

**For Immediate Release
January 18, 2024**

Canadian securities regulators seek feedback on rules for public investment funds holding crypto assets

TORONTO – The Canadian Securities Administrators (CSA) today [published for comment](#) a set of proposed regulatory requirements for public investment funds that seek to invest in crypto assets.

“We recognize the current regulatory framework for public investment funds needs to be adapted to address the unique aspects and risks of crypto assets,” said Stan Magidson, CSA Chair and Chair and CEO of the Alberta Securities Commission. “Formalizing these fundamental requirements will provide fund managers with greater clarity while we continue to assess whether a more comprehensive regime is required.”

The proposed amendments tailor requirements for public investment funds investing in crypto assets to better protect investors and reduce risk. Requirements include crypto asset investment restrictions and custodial obligations.

The proposed amendments are the second phase of a project to implement a Canadian regulatory framework for public investment funds holding crypto assets. In the project’s third phase, the CSA will consult publicly on a broader framework.

There is a 90-day comment period, and stakeholders are invited to provide comments in writing on or before April 17, 2024.

[CSA Notice and Request for Comment - Proposed Amendments to National Instrument 81-102 Investment Funds Pertaining to Crypto Assets](#) 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, coordinates and harmonizes regulation for the Canadian capital markets.

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