BRITISH COLUMBIA SECURITIES COMMISSION

BC INSTRUMENT 96-506

Exemption from Derivatives Trade Reporting Requirements for Certain Value-Referenced Crypto Assets

The British Columbia Securities Commission, considering that to do so would not be prejudicial to the public interest, orders under section 171 of the *Securities Act*, effective November 10, 2026, that BC Instrument 96-506 *Exemption from Derivatives Trade Reporting Requirements for Certain Value-Referenced Crypto Assets* is varied to make the exemption available if a VRCA is issued by a Canadian financial institution or a Schedule III bank, and the VRCA is not subordinate in right of payment to deposits held by the issuer or guarantor of that VRCA, such that the instrument reads as attached as Appendix A.

Date: November 10, 2026

For the Commission:

"Brenda M. Leong"
Brenda M. Leong
Chair

(This part is for administrative purposes only and is not part of the Order)
Authority under which Order is made: *Securities Act*, sections 171 and 187(1)(c)

APPENDIX A
BRITISH COLUMBIA SECURITIES COMMISSION

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Definitions

1. Terms defined in the *Securities Act* (British Columbia) (the Act), in National Instrument 14-101 *Definitions*, in Multilateral Instrument 91-101 *Derivatives: Product Determination*, and in Multilateral Instrument 96-101 *Derivatives: Trade Reporting* (MI 96-101) have the same meaning if used in this blanket order unless otherwise defined herein.

Background

2. The CSA has provided guidance on its interim approach in respect of Value Referenced Crypto Assets (VRCAs) in CSA Staff Notice 21-332 *Crypto Asset Trading Platforms: Pre-Registration Undertakings – Changes to Enhance Canadian Investor Protection* and in CSA Staff Notice 21-333 *Crypto Asset Trading Platforms: Terms and Conditions for Trading Value-Referenced Crypto Assets with Clients* (CSA SN 21-333). CSA SN 21-333 requires a VRCA issuer to file an undertaking, in the form specified in Appendix B to CSA SN 21-333, in order for its VRCA to be eligible under that interim approach.

2.1 There is exemptive discretionary relief available in certain CSA jurisdictions that permits transactions in VRCAs issued by a Canadian financial institution or Schedule III bank, without requiring the VRCA issuer to file an undertaking.

3. In British Columbia, VRCAs are derivatives. Part 3 of MI 96-101 requires a reporting counterparty of a derivative to report specified derivatives data to a recognized trade repository.

4. The provisions relating to derivatives data reporting under Part 3 of MI 96-101 (the reporting requirements) are broadly designed for trades in conventional over-the-counter derivatives that involve sophisticated counterparties, have a considerable time to termination and involve large notional exposures. These factors are generally not applicable to trades in VRCAs, and as such the costs and burdens in imposing the reporting requirements outweigh the benefit of the commission receiving such data.

Order

5. The British Columbia Securities Commission, considering that to do so would not be prejudicial to the public interest, orders under paragraph 187(1)(c) of the Act that a reporting counterparty is exempt from the reporting requirements in respect of a VRCA if either:

(a) an undertaking in respect of the VRCA has been filed with a CSA jurisdiction in substantially the same form as set out in Appendix B of CSA SN 21-333, and the undertaking is posted on the CSA website; or

(b) the VRCA is issued by a Canadian financial institution or a bank named in Schedule III of the *Bank Act* (Canada), and the VRCA is not subordinate in right of payment to deposits held by the issuer or guarantor of that VRCA.

Dated July 22, 2026

Varied November 10, 2026.