

### Q4 2020

Jurisdiction	Name of Law/Regulation	Brief Summary of Changes
<b>Commercial Lending</b>		
Federal	<i>Bank Act</i>	<p><b>Federal Consumer Protection Framework for Banks</b></p> <p>Bill C-86, <i>Budget Implementation Act, 2018, No. 2</i>, the second omnibus budget bill of 2018 received Royal Assent on December 13, 2018. Among other things, Bill C-86 amends the <i>Bank Act</i> to provide for a financial consumer protection framework for banks and authorized foreign banks. While the bulk of the changes relate to retail products and services, some changes will affect commercial lines of business as well. Please see <a href="#">A New Federal Financial Consumer Protection Framework</a> for more details.</p> <p>Sections 331 and 332 of Bill C-86 were proclaimed in force on April 30, 2020. These amend sections 659 and 661 of the <i>Bank Act</i> relating to OSFI’s powers to examine and impose compliance measures on banks. The in-force date for the remaining changes to the <i>Bank Act</i> is not yet known and regulations will be required to implement many of the changes.</p>
<b>Consumer Lending</b>		
Federal	<i>Bank Act</i>	<p><b>Federal Consumer Protection Framework for Banks</b></p> <p>Bill C-86, <i>Budget Implementation Act, 2018, No. 2</i>, the second omnibus budget bill of 2018 received Royal Assent on December 13, 2018. Among other things, Bill C-86 amends the <i>Bank Act</i> to provide for a financial consumer protection framework for banks and authorized foreign banks. Please see <a href="#">A New Federal Financial Consumer Protection Framework</a> for more details.</p> <p>Sections 331 and 332 of Bill C-86 were proclaimed in force on April 30, 2020. These amend sections 659 and 661 of the <i>Bank Act</i> relating to OSFI’s powers to examine and impose compliance measures on banks. The in-force date for the remaining changes to the <i>Bank Act</i> is not yet known and regulations will be required to implement many of the changes.</p>
Federal	<i>Bank Act</i>  <i>Trust and Loan Companies Act</i>	<p><b>Consumer Protection Regulations</b></p> <p><i>Regulations Amending Certain Department of Finance Regulations (Miscellaneous Program)</i>, were published in the <i>Canada Gazette</i>, Part II, on April 1, 2020 and amended the various financial consumer protection regulations under the <i>Bank Act</i> and <i>Trust and Loan Companies Act</i> in order to address vague or ambiguous language, reduce duplication, and address discrepancies between the English and French versions of the regulatory texts. The modified regulations included the following which could impact consumer lending:</p> <p><i>Bank Act</i></p> <ul style="list-style-type: none"> <li>● Cost of Borrowing (Banks) Regulations</li> <li>● Cost of Borrowing (Authorized Foreign Banks) Regulations</li> </ul>

		<ul style="list-style-type: none"> <li>● Credit Business Practices (Banks, Authorized Foreign Banks, Trust and Loan Companies, Retail Associations, Canadian Insurance Companies and Foreign Insurance Companies) Regulations</li> <li>● Electronic Documents (Banks and Holding Companies) Regulations</li> <li>● Negative Option Billing Regulations</li> <li>● Complaints (Banks, Authorized Foreign Banks and External Complaints Bodies) Regulations</li> </ul> <p><i>Trust and Loan Companies Act</i></p> <ul style="list-style-type: none"> <li>● Credit Business Practices (Banks, Authorized Foreign Banks, Trust and Loan Companies, Retail Associations, Canadian Insurance Companies and Foreign Insurance Companies) Regulations</li> <li>● Cost of Borrowing (Trust and Loan Companies) Regulations</li> <li>● Electronic Documents (Trust and Loan Companies) Regulations</li> </ul>
British Columbia	<i>Personal Information Protection Act</i>	<p><b>Review of the Personal Information Protection Act</b></p> <p>On February 18, 2020, the Legislative Assembly agreed that a Special Committee be appointed to review the Personal Information Protection Act (PIPA) in accordance with section 59 of that Act. As part of its review, the Special Committee is likely to consider whether to align PIPA with other provincial and federal privacy legislation by requiring organizations to notify the Office of the Information and Privacy Commissioner of British Columbia (“OIPC”) and affected individuals of data breaches that pose a real risk of significant harm to the affected individuals. The Special Committee is also likely to consider enforcement measures, such as the OIPC’s power to impose fines for violations of PIPA. On June 2, 2020, the OIPC released its general briefing note (the “Briefing Note”) to the Special Committee on its desired changes to PIPA. In the Briefing Note, the OIPC confirmed that it would like to see PIPA more closely aligned with other Canadian and international privacy legislation, including the General Data Protection Regulation (“GDPR”) in the European Union. The Special Committee anticipates issuing the findings of its review in a report in February of 2021.</p>
Quebec	<i>Consumer Protection Act, Act respecting the protection of personal information in the private sector</i>	<p><b>Protecting Personal Information</b></p> <p>Bill 64, <i>An Act to modernize legislative provisions as regards the protection of personal information</i>, received second reading on October 28, 2020. Sections 93 to 152 propose amendments to the <i>Act respecting the protection of personal information in the private sector</i>. These amendments provide additional requirements to the procedures that must be followed by persons (including enterprises) for the collection of personal information in the private sector, and provides that the person from whom the information is collected must be informed of the possibility that the information could be communicated outside of Quebec. Among other things, some of the major amendments that would affect private lenders include: significant administrative sanctions may be imposed by the Commission d’accès à l’information of up to \$10 million or 2% of worldwide turnover, whichever is greater, and penal sanctions of up to \$25 million or 4% of worldwide turnover (sections 150-151 of Bill 64); the possibility for a company to be sued for damages (section 152 of Bill 64); the requirement to appoint a person to be in charge of the protection of personal information and establish governance policies and practices (section 95 of Bill 64); new obligations when a confidentiality incident involving personal information occurs (section 95 of Bill 64); new rights for individuals or customers with regard to data portability, the right to be forgotten and the right to object to automated processing of their personal information (sections 102, 112-113 of Bill 64); the creation of an exception allowing the disclosure of personal information in the course of a business transaction without the prior consent of the individuals concerned (section 107 of Bill 64); and the obligation for companies to ensure that pre-established settings for their technology products and services ensure the highest levels of confidentiality by default (section 100 of Bill 64). More information can be</p>

		<p>found at the Blake's Bulletin: <a href="#">Quebec Introduces New Amendments to Its Privacy Regimes</a>. The Bill is expected to be debated at the National Assembly and further amendments may be proposed. With the introduction of the Federal Bill C-11, the <i>Digital Charter Implementation Act, 2020</i>, (discussed below), changes are expected to follow.</p> <p><b>Credit Reporting</b></p> <p>Bill 53, <i>Credit Assessment Agents Act</i>, received third reading on October 22, 2020 and Royal Assent on October 28, 2020. This Act comes into force on February 1, 2021, except sections 8, 13 and 14.1 insofar as they concern security freezes and sections 9, 16.1, 105.1 and 107.1 which come into force on the date set by the Government. Bill 53 proposes new credit reporting legislation in Quebec and will regulate the commercial and management practices of credit assessment agents. Among other things, the bill:</p> <ul style="list-style-type: none"><li>- proposes three protection measures that a credit assessment agent must take when asked as regards the records the agent holds on each person concerned, namely a security freeze, a security alert and an explanatory statement;</li><li>- sets out the terms and conditions for the exercise of those rights as well as the recourses and complaints that may be respectively exercised before the Commission d'accès à l'information or submitted to the Authority;</li><li>- prescribes the commercial practices that credit assessment agents must adhere to and imposes the obligation for them to adhere to appropriate management practices;</li><li>- sets out the administrative measures and the other powers of the Authority, such as the power to issue instructions, guidelines and orders and to request an injunction and participate in proceedings relating to the administration of the Act; and</li><li>- prescribes monetary administrative penalties and sets out penal provisions.</li></ul> <p>In addition, Bill 53 proposes to amend section 19 of the <i>Act respecting the protection of personal information in the private sector</i>, which currently applies to every person carrying on the business of lending money when they consult credit reports or recommendations as to the solvency of individuals. Under the proposed amendments, such persons will also be required to inform an individual, upon request, that the refusal to grant a loan is based on the consultation of such a report or recommendation. In addition, the proposed amendments will require a person who consults such credit reports or recommendations (or certain other documents sent by a credit assessment agent) to take reasonable measures to ensure that the person from whom consent was obtained to obtain the recommendation, report, document, or personal information is actually the person who is the subject of that recommendation, report, document, or personal information. Finally, organizations may be subject to penalties under Bill 64, <i>An Act to modernize legislative provisions as regards the protection of personal information</i>, discussed above.</p> <p><b>Contracts Relating to Automobiles and Motorcycles</b></p> <p>Bill 17, <i>An Act respecting remunerated passenger transportation by automobile</i>, received third reading on February 7, 2020, Royal Assent on February 8, 2020 and came into force on October 10, 2020. Section 253 of Bill 17 amends section 156 of the <i>Consumer Protection Act</i>. Section 156 of the <i>Consumer Protection Act</i> outlines what must be disclosed on the label that a merchant must affix on every used automobile that they offer for sale or for long-term lease. The particular of this disclosure has been amended under Section 253 of Bill 17.</p>
--	--	---

<p>Ontario</p>	<p><i>Consumer Protection Act, 2002, Consumer Reporting Act, Payday Loans Act, Freedom of Information and Protection of Privacy Act, Credit Unions and Caisses Populaires Act</i></p>	<p><b>Administrative Penalties</b></p> <p>Bill 159, <i>Rebuilding Consumer Confidence Act, 2019</i>, received third reading and Royal Assent on July 14, 2020. Among other things, Bill 159 proposes to add Part X.1 to the <i>Consumer Protection Act, 2002</i>. Part X.1 will allow the Director to impose an administrative penalty against a person that has contravened or is contravening a provision of the <i>Consumer Protection Act, 2002</i> or the regulations. The amount of the proposed administrative penalty may not exceed \$50,000. Under the proposed amendments, the Minister of Consumer and Business Services may make regulations prescribing, among other things, different administrative penalties for the contravention of different prescribed provisions. The sections proposing Part X.1 and the ability of the Minister of Consumer and Business Services to make regulations prescribing different administrative penalties have not yet come into force.</p> <p><b>Ontario Review of the Consumer Protection Act</b></p> <p>On March 12, 2020, <a href="#">Ontario launched a consultation to update the Consumer Protection Act</a> (Act). The Act has not been reviewed since it came into force almost 15 years ago. The review will consider opportunities to address changing technology, marketplace innovations, and streamlining requirements for businesses and consumers. As a first step, an online survey gathered information about consumers' understanding of the act and their experiences when engaging in consumer transactions until July 17, 2020. The government will now be conducting consultations with consumer and businesses through the regulatory registry later through 2020. Consultations will cover broader changes to the act and sector-specific issue, including timeshares, alternative financial services, contracts and the tow and storage and auto repair industries. More information on sector specific consultations can be found <a href="#">here</a>.</p> <p><b>Credit Reporting</b></p> <p>Bill 8, <i>Access to Consumer Credit Reports and Elevator Availability Act, 2018</i>, received third reading on May 2, 2018 and Royal Assent on May 7, 2019. However, those sections affecting the Consumer Reporting Act have yet to be proclaimed into force. Bill 8 proposes to require credit reporting agencies to give consumers online access to their current consumer score at least twice a year, free of charge (section 5 of Bill 8). Bill 8 also introduces new sections to the <i>Consumer Reporting Act</i> setting out requirements respecting the method of generating a consumer score, and requirements for security freezes on a consumer's file. Bill 8 also grants the Registrar of Consumer Reporting Agencies (the "Registrar") additional enforcement rights, which include the authority to order a credit reporting agency to amend or delete information on a credit report, and an expanded right of the Registrar to request information from credit reporting agencies</p> <p><b>Payday Loans</b></p> <p>Bill 197, <i>COVID-19 Economic Recovery Act, 2020</i>, received third reading and Royal Assent on July 21, 2020. Schedule 16, which amends the <i>Payday Loans Act, 2008</i>, (Act) came into force 30 days after Royal Assent and aims to protect borrowers from harsh repayment arrangements. Schedule 16 adds section 32.1 to the Act. Section 32.1 sets a maximum interest rate of 2.5 per cent per month (not to be compounded) on the outstanding principal under a payday loan agreement if the advance under the agreement is \$1,500 or less and the term of the agreement is 62 days or less. The amount of the advance and the term of the agreement, as well as the maximum interest rate that may be charged, can be changed by regulation. Section 33 of the Act is also amended so that, unless the regulations provide otherwise, a fee no greater than \$25 may be charged for a dishonoured cheque, pre-authorized debit or other instrument of payment. A lender cannot impose such a fee more than once with respect to each payday loan agreement. The Schedule also adds subsection 44 (1.1) to the Act, which provides that a payment referred to in subsection 44 (1) [<i>illegal payment</i>] includes interest or a default charge</p>
----------------	---	--

		<p>received by a licensee from a borrower to which the licensee is not entitled under the Act or that the borrower is not liable to pay under the Act.</p> <p><b>Ontario Review of Statutory Privacy Regime</b></p> <p>On August 13, 2020, the Ontario government launched a consultation on private sector privacy reform in the province. To guide the consultation, the government published a discussion paper that outlines a series of privacy discussion topics, reflecting key areas that the government is considering for a new Ontario private sector privacy law. More information can be found at Blakes' discussion on the topic, <a href="#">Ontario Government Launches Consultation to Enhance Privacy Protections</a>.</p> <p><b>Credit Union and Caisses Populaires Act</b></p> <p>On November 5, 2020, <i>Protect, Support and Recover from COVID-19 (Budget Measures), 2020</i>, received first reading. The Act repeals the <i>Credit Unions and Caisses Populaires Act, 1994</i> and replaces it with the <i>Credit Unions and Caisses Populaires Act, 2020</i>. The new Act generally sets out the rules that govern credit unions, including in respect of the establishment of credit unions and their membership, capital structure, governance and business powers. Changes are made to give the Financial Services Regulatory Authority of Ontario (the Authority) new rule-making powers in relation to its function as the sector regulator. The Chief Executive Officer of the Authority is given powers to enforce compliance with the Act and may impose administrative penalties for contraventions of or failures to comply with certain requirements under the Act.</p>
Manitoba	<p><i>The Consumer Protection Act, The Consumer Protection Amendment Act</i></p>	<p><b>Consumer Protection Regulations</b></p> <p>Bill 22, <i>The Credit Unions and Caisses Populaires Amendment Act</i> received first reading on October 14, 2020. The Act changes the oversight and governance framework for Manitoba's credit union system. Under the changes, the federal Officer of the Superintendent of Financial Institutions no longer oversees the provincial credit union centrals and significantly expanded oversight powers are given to the guarantee corporation and the provincial Registrar of Credit Unions (the "Registrar").</p> <p>Bill 30, <i>The Consumer Protection Amendment Act</i>, received first reading on October 14, 2020. Bill 30 proposes a prohibition on the direct sale of furnaces, air conditioners, windows and other household systems and supplies. Leases for household systems and supplies or for any product bought through a direct sale cannot be for an indefinite term. The Bill also repeals the <i>Cell Phone Contracts Regulations, Manitoba Regulation 40/2012</i>.</p> <p>Bill 44, <i>The Public Utilities Ratepayer Protection and Regulatory Reform Act</i>, received first reading on March 19, 2020. Bill 44 proposes to repeal the provisions of <i>The Consumer Protection Act</i> that provide for the Public Utilities Board to review and make recommendations about the cost of credit for payday loans (section 164(1) – section 164.2). Bill 44 also proposes to repeal the provisions of <i>The Consumer Protection Act</i> that provide for the Public Utilities Board to set the maximum fees for cashing government cheques (section 169(2)).</p>
Newfoundland and Labrador	<p><i>Consumer Protection and Business Practices Act, Real Estate Trading Act, 2019</i></p>	<p><b>Credit Union Act</b></p> <p>Bill 46, <i>An act to amend the Credit Union Act, 2009</i>, received third reading and royal assent on November 5, 2020. It will be in force upon proclamation. The Bill amends the <i>Credit Union Act, 2009</i> and, among other things, clarifies the powers and duties of the superintendent and the guarantee corporation, removes the requirement for directors to disclose their occupations when filing articles of incorporation, annual returns and amalgamation agreements, requires a credit union to obtain written authorization from a member before including the member's name and address in the credit union's members'</p>

		<p>register and prohibiting a credit union from disclosing the name and address of a member who does not provide written authorization, and allow permanent residents of Canada to be eligible to be directors of a credit union. The Bill introduces a number of amendments that clarify the requirements and responsibilities of directors and members of a credit union.</p> <p><b>Licensing</b></p> <p>Bill 13, <i>Real Estate Trading Act, 2019</i>, s. 50, received Royal Assent on December 6, 2019 and came into force on September 1, 2020. Bill 13 amended s.95 of the <i>Consumer Protection and Business Practices Act</i>, so that a person is considered not to be carrying on the business of direct selling and is not required to be licensed under this Act where he or she is a person in respect of business for the carrying on of which he or she is required to be licensed under the <i>Securities Act</i>, the <i>Insurance Adjusters, Agents and Brokers Act</i>, the <i>Insurance Companies Act</i> or the <i>Real Estate Trading Act</i>.</p>
Prince Edward Island	<i>Payday Loans Act, Payday Loans Act Regulations</i>	<p><b>Payday Loans</b></p> <p>PEI Reg. EC2020-390, the <i>Payday Loans Act Regulations Amendment</i>, came into force on July 31, 2020. Among other things, the amendment changes the amount that must be included in a payday loan agreement from \$25 per \$100 borrowed to \$15 per \$100 borrowed and reduce the cost of borrowing from \$25 per \$100 borrowed to \$15 per \$100 borrowed under section 24 of the <i>Payday Loans Act Regulation</i>.</p>
<b>Mortgage Lending</b>		
Federal		<p><b>Federal consultation on a public corporate beneficial ownership registry</b></p> <p>In February 2020, the federal government launched consultations on strengthening transparency rules around corporate beneficial ownership. From February 13, 2020 to April 30, 2020, the Government of Canada invited Canadians to provide comments on the <a href="#">Consultation paper: Strengthening Corporate Beneficial Ownership Transparency in Canada</a>. The consultation paper released said the Panama Papers, Bahamas leaks and Paradise Papers had highlighted the scale and ease of use of corporations and other entities as a vehicle to evade taxes and facilitate criminal activities, especially across international borders. New Canadian rules came into effect in June 2019 requiring federally incorporated, privately-held corporations to maintain a database of individuals who have significant control of their company, and to update it regularly. The government is considering issues such as whether this information would be provided to government authorities on request. The consultation considered a range of issues, such as what benefits a public registry could provide, how to lower compliance costs for corporations, and how to best protect the privacy of personal information.</p>
British Columbia	<i>Mortgage Brokers Act</i>	<p><b>Public Corporate Beneficial Ownership Review</b></p> <p>On January 17, 2020, British Columbians were <a href="#">invited to take part in public engagements on creating a central registry of company beneficial ownership</a>. The consultation was seen as an important step forward in government’s efforts to combat money laundering in B.C.’s economy and reflect key recommendations from the Expert Panel on Money Laundering in B.C. Real Estate. The panel identified the disclosure of beneficial ownership as the single most important measure that can be taken to combat money laundering. B.C. has already taken significant steps to improve the ownership transparency of B.C. companies. Bill 24, <i>the Business Corporations Amendment Act, 2019</i> received Royal Assent on May 16, 2019. It fully eliminated bearer shares and requires B.C. private companies to list their beneficial owners, referred to as “significant individuals” in the legislation, in a transparency register at the company’s corporate records office by May 1, 2020. B.C. also passed the <i>Land Owner Transparency Act</i>, which established a public registry of beneficial ownership in real estate. The next step is to consider how transparency for the beneficial ownership of companies will look in the future. The consultation closed Thursday, April 30, 2020. The BC Consultation on a Public Beneficial Ownership Registry can be found <a href="#">here</a>.</p>

		<p><b>Mortgage Brokers Act Review</b></p> <p>On January 17, 2020, the B.C. Department of Finance <a href="#">launched a consultation to modernize the Mortgage Brokers Act (MBA)</a>. The purpose of these consultations is to elicit discussion and feedback from stakeholders on the Expert Panel on Money Laundering in Real Estate’s recommendation to replace the MBA with modern legislation. The 2018 Expert Panel on Money Laundering in BC Real Estate described the MBA as antiquated and recommended replacing the MBA with a modern statute to regulate all those in the business of mortgage lending, with few exceptions. Specifically, the consultation considers new legislation which would</p> <ul style="list-style-type: none"> <li>- establish business authorization requirements for all mortgage lenders, with the possible exception of individuals lending to a small number of friends and family;</li> <li>- make a distinction between regulation of the intermediary function and the lending function, with appropriate provisions for both aspects of the industry;</li> <li>- establish a governance structure with designated management responsible for compliance within mortgage intermediaries and mortgage lenders, as well as compliance requirements placed on employees within the organization; and</li> <li>- include modern regulatory powers and requirements.</li> </ul> <p>The consultation closed Thursday, April 30, 2020. After the consultation period, Ministry staff will analyze feedback and prepare policy proposals for the consideration of government. Ultimately, the replacement of the MBA is subject to consideration and approval by the Minister of Finance and Cabinet, and approval of the Legislature of British Columbia. The Mortgage Brokers Act Review Public Consultation Paper can be found <a href="#">here</a>.</p>
Ontario	<p><i>Mortgage Brokerages, Lenders and Administrators Act, 2006</i></p>	<p><b>Mortgage Brokerages, Lenders and Administrators Act</b></p> <p>On November 5, 2020, <i>Protect, Support and Recover from COVID-19 (Budget Measures), 2020</i>, received first reading. <i>The Mortgage Brokerages, Lenders and Administrators Act, 2006</i> is amended to add a requirement for prescribed persons and entities to register with the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario. The requirement to register applies even if the prescribed person or entity is also a licensee. Persons and entities who are not required to register under the regulations may register voluntarily. The maximum amounts for administrative penalties and offences under the Act are increased.</p> <p>On February 3, 2020, Ontario Regulation 409/7, <i>Mortgage Brokers and Agents: Licensing</i>, made under the <i>Mortgage Brokerages, Lenders and Administrators Act, 2006</i>, was amended to introduce an annual licensing cycle, as opposed to a two-year licensing cycle, for mortgage brokers and agents.</p> <p>On February 7, 2020, the Ontario government revoked Ontario Regulation 7/18, <i>Application, Renewal and Regulatory Fees – Mortgage Brokerages, Mortgage Brokers, Mortgage Agents and Mortgage Administrators</i>, made under the <i>Mortgage Brokerages, Lenders and Administrators Act, 2006</i>.</p>
Nova Scotia	<p><i>Mortgage Regulation Act</i></p>	<p><b>Mortgage Regulation</b></p> <p>The <i>Mortgage Regulation Act (Act)</i> was proclaimed into force on November 1, 2021. In conjunction with the regulations passed pursuant to the Act, the Act establishes a new regulatory regime for mortgage brokerages, mortgage brokers, associate mortgage brokers, mortgage lenders and mortgage administrators. These regulations, which come into force on November 1, 2021, include:</p> <ul style="list-style-type: none"> <li>- <i>Mortgage Regulation Act General Regulations;</i></li> <li>- <i>Mortgage Regulation Act Exemption Regulations;</i></li> <li>- <i>Mortgage Lender, Brokerage, Broker and Administrator Licensing Regulations;</i></li> <li>- <i>Principal Broker Regulations;</i></li> </ul>

		<ul style="list-style-type: none"> <li>- <i>Compliance Officers Regulations;</i></li> <li>- <i>General Disclosure Regulations;</i></li> <li>- <i>Cost of Borrowing Disclosure Regulations;</i></li> <li>- <i>Standards of Conduct for Mortgage Brokerages Regulations;</i></li> <li>- <i>Standards of Conduct for Mortgage Brokers and Associate Mortgage Brokers Regulations;</i></li> <li>- <i>Standards of Conduct for Mortgage Lenders Regulations;</i></li> <li>- <i>Standards of Conduct for Mortgage Administrators Regulations;</i></li> <li>- <i>Record-Keeping Regulations; Reporting Requirements Regulations; and</i></li> <li>- <i>Forms Regulations.</i></li> </ul>
<b>Other</b>		
Federal	<i>Bank Act</i>	<p><b>Use of the Words “Bank”, “Banker” and “Banking” by Non-Banks</b></p> <p>The Office of the Superintendent of Financial Institutions released the timelines for non-banks to comply with the updated restrictions on the use of “bank” words by non-banks. Compliance with these restrictions was expected by <b>August 31, 2019</b> for domain names and information contained on website, other electronic media and in print materials, and by <b>August 31, 2020</b> for information contained on physical signage. Please see our <a href="#">bulletin</a> on topic for more details.</p>
Federal	<i>An Act to implement the Agreement between Canada, United States and the United Mexican States</i>	<p><b>Canada-USA-Mexico Agreement</b></p> <p>Bill C-4, <i>An Act to implement the Agreement between Canada, the United States of America and the United Mexican States</i>, received Royal Assent on March 13, 2020 and was proclaimed in force on July 1, 2020. However, the amendments to the <i>Bank Act</i>, <i>Insurance Companies Act</i>, and <i>Trust and Loan Companies Act</i> (the Financial Institutions amendments) have yet to be proclaimed into force yet.</p>
Federal	<i>Payment Card Networks Act</i>	<p><b>Payment Cards</b></p> <p>Private Member’s Bill C-243, <i>An Act to amend the Payment Card Networks Act (credit card acceptance fees)</i> received first reading on July 20, 2020 and was reinstated in the current session on September 23, 2020 (all Private Members bills are automatically reinstated in the next session). The bill amends the <i>Payment Card Networks Act</i> to confer on the Governor in Council the power to set a limit on the credit card acceptance fees that a payment card network operator may charge a merchant. Note that a previous version of this bill was introduced in 2016 and not proceeded with.</p>
Federal	<i>Canadian Payments Act</i>	<p><b>Canadian Payments System</b></p> <p>As of September 11, 2020, Payments Canada is seeking feedback on policy proposals, outlined in the following Canada’s New Real-Time Payments System Policy Framework consultation paper, as a step forward in introducing Canada’s new real-time payments system, the Real-Time Rail (RTR) in 2022.</p> <p>On July 28, 2020, Payments Canada published it’s 2020-2024 <a href="#">corporate plan</a>, <i>Deliver and Integrate</i>. Payments Canada’s corporate plan communicates their strategy and progress-to-date of their industry-wide payments Modernization initiative, in support of their core purpose to provide safe, efficient and effective clearing and settlement of payments. The plan is updated on an annual basis.</p> <p>On May 30, 2020, Payments Canada published its 2019 annual report, <i>Delivering Payments Modernization. Together</i>. In the report, Payments Canada outlines how it prepares for and implements new payments systems. The report captures the achievements, activities and the significant strides made in Payments Canada’s <a href="#">Modernization</a> journey. In 2019, Payments Canada cleared and settled more than 8.3 billion transactions, totaling \$55 trillion, or \$218 billion each business day. Progress was made on Modernization, specifically surrounding Lynx, where Payments</p>



		Canada advanced timelines and solidified strong industry partnerships and advanced on Real-Time Rail with their members and partners.
Federal	<i>Privacy Act</i>	<p><b>Reform of Privacy Act</b></p> <p>Through 2019, the Department of Justice Canada engaged expert stakeholders to obtain their views and feedback on technical and legal considerations in modernizing the <i>Privacy Act</i>. Stakeholder feedback has been summarized in a <a href="#">What We Heard Report</a>. Plans for additional consultations are underway, and eventually, the Government of Canada plans to engage the broader Canadian public, as it works to develop more concrete proposals for potential amendments to the Act.</p> <p>On December 9, 2019, the OPC tabled its latest <a href="#">annual report</a>, which outlines how Canada’s privacy laws should be updated. The report also discusses the findings of two privacy invasive data collection projects at Statistics Canada.</p>
Federal	<i>Personal Information Protection and Electronic Documents Act</i>	<p><b>Reform of Canada’s Private-Sector Privacy Law</b></p> <p>On November 17 Bill C-11, the <i>Digital Charter Implementation Act, 2020</i> was introduced. The passed, the highly anticipated bill would overhaul the federal government’s approach to regulating privacy in the private sector. The Act would repeat parts of PIPEDA that regulate the processing of personal information and enact a new <i>Consumer Privacy Protection Act</i> (CPPA), enact the <i>Personal Information and Data Tribunal Act</i> (PIDPTE) establishing an administrative tribunal, and impose penalties for contravention of certain provisions. In addition to introducing new record keeping and data management concerns for private-sector organizations, the Act would, among other things, introduce:</p> <ul style="list-style-type: none"> <li>- All organizations (large or small) are required by s. 9 to implement a “privacy management program” targeting policies, practices and procedures directed at fulfilling their obligations under the CPPA. These policies, practices and procedures must be accessible to the Commissioner (s. 10) and must address (a) protection of personal information; (b) access requests and complaint procedures; (c) training and internal information relating to the policies, practices and procedures; (d) development of external-facing materials</li> <li>- New record keeping obligations are imposed by ss. 12(3) and (4), which require companies to document the purposes for which personal information is collected, used, or disclosed, and to continually update this if new purposes arise;</li> <li>- Sections 13 and 14 restrict organizations to collecting only that personal information that is “necessary for the purposes determined and recorded under subsection 12(3)” unless that collection is the subject of an exception principle under the CPPA;</li> <li>- Requirements to provide plain-language explanations about the processing of personal information, both in connection with obtaining valid consent and to meet transparency requirements under the CPPA;</li> <li>- Data portability rights to give individuals greater control over the transfer of their personal information from one organization to another;</li> <li>- The obligation to allow individuals to request that the organization dispose of their personal information, subject to limited exceptions;</li> <li>- New transparency requirements that apply to automated decision-making systems like algorithms and artificial intelligence, requiring businesses to explain how such systems are utilized;</li> <li>- Rules governing how and when de-identified information derived from personal information may be created, used and shared; and</li> <li>- An obligation for organizations to de-identify personal information prior to sharing it with parties in the context of a proposed business transaction, for example, in the due diligence phase.</li> </ul>

		<p>More information can be found in the Blakes Bulletin: <a href="#">New Federal Bill Set to Reform Canada’s Private-Sector Privacy Law</a>. Bill C-11 is expected to be debated in the House of Commons, and further amendments may be proposed. If passed, the CPPA may come into force quickly, on a date fixed by order of the Governor in Council. However, the bill contemplates that certain provisions, specifically those relating to data mobility, and codes of practice and certification programs, may come into force on a different date.</p>
Federal	<i>Proceeds of Crime (Money Laundering) and Terrorist Financing Act</i>	<p><b>Anti-Money Laundering (AML)</b></p> <p>On May 18, 2020, “regulations amending the regulations amending certain regulations” made under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (the “PCMLTFA”) were published with some small, but important tweaks. The new regulations (the “Regulations”) make a number of amendments to prior amendments (the “Amending Regulations”) to the existing regulations under the PCMLTFA, which were released on February 19, 2020. For more information about the proposed changes from the Amending Regulations, please see <a href="#">Yet More Amendments to the PCMLTFA Regulations</a>. The Regulations came into force on May 20, 2020.</p> <p>The Regulations make a number of changes to the Amending Regulations, namely: reinstating the previous definition of “business relationship” to continue exempting low risk accounts from the formation of a business relationship; to provide that securities dealers will have to keep records of no more than three persons, as opposed to all persons, authorized to access a business account, with consistency across similar products; and while the PEP requirements could not be relaxed due to the FATF Standards – the internationally endorsed AML/ATF standards established by the Financial Action Task Force – and the money laundering risks posed by casinos, the same exemptions that apply to financial entities will be extended to DNFBPs, MSBs and casinos. More information can be found in “Changes to the Newest Set of Amending Regulations” in the Blake’s Bulletin: <a href="#">Recent Developments: FINTRAC and the PCMLTFA</a>.</p> <p>As well, certain prior amendments to the regulations under the PCMLTFA came into force on June 1, 2020 based upon revised regulations to the AML laws released in June 2019. The changes primarily related to entities that are already regulated. New additions include expressly regulating prepaid cards issued by financial entities and the regulation of dealers in virtual currency as money services businesses. For more information, please see the Blake’s Bulletin: <a href="#">Revamping Canada’s Anti-Money Laundering Rules: What’s New, What’s Changed and What it Means for Business</a>.</p>
Federal	<i>Special Economic Measures Act</i>	<p><b>Sanctions in Belarus</b></p> <p>On September 29, 2020, the Government of Canada imposed sanctions under the <i>Special Economic Measures Act</i> against officials of the Government of Belarus, in connection with Belarusian presidential elections on August 9, 2020, and subsequent public protests. These sanctions were imposed by Canada, in coordination with the United Kingdom.</p> <p><b>Sanctions in Crimea</b></p> <p>In January 2020, the Minister of Foreign Affairs announced that Canada was imposing sanctions under the <i>Special Economic Measures Act</i> on six individuals involved in the illegitimate elections held in Crimea on September 8, 2019. The <i>Special Economic Measures (Ukraine) Regulations</i> were amended accordingly.</p>
Federal	<i>N/A</i>	<p><b>Open Banking</b></p> <p>In November 2020, the Advisory Committee on Open Banking announced that they are entering Phase Two of the Open Banking Consultations. The consultations, which are</p>

		<p>part of a broader government review on open banking, were postponed in the Spring due to restrictions on public gatherings put in place to curb the spread of COVID-19. The reopened consultations will comprise five virtual sessions through November and December. This phase is focused on determining how regulators and the financial sector can mitigate data security and privacy risks associated with open banking. The second phase will be conducted with industry stakeholders to address potential solutions and standards to enhance data protection in the financial sector, by reviewing governance, consumer control of personal data, privacy, and security.</p>
<p>Federal</p>	<p><i>Financial Consumer Agency of Canada Act</i></p>	<p><b>Federal Consumer Protection Framework for Banks</b>            Bill C-86, <i>Budget Implementation Act, 2018, No. 2</i>, the second omnibus budget bill of 2018 received Royal Assent on December 13, 2018. Subsection 342(2) and sections 344 to 347 and 350, which amend the <i>Financial Consumer Agency of Canada Act</i> (Act), were proclaimed in force on April 30, 2020. Among other things, these sections sections 19(2) and 20 of the Act related to administrative monetary penalties and increase the maximum penalty for a violation to \$10,000,000 in the case of a violation that is committed by a financial institution or a payment card network operator, and expand the considerations in regard to the amount of the penalty to include the duration of the violation and the ability of the person who committed the violation to pay the penalty. For further information, please see the Blake’s Bulletin: <a href="#">Enhanced Powers for the Financial Consumer Agency of Canada</a>.</p> <p><b>Financial Consumer Agency of Canada Publishes Decisions</b>            On August 20, 2020, the Financial Consumer Agency of Canada (FCAC) published three decisions to promote compliance with their consumer protection obligations. All three decisions published relate to compliance failures with the cost of borrowing disclosure requirements. Federally-regulated financial institutions must provide consumers with a clear and consistent standard of disclosure on the charges and fees for credit products. Accurate information is important to enable consumers to make informed financial decisions. The decisions can be found <a href="#">here</a>.</p> <p><b>Financial Consumer Agency of Canada</b>            On February 19, 2020, the government of Canada <a href="#">welcomed two reports</a> from the Financial Consumer Agency of Canada (FCAC) on the complaints handling system in banking and announced a review with public consultation at how to strengthen the external complaint bodies system in Canada. The first, <a href="#">Industry Review: Bank Complaint Handling Procedures</a>, reviews banks’ procedures for handling consumer complaints. It was conducted in response to a request from the Minister of Finance, who asked FCAC to assess both complaint handling in banking and the effectiveness of external complaints bodies. The second, <a href="#">Industry Review: The Operations of External Complaints Bodies</a>, assesses ECBs’ compliance with market conduct obligations. These obligations are set out in legislation, regulations, and guidelines, and are intended to provide consumers with access to a fair and impartial process for resolving complaints when banks cannot do so internally. From the two reports, FCAC found that while banks resolve the majority of complaints quickly and to the consumer’s satisfaction, consumers also face delays and complications when escalating their complaint beyond the first point of contact. Escalation procedures put the onus on consumers to navigate a complex system that is slow and cumbersome, resulting in a significant proportion of these consumers becoming dissatisfied and abandoning their complaint.</p>

**The Fine Print:** This CLA Legal Update (this **Update**) has been prepared by Blake, Cassels & Graydon LLP exclusively for CLA members and may not be distributed to others or reproduced without our consent. This Update sets out key upcoming developments in the law that may be relevant to CLA members and that we are aware of as November 20, 2020. Legal and regulatory developments that have come into force will remain in this Update for three months after their in-force date or until they have otherwise been made

stale, after which time they will be removed from this Update. This Update is general in nature and is not intended to set out all of the legal developments that apply to your business and does not constitute legal or other professional advice. This Update should not be relied upon as accurate, reliable, complete, current, timely or fit for any particular purpose, without receiving advice from a lawyer or other relevant professional. No one should act, or not act, on the sole basis of this Update. For specific legal advice about any of the developments set out on this Update, please contact Bonny Murray at [bonny.murray@blakes.com](mailto:bonny.murray@blakes.com) or your legal counsel.

For information on the Canadian Lenders Association, please contact Tal Schwartz at [tal@canadianlenders.org](mailto:tal@canadianlenders.org).