

What is on display for fund managers: OSC Investment Management Division Annual Summary Report

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The Ontario Securities Commission's (OSC) Investment Management Division released [OSC Staff Notice 81-741](#) on September 15, 2026 (IM Staff Notice), summarizing its fiscal 2025–2026 work. The publication draws together trends from prospectus and exemptive relief files, continuous disclosure reviews, ownership change notices under sections 11.9 and 11.10 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103), and the Division's current policy agenda.

Product development remains brisk. The IM Staff Notice describes continued ETF expansion and newer strategies involving collateralized loan obligations, crypto assets, three times daily leverage and exposure to a single issuer. These products raise familiar disclosure, risk rating and suitability questions in less familiar forms.

In its continuous disclosure work, staff used investment fund survey data to identify funds warranting closer review. Areas of interest included leverage and changes in liquidity from one year to the next. Staff also examined cases where a third-party measure (such as standard deviation or a risk assessment) did not align with the risk rating shown in the Fund Facts. Managers should be prepared to explain both the methodology selected and any apparent inconsistency among the data, the rating and the disclosure delivered to investors.

The Division is also reconsidering how it handles notices of proposed acquisitions and ownership changes under sections 11.9 and 11.10 of NI 31-103. The IM Staff Notice indicates that technology may support a more differentiated, risk-based review process. Further information on any change of process for these reviews will be provided in advance. In furtherance of this objective, we note as well that in [OSC Staff Notice 33-762](#), the Registration, Inspections and Examinations Division stated that in connection with certain acquisitions of firms, such as where new owners have a new business plan, staff will request a Form 33-109F6 reflecting the firm post-acquisition, together with

completed Forms 33-109F4 for each proposed registered and permitted individual, *and* ask new key personnel to attend an in-person meeting to discuss proposed activities of the firm post-acquisition.

Other current projects for the Investment Management Division include continued work on replacing the annual and interim Management Reports of Fund Performance with a Fund Report; developing an access-based continuous disclosure model for investment fund issuers; revisiting the ETF framework; addressing crypto-asset funds; reviewing liquidity risk; and considering pathways for retail exposure to longer-term assets. With respect to the latter, Staff has signalled its current priority is to work with funds actively seeking exemptive relief for long-term asset strategies. Finally, managers of collective investment vehicles that fall outside the statutory definition of an investment fund should note that a future investment fund survey may include in scope certain “fund-like” entities to improve regulatory visibility into private credit.

For more detail on these initiatives, see BLG’s Insight, [Ontario Securities Commission \(OSC\) Investment Management Division Annual Summary Report: Insights from Staff Notice 81-741](#).

By

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