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Thread: [Upcoming Canadian regulation greatly limits the purchase of "restricted" cryptos](#)

SUI-3183372 - August 17, 2022, 5:00 pm

Canadian exchange Newton.co has updated their help documents to reflect upcoming regulation in Canada. Newton states on their website:

Quote:Over the past several months, we have been quietly working on our registration with the Ontario Securities Commission and the securities regulatory authorities in other provinces and territories of Canada. You may already be familiar with these changes as they impact all Canadian crypto trading platforms, not just Newton.

<https://help.newton.co/hc/en-us/articles/8216687424915-What-are-these-new-regulatory-changes-August-2022->

There's a lot of what you'd expect here, but what stands out is #2 under "What's changing" on that page:

Quote:Net buy limits. Depending on both your province of residence, you may have net buy limits imposed on your account. You'll be able to see these limits on the Newton app when you go to place a trade. These limits exclude the following coins: Bitcoin, Ethereum, Litecoin, and Bitcoin Cash. If you live in BC, Alberta, Manitoba, or Quebec, these limits do not apply.

Net buy limits??? What does this mean?

Quote:If you live in an applicable province, net buy limits affect the net amount of crypto you can buy to \$30,000. These limits reset annually. After 12 months have passed your limit will reset.

There are 4 unrestricted cryptocurrencies that do not count towards your limit. That means you can buy and sell as much of these cryptocurrencies as you wish. Bitcoin

Ethereum

Litecoin

Bitcoin Cash

When you buy restricted cryptocurrencies, you use some of your limit. Selling restricted cryptocurrencies will add space back to your limit (to a maximum of \$30,000.)

You will have an annual net buy limit of \$30,000 if you live in one of the following provinces: New Brunswick

Newfoundland

Nova Scotia

Nunavut

Northwest Territories

Ontario

Prince Edward Island

Saskatchewan

Yukon

Net buy limits will not impact you if you live in one of the following provinces: Alberta

British Columbia

Manitoba

Quebec

<https://help.newton.co/hc/en-us/articles/4413904757651>

Newton states that these regulations will apply to all platforms across Canada. These are pretty severe limits to impose on traders.

On the other hand, shouldn't be too hard to buy any quantity of an "unrestricted" currency as you want, say Ethereum, and then use a DEX to swap for your "restricted" currencies. Crypto is versatile, users will adapt.

Bullup - August 17, 2022, 5:22 pm

Network buy limits i assume as they are excluding specific networks in the same sentence.

What i find most interesting is that Bitcoin, Ethereum, Litecoin, and Bitcoin Cash are excluded and fine to be purchased and traded with, of course more will be added to the list, bitcoin and ethereum are logic but why LTC a #21 coin and BCH a #30 coin as first 2 besides the top 2 cryptos to be excluded from any limitations.

Net purchase limits can also refer to yearly purchase limits which would also make sense as they mention that after 12 months the limits reset.

SUI-3183372 - August 17, 2022, 10:49 pm

RsGoldKing - August 17, 2022, 11:13 pm

You can apply for business citizenship to estonia (online) and open a SEPA bank. Enjoy your unlimited trades.

exploit.c - August 23, 2022, 7:05 am

It's pretty stupid to put limits on buying crypto. I'm still waiting for the government to offer their own crypto coin

Omniscient - August 23, 2022, 11:30 am

Litecoin is absolutely hugely undervalued. It's imho the best buy on the market.

But to stay on point, I think these types of attempted regulation ultimate fail and only widen crypto adoption. So let's say you buy BTC on an exchange. I'm sure you can send it to a private wallet and exchange for whatever you want in the crypto space. And if you ever want to get back to fiat, you exchange those tokens back into BTC, onto the exchange and into your bank account again.

All you really do is punish Canadian exchanges and push alt coin trading to DeFi.

Whack-a-Mole won't stop crypto.

Bluffer - August 23, 2022, 2:38 pm

Haven't really looked into this too much (although I should when I have time since I'm a Canadian who uses Crypto) but what I'm really curious about is if these regulations come from each Province that is (not) mentioned or are Federally regulated.

I can see the argument as to why this is put in place. A lot of fucking idiots are being scammed out of their life savings. I don't see how this affects anyone but the wealthy. Who has a spare \$30,000?