# Federal Financial Institutions Legislative and Regulatory Reporter - February 2026

**April 02, 2026**

The Reporter provides a monthly summary of Canadian federal legislative and regulatory developments of relevance to federally regulated financial institutions. It does not address Canadian provincial financial services legislative and regulatory developments. In addition, purely technical and administrative changes (such as changes to reporting forms) are not covered.

*February 2026*

| Published | Title and Brief Summary | Status (if applicable) |
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| **Office of the Superintendent of Financial Institutions (OSFI)** | | |
| February 26, 2026 | Targeted Fast-Track Approvals Framework for New Entrants<br><br>OSFI has published a streamlined, targeted fast-track approvals framework for new entrants. OSFI intends to modernize its approach to how specific entities enter the federally regulated financial system. The framework is | **Framework expected to launch in June 2026.** |

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| | expected to launch in June 2026 for eligible applicants; it would be offered to the following entities:<br><br>• Provincial credit unions that are seeking continuance as a federal credit union;<br>• Entities with technologically innovative or emerging banking models – for example, fintechs or crypto-asset custodians – seeking to incorporate as a bank or as a federally regulated trust and loan company.<br><br>Other types of entities would continue to follow existing guides and processes; OSFI will use insights from this targeted approach to inform a broader rollout in the future. | |
| February 24, 2026 | Update on Capital Requirements for Federally Regulated Property and Casualty | **Effective February 24, 2026.** |

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| | Insurers – Letter<br><br>OSFI has announced that, effective immediately, it is reducing capital requirements for domestic infrastructure debt. This applies to Canadian property and casualty insurance companies that are not mortgage insurance companies, and foreign property and casualty companies operating in Canada on a branch basis, collectively referred to as property and casualty insurers.<br><br>The capital reductions are laid out in Appendix 1 to the letter. | |
| February 19, 2026 | Registered Pension Plans (RPP) and Other Types of Savings Plans – Coverage in Canada (2023)<br><br>This article shows coverage in Canada by Registered Pension Plans (RPPs) and other savings vehicles that contribute to retirement wealth. Registered | **Published February 19, 2026.** |

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| | Retirement Savings Plans (RRSPs), Tax-Free Savings Accounts (TFSAs), and First Home Savings Accounts (FHSAs) are included. It concludes that the number of active RPP members has increased since the beginning of the century, with the number of women increasing faster than the number of men. It also shows that the number of active RPP members as a percentage of employees has decreased. The proportion of active RPP members in Defined Benefit plans has seen the steepest decrease. At the same time, tax-incentive vehicles show sustained interest from taxpayers, with TFSAs having become the preferred option over the past decade, capturing a growing share of contributions, while RRSPs have declined. | |
| February 13, 2026 | Benchmarking Canadian Bank Capital Ratios to International Peers – Technical Note – | **Published February 13, 2025.** |

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| | February 2026<br><br>OSFI periodically conducts benchmarking exercises of Canadian Systemically Important Banks' (SIBs) capital and profitability metrics as part of its mandate to assess both the resilience and competitiveness of the Canadian banking system. Conclusions drawn from the exercise include:<br><br>• Canadian SIBs are well-capitalized and have strengthened in recent years;<br>• OSFI's capital supervisory expectations are broadly consistent with international peers, notwithstanding lower binding requirements;<br>• Canadian SIB capital ratios and risk weights are in line with international | |

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| | peer ranges with certain exceptions;<br>• Canadian SIBs have strong profitability compared to international peers. | |
| **Bank of Canada** | | |
| February 9, 2026 | Retail Payments Activities Act: Annual Reporting Now Live on PSP Connect<br><br>In its email bulletin to stakeholders, the Bank of Canada reminds payment service providers (PSPs) that annual reports under the *Retail Payment Activities Act* (RPAA) are due by March 31, 2026. It points PSPs to the following resources to assist in the preparation and submission of their annual reports:<br><br>• Step-by-step guide to annual reporting<br>• Pre-recorded information session on annual reporting requirements | **Deadline for submitting annual reports is March 31, 2026.** |

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| | • Supervisory policy on annual reporting<br>• Supervisory policy on annual reporting of retail payment activity metrics | |
| **Financial Transactions and Reports Analysis Centre of Canada (FINTRAC)** | | |
| February 25, 2026 | Beneficial ownership: Understanding your Requirements<br><br>FINTRAC has issued a video presentation explaining beneficial ownership and providing insight into its role in protecting against money laundering and terrorist financing. This presentation outlines beneficial ownership requirements by defining who qualifies as a beneficial owner, clarifying what constitutes beneficial ownership information, describing how to verify the accuracy of collected information, and | **Published February 25, 2025.** |

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| | specifying when to file a Beneficial Owner Discrepancy Report. | |
| February 19, 2026 | Government Announces New Measures to Help Protect Canadians and Businesses Against Extortion<br><br>The Government of Canada has announced measures intended to increase its ability to detect, disrupt, and prevent extortion. These measures are meant to improve how financial intelligence is collected, thus providing law enforcement with better tools to trace criminal networks and support investigations. FINTRAC is at the centre of these efforts, which will include:<br><br>• Prioritizing financial intelligence resources to tackle extortion;<br>• Launching the Countering Extortion Partnership with financial institutions, government, | **Published February 19, 2026.** |

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| | and law enforcement;<br>• Assigning financial intelligence experts to support police;<br>• Providing financial institutions with clear guidance on how to detect extortion transactions;<br>• Publishing intelligence on how criminals move and hide extortion money.<br><br>The announcement is accompanied by the following documents and backgrounders:<br><br>• Letter from the Minister of Finance and National Revenue to the Director and Chief Executive Officer of FINTRAC;<br>• FINTRAC Backgrounder: Targeted indicator profiles on laundering the proceeds of extortion; | |

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| | • FINTRAC Backgrounder: Establishment of a new liaison function to support efforts countering extortion;<br>• FINTRAC Backgrounder: Working in partnership with the private sector to counter extortion. | |
| **Payments Canada** | | |
| February 12, 2026 | Rule Amendments Support Expanded Membership and Access to Critical National Infrastructure<br><br>Payments Canada has finalized a series of amendments to its rules for the Automated Clearing and Settlement System; these changes are effective February 9, 2026. Payments Canada has grouped these changes under the following themes: | **Rule changes are effective February 9, 2026.** |

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| | • Expanded access and risk-based membership (Rule D1);<br>• Refined return procedures (Rules A4, A10, B10 and G3);<br>• Efficiency improvements and retirement of legacy components (Rules A1, B2, and K1, L1).<br><br>Other rules amended effective February 9, 2026:<br><br>• Rule D3 (Indirect Clearer Requirements);<br>• Rule F1 (Rules applicable to Automated Funds Transfer (AFT) Transactions);<br>• Rule F4 (Rules applicable to Automated Funds Transfer (AFT) Transactions using ISO 20022 | |

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| | messages. | |
| **Bank for International Settlements (BIS)** | | |
| February 26, 2026 | Basel Committee: Consolidated Guidelines and Sound Practices<br><br>The Basel Committee on Banking Supervision has published a new section of its website containing a consolidated version of its guidelines and sound practices for banks and supervisors. This new format is not intended to introduce new expectations; the content has been reorganized in a modular format in an effort to increase the accessibility of the materials. The Basel Committee has published this initially in draft form, and it is soliciting feedback from stakeholders. | **Comments are due June 26, 2026.** |
| **Financial Action Task Force (FATF)** | | |
| February 24, 2026 | Cyber-Enabled Fraud – Digitalisation and Money Laundering, Terrorist Financing | **Published February 24, 2026.** |

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| | and Proliferation Financing Risks<br><br>FATF has published a paper, *Cyber-Enabled Fraud – Digitalisation and Money Laundering, Terrorist Financing and Proliferation Financing Risks*, which outlines the latest emerging risks related to technological innovation and fraud. The paper calls for stronger implementation of global standards to tackle fraud, including through international cooperation and asset recovery, information sharing, and continuing to adapt to the risk environment and international resolve to address the issue. In particular, the paper discusses how the FATF Standards can be used to combat fraud, through:<br><br>• Payment transparency;<br>• Asset recovery;<br>• Regulation of Virtual Assets;<br>• Unmasking Beneficial Ownership | |

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| | (BO);<br>• Domestic and international partnerships;<br>• Employing advanced technology. | |
| **Financial Stability Board (FSB)** | | |
| February 19, 2026 | Strategic Review of FSB Crisis Preparedness Activities<br><br>In response to episodes of turmoil and financial crises that have tested FSB's resolution framework (anchored by its Key Attributes of Effective Resolution Regimes for Financial Institutions) since it was adopted in 2011, FSB has announced that it is undertaking a strategic review of its crisis preparedness activities.<br><br>The stated aims of the strategic review are:<br><br>• Strengthen and, where necessary, adapt the FSB's crisis preparednes | **Published February 19, 2026.** |

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| | s activities to respond to changes and emerging vulnerabilities in the global financial system;<br>• Enhance the FSB's crisis preparedness activities to consider all stages of a crisis, from early intervention measures through recovery and resolution to post-stabilization restructuring;<br>• Refine internal processes and organizational structure to achieve the FSB's strategic objectives for crisis preparedness; and<br>• Strengthen the central role of the Key Attributes of Effective Resolution Regimes for Financial Institutions as the international standard for | |

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| | resolution regimes for financial institutions. | |
| February 4, 2026 | Vulnerabilities in Government Bond-backed Repo Markets<br><br>FSB has issued a report, *Vulnerabilities in Government Bond-backed Repo Markets*, that explains how repo markets function, outlines key features of repo markets around the world, assesses ways to monitor vulnerabilities and associated data gaps, and concludes with relevant policy implications.<br><br>The report assesses vulnerabilities in government bond-backed repo markets and possible contagion channels to the broader financial system. It highlights how quickly repo markets were impacted in several recent episodes of market stress and warns that, given the importance of repo markets within the global financial | **Published February 4, 2026.** |

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| | system, it is critical to preserve their functionality, particularly during periods of stress. It identifies vulnerabilities in repo markets that could pose risks to the broader financial system, and suggests several steps for authorities to consider in response to these vulnerabilities; these include:<br><br>• Closing data gaps;<br>• Strengthening surveillance capabilities; and<br>• Addressing vulnerabilities related to liquidity imbalances and leverage (this can include taking into account the FSB's recommendations on leverage in nonbank financial intermediation (NBFI) and Global Securities Financing Transactions exercise, as well as other relevant | |

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| | international standards). | |
| **International Association of Insurance Supervisors (IAIS)** | | |
| February 12, 2026 | Application Paper on Operational Resilience Objectives and Toolkit<br><br>IAIS has published the final version of its *Application Paper on operational resilience objectives and toolkit*. The Application Paper is intended to support supervisors and insurers in understanding how to assess and address operational resilience in light of the Insurance Core Principles risk management and other relevant requirements. The Application Paper provides operational resilience objectives and provides a toolkit of supporting practices and tools. The key objectives of the Application Paper are:<br><br>• The relationship between operational | **Published February 12, 2026.** |

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| | resilience, governance and operational risk management;<br>• The key elements of a sound approach to operational resilience;<br>• Specific objectives for insurance supervisors. | |
| **Legislation** | | |
| February 26, 2026 | Bill C-15, *Budget 2025 Implementation Act, No. 1*<br><br>Among its provisions to implement the 2025 Federal Budget, the following measures of Bill C-15 affect federally regulated financial institutions.<br><br>Division 9 of Part 5 repeals the *Consumer-Driven Banking Act* and enacts a new *Consumer-Driven Banking Act* to ensure that individuals and businesses can safely and securely share their data with the | **First Reading in the Senate February 26, 2026.**<br>Part 5, Division 9 in force on Royal Assent.<br>Part 5, Division 10 in force on Royal Assent.<br>Part 5, Division 11 in force on proclamation.<br>Part 5, Division 12 in force on Royal Assent.<br>Part 5, Division 13 in force on Royal Assent.<br>Part 5, Division 14 in force on Royal Assent.<br>Part 5, Division 15 in force on proclamation.<br>Part 5, Division 16 in force on proclamation.<br>Part 5, Division 17 |

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| | participating entities of their choice. That Act addresses, among other things, accreditation, national security, data sharing, security safeguards, consent, authentication, liability, complaints, administration and enforcement and screen scraping. The Division also makes related amendments to the *Access to Information Act*, the *Financial Consumer Agency of Canada Act* and the *Budget Implementation Act, 2024, No. 1*.<br><br>Division 10 of Part 5 amends the *Trust and Loan Companies Act*, the *Bank Act* and the *Insurance Companies Act* to extend the period during which federal financial institutions governed by those Acts may carry on business.<br><br>Division 11 of Part 5 amends the *Trust and Loan Companies Act*, the *Bank Act* and the *Insurance Companies Act* to, among other things, modernize | in force on proclamation, except ss. 337, 339(1), 340, 343, 344, 348, 349, 351 in force on Royal Assent.<br>Part 5, Division 18 in force on Royal Assent.<br>Part 5, Division 37 in force on Royal Assent, except s. 584 deemed to have come into force on October 1, 2025 immediately after the coming into force of section 8 of the *Regulations Amending Certain Regulations Made Under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, made on December 16, 2024 and registered as SOR/2024-267.<br>Part 5, Division 45, s. 600 (enacting the *Stablecoin Act*) in force on proclamation; ss. 601 to 605 in force on proclamation. |

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| | prudential limits by repealing certain provisions that impose limits on federally regulated financial institutions with respect to debt obligations and borrowing, consumer and commercial loans and investments in real property and equity.<br><br>Division 12 of Part 5 amends the *Bank Act*, the *Trust and Loan Companies Act* and the *Insurance Companies Act* to allow for the electronic delivery of certain documents to shareholders, members and policyholders without their consent, while ensuring that they receive paper copies if they request them.<br><br>Division 13 of Part 5 amends the *Trust and Loan Companies Act*, the *Bank Act* and the *Insurance Companies Act* to increase the equity threshold related to the public holding requirement from $2 billion to $4 billion and to make changes to other provisions that | |

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| | include that threshold.<br>Division 14 of Part 5 amends the *Trust and Loan Companies Act*, the *Bank Act*, the *Insurance Companies Act* and the *Office of the Superintendent of Financial Institutions Act* to, among other things,<br>(a) clarify the powers of the Superintendent of Financial Institutions in respect of the adherence by federally regulated financial institutions to their policies and procedures to protect themselves against threats to their integrity or security;<br><br>(b) provide the Superintendent of Financial Institutions with powers to issue directions of compliance in respect of unsafe or unsound practices in the conduct of the affairs of those financial institutions; and<br><br>(c) provide that the Superintendent of Financial Institutions is not prevented from disclosing information to any | |

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| | federal government agency or body for purposes related to the Superintendent's regulation or supervision of financial institutions.<br><br>Division 15 of Part 5 amends the *Bank Act* to raise the amount of funds that can be withdrawn immediately from a retail deposit account after the deposit of a cheque or other instrument and to remove the delay for the withdrawal of funds deposited by a cheque or other instrument that is not deposited in person.<br><br>Division 16 of Part 5 amends the *Bank Act* to, among other things,<br><br>(a) prohibit the activation of certain capabilities for a personal deposit account in Canada without the express consent of the natural person in whose name the account is kept;<br><br>(b) permit a natural person in whose name such an account is kept to deactivate certain | |

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| | account capabilities;<br><br>(c) permit a natural person in whose name such an account is kept to adjust certain transaction limits on the account;<br><br>(d) require institutions to establish policies and procedures for detecting and preventing consumer-targeted fraud and mitigating its impacts; and<br><br>(e) require institutions and the Commissioner of the Financial Consumer Agency of Canada to prepare annual reports on consumer-targeted fraud.<br><br>Division 17 of Part 5 amends the *Canada Deposit Insurance Corporation Act*, the *Bank Act* and the *Financial Consumer Agency of Canada Act* to support the growth of federal credit unions, including by way of amalgamation or asset acquisition and by permitting them to engage in motor vehicle leasing in certain | |

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| | circumstances.<br><br>Division 18 of Part 5 makes amendments to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* consequential to amendments to the *Special Economic Measures Act*.<br><br>Division 37 of Part 5 amends the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* to<br><br>**(**a) clarify that all regulations made under that Act are to be made on the recommendation of the Minister of Finance;<br><br>(b) clarify that paragraph 36(3.01)(b) of that Act applies to donations that are not charitable donations; and<br><br>(c) prohibit the disclosure of reports, or the information contained in them, related to discrepancies in information discovered in the course of verifying the identity of | |

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| | persons having beneficial ownership or control of an entity.<br><br>It also amends the *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations* to<br><br>(a) clarify that paragraph 138(5)(b) of those Regulations applies to donations that are not charitable donations; and<br><br>(b) clarify the application of those Regulations to mortgage administrators, mortgage brokers and mortgage lenders.<br><br>Division 45 of Part 5 enacts the *Stablecoin Act*, which imposes duties on persons that create stablecoins and make them available for purchase, directly or indirectly, by persons in Canada. That Act sets out the objects of the Bank of Canada in respect of stablecoin and requires the Bank to maintain a public registry of stablecoin issuers. That Act also | |

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| | addresses, among other things, the redemption of stablecoins by issuers, the reserve of assets that issuers must maintain to fulfill their redemption obligations and the policies that they must establish. The Division also makes consequential and related amendments to the *Access to Information Act*, the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and the *Retail Payment Activities Act*. | |
| February 25, 2026 | Bill C-12, *Strengthening Canada's Immigration System and Borders Act*<br><br>Bill C-12 would enact provisions put forward by Bill C-2, *Strong Borders Act* that are aimed at combating transnational organized crime, money laundering and the immigration system. Bill C-12 would amend several Acts and regulations impacting financial institutions. | **Second Reading in the Senate February 5, 2026; reported without amendment by Standing Senate Committee on National Security, Defence and Veterans Affairs February 25, 2026. Part 9 largely in force on Royal Assent, with certain sections in force on proclamation. Part 10 in force on Royal Assent.** |

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| | Part 9 amends the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* to, among other things,<br><br>(a) Increase the maximum administrative monetary penalties that may be imposed for certain violations and the maximum punishments that may be imposed for certain criminal offences under that Act;<br><br>(b) Replace the existing optional compliance agreement regime with a new mandatory compliance agreement regime that, among other things,<br><br>(i) Requires every person or entity that receives an administrative monetary penalty for a prescribed violation to enter into a compliance agreement with the Financial Transactions and Reports Analysis Centre of Canada (the Centre),<br><br>(ii) Requires the Director of the Centre to make a | |

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| | compliance order if the person or entity refuses to enter into a compliance agreement or fails to comply with such an agreement, and<br><br>(iii) Designates the contravention of a compliance order as a new violation under that Act;<br><br>(c) Require persons or entities referred to in section 5 of that Act, other than those already required to register, to enroll with the Centre; and<br><br>(d) Authorize the Centre to disclose certain information to the Commissioner of Canada Elections, subject to certain conditions.<br><br>Part 9 also makes consequential and related amendments to the *Retail Payment Activities Act* and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Administrative Monetary Penalties Regulations* and includes transitional provisions.<br><br>Part 10 amends the *Office of the* | |

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| | *Superintendent of Financial Institutions Act* to make the Director of the Financial Transactions and Reports Analysis Centre of Canada a member of the committee established under subsection 18(1) of that Act. It also amends the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* to enable the Director to exchange information with the other members of that committee. | |
| February 26, 2026 | Bill S-6, *Federal Law–Civil Law Harmonization Act, No. 4*<br><br>Bill S-6 is the fourth in a series of enactments drafted in the course of the harmonization of federal statutes by the Department of Justice of Canada resulting from the coming into force of the Civil Code of Québec in 1994. Among the Acts amended by Bill S-6 are Acts governing financial institutions: the *Bank Act*, the *Cooperative Credit Associations* | **First Reading February 26, 2026.** |

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| | *Act*, the *Insurance Companies Act* and the *Trust and Loan Companies Act.* The amendments are made in order to ensure that each language version takes into account the common law and the civil law. | |
| February 10, 2026 | Bill C-13, *Act to implement the Protocol on the Accession of the United Kingdom of Great Britain and Northern Ireland to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership*<br><br>Bill C-13 implements the *Protocol on the Accession of the United Kingdom of Great Britain and Northern Ireland to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership*, done July 16, 2023. It includes consequential amendments to the definition of "regulated foreign entity" in sections 2 of the *Bank Act, Insurance Companies Act* and *Trust and Loan Companies Act* respectively. | **Reported with amendments by House of Commons** Standing Committee on International Trade February 10, 2026.<br><br>**Act comes into force by proclamation.** |

## *Disclaimer*

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By

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