



Canadian Securities
Administrators

Autorités canadiennes
en valeurs mobilières

For Immediate Release

October 8, 2026

Canadian securities regulators publish final amendments prohibiting chargebacks in investment fund distribution

TORONTO and MONTRÉAL – The Canadian Securities Administrators (CSA) today announced the publication of [final amendments](#) to National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* prohibiting chargebacks in publicly offered investment fund distribution. The changes are intended to improve investor protection and help maintain investor confidence in Canada’s capital markets.

Dealers or dealing representatives sometimes receive an upfront commission or payment when their client purchases securities. Chargebacks occur when clients redeem their securities before a fixed schedule, and the dealing representative is required to repay all or part of the upfront commission or payment.

The CSA is concerned that the use of chargebacks creates a significant conflict of interest because they may incentivize advisors to prioritize their own financial interests over those of their clients. The CSA is acting now before this becomes a more widespread industry practice.

“By prohibiting chargebacks in the distribution of investment fund securities, we are removing a compensation structure that can create conflicts between an advisor’s interests and those of their clients,” said Stan Magidson, CSA Chair and Chair and CEO of the Alberta Securities Commission. “The changes will help protect investors by better aligning investment advice and foster fairer compensation practices.”

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

The BC Securities Commission did not participate in this news release due to publication restrictions related to the upcoming B.C. provincial election.

For media inquiries, please contact:

Ilana Kelemen
Canadian Securities Administrators
media@acvm-csa.ca

Julia K. Mackenzie
Ontario Securities Commission
Media_inquiries@osc.ca

Sylvain Th  berge
Autorit   des march  s financiers
relationsmedias@lautorite.qc.ca

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