



## **T+1 Communications and Education Working Group (CEWG)**

### **Approved September 13, 2022 CEWG Minutes**

#### **1. Welcome, introductions, new members**

Members welcomed Frank Baron from CIBC Mellon, a custodian. Barb advised that Jack Rando of the Investment Industry Association of Canada (IIAC) had notified the CCMA that he has moving to a new position. CCMA staff recognized Jack's excellent contributions to CEWG work in the 2015-2017 move to T+2 as well as in the more recent efforts to move to T+1. He had provided the CCMA with an IIAC replacement, however, that person is not to be the representative. **Action:** CCMA to follow up with the IIAC for an IIAC member to help co-ordinate communications with the broker-dealers.

**Note:** See appended list of participants, agreements, and action items.

#### **2. Draft minutes of August 9 CEWG Meeting**

The draft minutes of the August 9 CEWG meeting were accepted as written. The items identified for action by the day's meeting had been completed or were on the day's agenda. With respect to Advocis allowing T+1 material to be included for pick-up at Advocis's fall 2022 event, Paniz and Barb would be speaking on this in the near future.

#### **3. New T+1 news/information**

##### **i. Association update**

- IFIC staff explained that the IFIC T+1 Task Force report to the IFIC Board had recommended that no changes to NI 81-102 be pursued to support T+1. Individual fund manufacturers can determine if they will move their funds to T+1. Funds with a large percentage of T+2-settling foreign holdings may not move to a shorter settlement period – no change to the rule will avoid the need to request exemptions from an updated rule. IFIC is awaiting the CSA release. As in 2017, which funds will move to T+1 or stay at T+2 will be found, in due course, on a spreadsheet on Fundserv's website.
- Pat said that there was no choice for ETF providers to move to T+1 as they must adhere to TMX rules, which would be changed to make T+1 the standard. While there may be some challenges in the primary market, it will be designated brokers that have will the most to do to meet T+1 members.
- Barb thanked Ahren and Joseph for support completing the pension article for the ACPM's *The Observer*.

**ii. Canadian update**

Keith provided an update on CCMA matters. There remain many unresolved questions from an operational perspective. On the positive side, he is seeing more T+1 project offices starting to ramp up and an increase in the number of people wanting to join T+1 committees. In summary, because the SEC continues not to release an implementation date, the current posture is effectively 'hurry up and wait.' The CSA is expected to launch its consultation sometime in the fall, possibly as early as October. The CCMA will respond to the proposal/consultation.

**iii. U.S. update**

Keith said that there was nothing new to report from the U.S. – as said, no implementation date had yet been announced. He said that after the series of meetings this spring and summer that had led to the issuance of the T+1 Playbook, U.S. counterparts are expected to start up some meetings again in November. One big concern, with the delay in announcing an implementation date, is what the SEC would say about a move to T+0.

**iv. International news**

There is some beginning of discussion of T+1 in Europe, if only to address the impact of the North-American move to T+1. Keith mentioned India's slow transition to T+1, and said that ACSDA (American CSD Association) was continuing to monitor developments. It was noted that use of collateral is not common in Europe; this may make some issues easier there as they currently use available cash rather than collateral, however, there are other impediments there.

**v. Event/other updates**

Keith was to speak to Canadian members of DTCC in October.

**4. For review, amendment, approval**

Members discussed the draft newsletter and provided comments. **Action:** Confirm fund-related wording with IFIC.

**5. For discussion**

No discussion due to lack of time. **Action:** Provide feedback on new FAQ possibilities and the updated issue log to the CCMA.

**6. Other issues as raised**

None raised.

**7. Summary of action, next steps, and next meeting**

Keith explained that he now had a conflict with the scheduled CEWG meetings and asked to change the hour from 1:30 pm to 11:00 am ET.

<b>Agreements</b>			
1.	Members will advise CCMA staff of other T+1 speaking opportunities.		
<b>Action Items</b>			
<b>#</b>	<b>Description</b>	<b>Who</b>	<b>Status</b>
1.	Follow up with the IIAC for an IIAC member to help co-ordinate communications with the broker-dealers.	Barb	Email sent
2.	Confirm fund-related wording with IFIC	CCMA	Complete
3.	Provide FAQ ideas; review issue log and provide suggested updates to the CCMA by email	Members	
4.	See if the OSC has or can get from IOSCO/other a list of settlement cycles of major markets	Frank	No available;
<b>From preceding meetings</b>			
5.	Extend media outreach once more concrete information is available	CEWG	To be added to future agendas
6.	Help on the Buyside Checklist	Travis	TBD
7.	Manage podcast or blog/Qs&As re buyside liquidity issues	Merici	TBD
<b>Meeting Attendees</b>			
Paniz	Ghazanfari	Advocis	
Jason	Lau	CAAT	
Liz	Naumovski	Caldwell Securities	
Troy	Sy	Caldwell Securities	
Frank	Baron	CIBC Mellon	
Umair	Azan	CBA: Canadian Bankers Association	
Pat	Dunwoody	CETFA: Canadian ETF Association	
Matt	Latimer	FMFD: The Federation of Mutual Fund Dealers Canada	
Pamela	Egger	IFIC: Investment Funds Institute of Canada	
Pira	Kumarasamy	IFIC: Investment Funds Institute of Canada	
Kim	Barrett	LTI	
Annetta	Ho	OSC: Ontario Securities Commission	
Frank	Lacroce	OSC: Ontario Securities Commission	
Ahren	Estabrooks	PIAC: Pension Investment Association of Canada/OTPP	
Steve	Isgar	RBC Investor Services	
Keith	Evans	CCMA: Canadian Capital Markets Association	
Barb	Amsden	CCMA: Canadian Capital Markets Association	