

CIRO Consultation: Republication of Proposed Amendments – Fully paid lending and financing arrangements

November 14, 2025

Submission to the Canadian
Investment Regulatory
Organization (**CIRO**)

The Canadian Bankers Association (**CBA**)¹ appreciates the opportunity to provide input on the CIRO consultation: *Republication of Proposed Amendments—Fully paid lending and financing arrangements (Proposed Amendments)*.

We commend CIRO for its efforts to add clarity and certainty to fully paid lending (**FPL**) programs, which are critical for investor confidence and market integrity. We support the objectives of the Proposed Amendments, including the proposal to not proceed with codifying the existing restriction that limits retail fully paid securities lending to non-registered accounts.

We recommend that the treatment of registered accounts be specifically addressed in the rules or guidance. An explicit provision in this regard, rather than simply omitting references to restrictions, will reduce interpretive uncertainty and promote consistency across the industry. We believe it is essential to ensure that registered accounts (as defined by the Canada Revenue Agency) are explicitly recognized in the Proposed Amendments as eligible account types within FPL programs.

Finally, we stress the importance of adopting a flexible implementation timeline that allows for alignment with the anticipated amendments to the *Income Tax Act*. Having the Proposed Amendments take effect before the tax provisions are finalized could create compliance challenges and unintended consequences for registered accounts. A coordinated approach will ensure regulatory clarity, minimize operational risk, and provide Dealer Members sufficient time to update systems, disclosures, and client agreements.

We thank you for taking the time to consider our views and would be pleased to discuss the Proposed Amendments further at your convenience.

¹ The Canadian Bankers Association is the voice of more than 60 domestic and foreign banks that help drive Canada's economic growth and prosperity. The CBA advocates for public policies that contribute to a sound, thriving banking system to ensure Canadians can succeed in their financial goals.