

## Technology

November 9, 2017

### **“A Regulatory Super Sandbox” - Ontario Finance Minister Announces Eased Regulations for Financial Startups**

On November 7, 2017, Charles Sousa, Minister of Finance for Ontario, delivered a speech to the Toronto Region Board of Trade, in which he mapped out the Government’s strategy for the financial technology (FinTech) sector in the Province.

The Minister stated the Government would create a “regulatory super sandbox”, consisting of new rules exempting certain companies from some requirements, to facilitate experimentation with new business models and products. To complement this “super sandbox”, the Minister announced the Province will launch the Ontario FinTech Accelerator Office, a new agency that will help FinTech startups get established.

Ontario has become a FinTech centre, and the announced strategy is part of the Province’s ongoing efforts to grow this increasingly important sector. For instance, the Minister’s announcement comes one year after the Ontario Securities Commission (OSC) founded the “LaunchPad” FinTech accelerator (LaunchPad). LaunchPad is a division of the OSC that engages FinTech businesses, helps them navigate regulatory requirements, and strives to keep regulation in step with digital innovation. The announced changes mirror those taken by regulators in other jurisdictions, such as the UK and Australia, and reflect the international scope of the opportunities in this sector.

This new nimble approach to financial regulation is designed to allow companies to test new financial products and encourage innovation within a legislative environment which has not yet caught up to the possibilities of the new economy.

We are following the continuing developments in this important area. If you have any questions, please contact any member of our Technology Group.

#### **Goodmans Technology Group**

To assist clients in the technology sector, Goodmans brings together our acknowledged expertise in corporate/commercial, private equity, corporate finance, mergers and acquisitions, outsourcing, licensing, intellectual property, privacy, regulatory and media, tax, litigation, human resources, corporate restructuring and administrative law. We do so both for innovative businesses in their start-up phase and for well established businesses of all types. Goodmans continues to lead in the technology sector and is partnered with the DMZ at Ryerson University. The DMZ is a leading business incubator (selected by UBI as the top-ranked university incubator in North America, and third in the world), which connects its startups with resources, customers, advisors, inventors, and other entrepreneurs. Goodmans is also a proud partner of IDEABOOST, an initiative of the Canadian Film Centre’s Media Lab; building the next generation of technology-based media entertainment products, services and brands. Through these partnerships, Goodmans provides legal advice, mentorship and networking opportunities to assist startups in maximizing their potential. Outsourcing technology functions and technology procurement is also a major strength of Goodmans, where we have assisted technology users to transform their businesses. Finally, Goodmans has represented in court and in arbitrations major technology providers, and users of technology, in ground-breaking cases that have made important contributions to the development of technology law. Members of our Technology Group teach internet and communications law at Canada’s largest law schools, are regular lecturers at technology industry events and legal conferences, and have published articles in the technology law field.