

Join Zoom Meeting:  
<https://us02web.zoom.us/j/86114133771?pwd=YVUzZVUyUS8xQkF4NDFlQ0RKRd2UT09>  
 Meeting ID: 861 1413 3771 Passcode: 4CZCsF  
 One tap mobile +16473744685,,86114133771#,,,,\*479562# Canada  
 +16475580588,,86114133771#,,,,\*479562# Canada

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

### Proposed Agenda

Tuesday, September 13, 2022 – 1:30 pm ET/10:30 pm PT

- |   |                     |
|---|---------------------|
| <b>1. Welcome, introductions, new members</b> (Tina Kremmidas, IIAC)                                | <b>All</b>          |
| <b>2. Draft minutes of August 9 CEWG Meeting (<i>Attachment 1</i>)</b>                              | <b>Members</b>      |
| i. Review/approve   |                     |
| ii. Review matters arising from minutes   |                     |
| <b>3. New T+1 news/information</b>  | <b>Members/CCMA</b> |
| i. Member/association updates   | Members             |
| ii. Canadian update   | Keith               |
| iii. U.S. update  | Keith               |
| iv. International news  | Members             |
| v. Event/other updates  | Barb                |
| <b>4. For review, amendment, approval</b>   | <b>Members</b>      |
| i. Newsletter ( <i>Attachment 2 – to follow</i> )   |                     |
| <b>5. For discussion</b>  | <b>Members</b>      |
| i. Ideas for new FAQs   |                     |
| ii. Updated Issue Log ( <i>Attachment 3</i> )   |                     |
| <b>6. Other issues as raised</b>  | <b>Members</b>      |
| <b>7. Summary of action, next steps, and next meeting (November 8;<br/>NOTE: October cancelled)</b> | <b>Staff</b>        |



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

### DRAFT AUGUST 9, 2024 CEWG Minutes

#### 1. Welcome and introductions

New members from Caldwell and State Street were welcomed. See appended list of participants, agreements, and action items.

#### 2. Draft minutes of July 12 CEWG Meeting

The draft minutes of the July 12, 2022 CEWG meeting were accepted without change. Matters arising from the last meeting had been completed, were on the day's agenda, or would be undertaken once additional information became available.

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

**Canadian:** Keith Evans said that the T+1 project continued to be hampered by a number of important unknowns; despite progress in some areas, other areas are and will remain stalled, meaning a drag on the project for some time.

- a. The biggest issue is that the SEC is unlikely to finalize a rule, and hence confirm an implementation date, until late in the year (or early 2023); this is compounded by confusion sown by the U.S. industry in conferences and the T+1 Playbook, which focus on a September 2024 (Canada's preferred) implementation date.
- b. Whether conventional mutual funds will move to T+1 is unclear (see below), and there will be potential communications challenges as ETFs, subject to exchange rules, will move to T+1 (although with create and redeem challenges), while conventional mutual funds may not.
- c. CSA consultations regarding T+1 changes to NI 24-101 and possible changes to NI 81-102 are expected, perhaps in October, for a 90-day comment period, followed by a number of months of comment review by CSA members, before what is expected to be a final rule is released.
- d. CDS's Post-Trade Modernization (PTM) project remains delayed, the worsening problem being that the business, IT and testing resources used for PTM are the same as those needed for T+1, and one member firm cites a 40% staff turnover rate, further complicating matters.

While there had been progress on OWG issues, with the CDS scheduler and exchange marketplace timeline confirmed, and the T+1 project moving on to 'unpeel the next layers of the T+1 onion,' the number of 'big-picture questions contributes to a lack of focus, especially when there are many other priority projects.

Pamela Egger provided an update on the work of IFIC's T+1 Task Force. The IFIC Board will discuss a proposal to recommend that NI 81-102 *not* be changed in order

to manage funding issues when Europe and North America are on a different standard settlement cycle. This is a market-based approach and fund companies will be encouraged to move to T+1 if it is reasonable. The expectation is that those funds that can move to T+1 will do so. For others, this may occur over time because a progressive move does not have the same competitive issues that the debt, equity and derivatives would experience *vis à vis* the U.S.

**Internationally:** India is continuing with its move to T+1, however, there have been blips, with some foreign investors complaining (FYI: see <https://app.fintrakk.com/article/what-is-t1-settlement-cycle-stocks-india-share>; and [https://www.business-standard.com/article/markets/fpis-remain-upset-even-as-sebi-relaxes-trade-confirmation-deadline-122080301753\\_1.html](https://www.business-standard.com/article/markets/fpis-remain-upset-even-as-sebi-relaxes-trade-confirmation-deadline-122080301753_1.html))

**Event/other updates:** Keith referred to his September 9<sup>th</sup> presentation with Russ White (IFIC) and Sheera Badial (Canaccord, OWG Co-Chair) in B.C. **Agreed:** Members to advise CCMA of other T+1 speaking opportunities.

**Article:** Barb said that the ACPM had agreed to accept an article of 650-1,500 words for their industry semi-annual publication, *The Observer* (readership: 6,000), due in draft in early September. *The Observer* “provides a forum for an in-depth look at a topic and the space to do a deep dive,” with a focus on the implications for pension fund investments and management. The article will be published in October 2023 (assuming it is accepted) and ACPM also said that follow-up for the April edition makes sense, although there is an option (used rarely) to add articles to the website at other times during the year. ACPM also has an opportunity to send updates to their members in a monthly e-letter. **Action:** Barb to draft ACPM T+1 article; Ahren and Jason to comment on article; Barb to circulate article to CEWG; members to provide comments.

#### 8. For review, amendment, approval

- ii. **Updated Issue Log:** Discussion deferred due to lack of time. **Action:** Members to review the issue log and provide any suggested updates.
- iii. **FAQs:** Members discussed a number of the draft FAQs. **Action:** Pamela to provide amendments to the FAQ re funds; Barb to update and recirculate FAQs circulated with the agenda based on comments at the meeting; Members to provide any suggested updates before the FAQs are sent to translation before posting. **Agreed:** Barb to periodically review the FAQs to update them (and any related links) when more information is available or if an FAQ no longer applies.

#### 4. For Discussion

- i. **Addressing the question ‘do Canadian firms’ readiness lag?’**  
Members discussed the James Langton article with the title referencing Canadian firms lag U.S. counterparts. Whether or not it was the journalist or editor who chose the title, the somewhat negative article (although accurate as to survey data cited), without an apparent effort to speak with people in the industry, is disappointing if not unexpected. **Agreed:** Once more concrete information is available, the CEWG will place a greater focus on the media.
- ii. **Webinar? Q&As? Podcast? Presentation? Checklists?**  
Discussion deferred.

## 5. Other issues as raised

Barb mentioned that a small number of participants had question on what countries already setting on or moving to T+1, beyond India (moving to T+1) and Europe (at T+2), and asked whether this was something the securities commissions might find it easier to get. **Agreed:** Frank to see if the OSC has or can get from IOSCO/other a list of settlement cycles of major markets.

## 6. Next meeting

September 13

<b>Agreements</b>			
1.	Members will advise CCMA staff of other T+1 speaking opportunities.		
2.	The CCMA will periodically review the FAQs to update them (and any related links) when more information is available or if an FAQ no longer applies.		
<b>Action Items</b>			
#	Description	Who	Status
1.	Draft ACPM T+1 article Comment on article Incorporate changes and circulate article to CEWG Provide comments to CCMA	Barb Ahren, Jason Barb Members	Done Done Done Done
2.	Review issue log and provide suggested updates	Members	
3.	Provide amendments to the FAQ re funds Update and recirculate FAQs with meeting comments Provide any suggested FAQ amendments Post on CCMA website	Pamela Barb Members Barb	Done Done
4.	CEWG to extend media outreach once more concrete information is available	CEWG	To be added to future agendas
5.	See if the OSC has or can get from IOSCO/other a list of settlement cycles of major markets	Frank	
<b>From preceding meetings</b>			
6.	See if Advocis may allow T+1 material to be included for pick-up at fall 2022 event	Paniz	Pending
7.	Help on the Buyside Checklist	Travis	TBD
8.	Manage podcast or blog/Qs&As re buyside liquidity issues	Merici	Underway
<b>Meeting Attendees</b>			
<b>Paniz</b>	Ghazanfari	Advocis	
Jason	Lau	CAAT	
Liz	Naumovski	Caldwell Securities	
Troy	Sy	Caldwell Securities	
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	
Luigi	Fisico	State Street	
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	



**DRAFT NEWSLETTER – To Follow**



## T+1 Communications & Education Working Group List of Issues (at August 27, 2022)

#	Issue/Risk	Action Needed	Status/Comments
1.	<b>Key stakeholder engagement:</b> The Canadian co-ordinating team is small and part-time yet must keep pace with the considerably larger U.S. team; resource limits in Canada may impede progress.	<ol style="list-style-type: none"> <li>Solicit involvement of key stakeholder associations/ organizations that can connect with all parts of the industry as communications channel</li> <li>Update contact database</li> <li>Seek advice from/share information with stakeholder associations to develop communications strategy</li> <li><b>Document main benefits/challenges for each industry segment/their clients</b></li> <li>Co-ordinate presentations to industry parties</li> </ol>	<p><b>Complete</b></p> <p><b>Complete (Ongoing)</b> <b>Complete (Ongoing)</b> <b>Complete (Ongoing)</b></p> <p>Awaiting OWG progress</p> <p><b>Complete (Ongoing)</b></p>
2.	<b>CCMA website/LinkedIn:</b> The CCMA website must be the recognized dissemination point of clear, consistent, reliable T+1 information multiple as conflicting sources cause confusion, cost and risk.	<ol style="list-style-type: none"> <li>Update website for the T+1 program (English)</li> <li><b>Update website for the T+1 program (French)</b></li> <li>Plan average weekly LinkedIn posting</li> <li><b>Develop podcasts</b></li> </ol>	<p><b>Complete (Ongoing)</b> <b>Underway</b> <b>Complete (Ongoing)</b> <b>To come</b></p>
3.	<b>Industry image/reputation:</b> Capital markets are highly competitive and sensitive to real and perceived variations between markets; CCMA must deliver credible messages regarding Canada's preparations and preparedness for T+1	<ol style="list-style-type: none"> <li>Complete communications plan and schedule</li> <li><b>Prepare key messages, standby statements/Qs&amp;As to be ready for questions</b></li> <li><b>Identify key data to support messaging</b></li> <li>Prepare approach for developing and releasing quick responses if needed</li> <li>Be prepared with key spokesperson(s)</li> </ol>	<p><b>Complete</b> <b>Underway</b></p> <p><b>Underway</b> <b>Complete</b></p> <p><b>Complete</b></p>
4.	<b>Stakeholder T+1 awareness:</b> Because of the breadth of firms T+1 affects, and the technical nature of T+1, there is a risk that T+1 will not be given the necessary firm priority until too late, affecting institutional and retail clients and negatively impacting Canadian markets.	<ol style="list-style-type: none"> <li>Effective segment awareness-building approaches: events, webinars; FAQs; newsletters; media; surveys</li> <li>Tools re how different industry segments will be affected</li> <li>Expanded contact database</li> <li>Easy-to-understand and use <ol style="list-style-type: none"> <li>list of affected products</li> <li>issue logs</li> <li>timeline</li> </ol> </li> <li>Self-serve presentation with T+1 info</li> <li>T+1 impact, if any, on institutional and retail clients</li> <li>Work with regulators on supportive communications</li> <li>Surveys re awareness and readiness</li> </ol>	<p><b>Underway</b></p> <p><b>Underway</b></p> <p><b>Complete (Ongoing)</b> <b>Complete (Ongoing)</b></p> <p><b>Underway</b> <b>TBD</b> <b>TBD</b> <b>Complete (next in 2023)</b></p>
5.	<b>Co-ordination with the U.S.:</b> In light of the common T+1 deadline, Canada and the U.S. must both be ready at the same time, meaning not just systems/operations must be in sync, but also communications should be consistent.	Work with U.S. counterparts to co-ordinate communications where necessary or desirable	<b>CCMA develops material when the U.S. project team is expected to release material (e.g., T+1 project announcement, T+1 Playbook)</b>