability as investments for public crypto asset funds
- Expectations concerning custody of crypto assets held on behalf of a fund
- Issues relating to yield-generating activities, like staking, by public crypto asset funds
- Know-your-client, know-your product and suitability obligations with respect to public crypto asset funds.

“We encourage stakeholders to review this guidance to better understand our expectations of public crypto asset funds,” said Stan Magidson, CSA Chair and Chair and CEO of the Alberta Securities Commission. “It is important for such funds to clearly understand their existing regulatory obligations given recent events in the crypto market.”

[CSA Staff Notice 81-336 \*Guidance on Crypto Asset Investment Funds that are Reporting Issuers\*](#) is available on CSA members’ websites.

The CSA reminds Canadians that investing in crypto assets, even through public investment funds, is higher risk and may not be suitable for most retail investors. Generally speaking, investing in crypto assets is a speculative activity, and the value and liquidity of crypto assets are highly volatile. While regulatory oversight of public investment funds plays an important role in investor protection, these measures cannot eliminate all risks associated with investing in crypto assets.

The CSA, the council of the securities regulators of Canada’s provinces and territories, co-ordinates and harmonizes regulation for the Canadian capital markets.

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**For investor inquiries, please [contact your local securities regulator](#).**