

**For Immediate Release
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Prediction markets: CSA and CIRO remind industry and investors of the current rules

MONTRÉAL – Given the growing interest in prediction markets in Canada, the Canadian Securities Administrators (CSA) and the Canadian Investment Regulatory Organization (CIRO) want industry and investors to be aware of the applicable requirements governing prediction markets and event contracts (also known as prediction contracts and forecast contracts).

Prediction markets are platforms that facilitate trading of event contracts, which pay out based on the outcomes of future events.

Anyone trading, or facilitating trading, in event contracts which are securities or derivatives, must follow applicable requirements under securities or derivatives legislation, such as registration or recognition requirements. For instance, in some CSA jurisdictions, [Multilateral Instrument 91-102 Prohibition of Binary Options](#) prohibits any person from advertising, offering, selling or otherwise trading a binary option having a term to maturity of less than 30 days, with or to an individual.

Failure to comply with applicable requirements under Canadian securities and derivatives laws may lead to enforcement action.

On March 26, 2026, CIRO published a [bulletin](#), *Application of CIRO Requirements to Event Contracts*. At present, two CIRO members have been authorized to facilitate Canadian client access to event contracts, including contracts executed on foreign regulated prediction markets. Facilitating trading of event contracts by CIRO dealer members is subject to certain terms and conditions imposed by CIRO, in consultation with CSA members, which relate to what types of products may be offered to Canadian clients and how these products may be traded. The CSA and CIRO continue to review these terms and conditions, which may be subject to change for these dealer members and/or any others in the future.

While these CIRO members may facilitate Canadian client access to event contracts, traded on non-Canadian markets, to date, no prediction market has been recognized as an exchange or registered as a dealer (or exempted from those requirements) by the CSA.

The CSA and CIRO continue to monitor developments involving prediction markets and event contracts and intend to issue further guidance on how securities or derivatives legislation applies to them. Due to regulators' ongoing concerns around prediction markets, the CSA and CIRO will also consider whether other regulatory action is required, including changes to the terms and conditions in the above-mentioned CIRO bulletin. Any industry participant interested in trading, or facilitating trading, in event contracts with Canadian investors, should contact their [local CSA member](#) and [CIRO](#) before doing so.

The CSA, the council of the securities regulators of Canada's provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

The Canadian Investment Regulatory Organization (CIRO) is the pan-Canadian self-regulatory organization that oversees all investment dealers, mutual fund dealers and trading activity on Canada's debt and equity marketplaces. CIRO is committed to the protection of investors, providing efficient and consistent regulation, and building Canadians' trust in financial regulation and the people managing their investments. For more information, visit www.ciro.ca.

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