

Meeting link: <https://us02web.zoom.us/j/87648777622?pwd=VEtxRytEVHBrUjdDNFBtaTd0T2NKZz09>

- 1. Approval of Minutes from the meeting held on July 21, 2022**
- 2. Matters arising from the minutes of the meeting held on July 21, 2022**
- 3. Trade Confirmation Summary**
- 4. Review of Issue Logs**
- 5. Other Business**
- 6. Next Meeting** September 15, 2022 at 11:00 AM ET

Jamie Anderson chaired the meeting and welcomed the attendees. He requested that those attendees calling in to the Zoom meeting email Keith Evans to confirm their attendance.

1. Approval of the June 16, 2022 meeting minutes

The minutes were approved.

2. Matters arising from the June 16, 2022 meeting minutes

There were no matters arising from the meeting minutes.

3. Review of Issue Logs

There were no issue logs tabled for review at the meeting.

4. Other Business

Jamie referred to the Trade Confirmation Summary document that was circulated as part of the meeting materials. He noted the summary was compiled and sent to the CCMA by a marketplace participant. CCMA made some minor edits to the document. The summary outlines various requirements regarding the provision of trade confirms (other than requirements already noted in LRWG T+1 issue logs) and the ability of firms to provide confirms electronically to clients.

The summary was presented to the LRWG. The members were asked to consider within their various shops (the OWG is doing the same). Any feedback can be sent in or discussed at the next LRWG meeting.

5. Next Meeting

August 18, 2022 at 11:00 AM ET

Attendance	Organization	Member
1.	ASC	Jan Bagh
2.	ASC	Chad Conrad
3.	 ASC	Harvey Steblyk
4.	 Casgrain	Lysianne Guillemette
5.	Casgrain	Pierre Mital
6.	Casgrain	Andre Zanga
7.	 CCMA	Barb Amsden
8.	 CCMA	Jamie Anderson - CHAIR
9.	 CCMA	Keith Evans
10.	CIBC	Maryam Bashir
11.	CIBC	Carol Elmalem
12.	CIBC	Lavanya Gandhimohan
13.	 CIBC	Vikram Gulati
14.	CIBC	Danny Leca
15.	CIBC	Jim Newman
16.	CIBC	Kapil Sharma
17.	 CIBC Mellon	Frank Baron
18.	CIBC Mellon	Nick Douzenis
19.	CIBC Mellon	Carol Revoredo
20.	 CIBC WM	Terry Moore
21.	 Connor, Clarke & Lunn	Patrick Robitaille
22.	Desjardins	Lafleche Montreuil
23.	 Desjardins	Éric Primeau
24.	 Desjardins	Jean-Gabriel Vigneault
25.	 IFIC	Pamela Egger
26.	 IFIC	Janet Salter
27.	Invesco	Caroline Mingfok
28.	L&T Infotech	Kim Barrett
29.	L&T Infotech/IFIC	Janaki Nagulan
30.	 Morgan Stanley	Brian Choy
31.	Morgan Stanley	Mazen Ghanem
32.	National Bank	Anna Tyniec
33.	Northern Trust - Legal	Scott Kelly
34.	OSC	Aaron Ferguson
35.	 OSC	Nick Hawkins
36.	 OSC	Annetta Ho
37.	 OSC	Frank Lacroce
38.	OSC	Emily Sutlic
39.	OSC	Stephanie Wakefield
40.	 Questrade	Lawrence Horowitz

Attendance	Organization	Member
41.	RBC - IS	Alan Tonner
42.	Scotiabank	William Finn
43.	Scotiabank	Julia Piergeti
44.	 State Street	Christen Henry
45.	State Street	Rose Mark
46.	TD	Riyaad Munshi
47.	TD	Naudia Nelson
48.	TD	Aamir Shahzad
49.	TD Asset Management	Jasvir Bhogal
50.	TD Wealth	Paul Garnavos
51.	TD Wealth Governance & Control	Elodie Goncalves
52.	TMX	Alexandre Prince
53.	Torstone	Dave O'Marra
54.	Vanguard/CEFTA	Jessica Stern

Scope

This summary highlights applicable laws, regulations and rules pertaining to delivery requirements for trade confirmations.

Ontario Securities Act

Confirmation of trade

“36(1) Subject to the regulations, every **registered dealer** who has acted as principal or agent in connection with the purchase or sale of a security or derivative shall promptly send by **ordinary letter mail** or **deliver** to the customer a **written confirmation** of the transaction containing the information required by the regulations.” (emphasis added)

IIROC Rules

IIROC 3816 – Trade Confirmations:

“(1) A *Dealer Member* must promptly **send** the client a **written confirmation** of all purchases and sales of securities and of all trades in *futures contracts* and *futures contract options*, and copies of notices of all other debits and credits of money, securities, property, proceeds of loans and other items for the client’s account.” (emphasis added)

CSA National Policy 11-201 Electronic Delivery of Documents

On November 18, 2011, the CSA adopted amendments to [National Policy 11-201](#). The revised policy states the views of the CSA on how obligations imposed under Canadian securities legislation to deliver documents can be satisfied by electronic means. Sections 2.1 – 2.6 outline the specific requirements.

2.1 Basic Components of Electronic Delivery of Documents

(1) Subject to applicable electronic commerce or other legislation, we believe that the delivery requirements of securities legislation can generally be satisfied through electronic delivery if each of the following elements is met:

- 1. The recipient of the document receives notice that the document has been, or will be, delivered electronically as described in section 2.3.*
- 2. The recipient of the document has easy access to the document, as described in section 2.4.*
- 3. The document that is received by the recipient is the same as the document delivered by the deliverer, as described in section 2.5.*
- 4. The deliverer of the document has evidence that the document has been delivered, as described in section 2.6.*

If any one of these components is absent, however, the effectiveness of the delivery may be uncertain.

(2) The components of electronic delivery listed above are compatible with the legal framework for electronic delivery under electronic commerce legislation.

CSA National Policy 11-201: 1.1 Definitions

The definition of “electronic delivery” as outlined in the policy, provides examples of the various electronic delivery methods can be may implement.

1.1 Definitions

"electronic delivery" includes the delivery of documents by facsimile, e-mail, optical disk, the Internet or other electronic means;

CSA National Policy 11-201: Miscellaneous Electronic Delivery Matters 3.1

Section 3.1 of CSA National Policy 11-201 provides insight on whether electronic trade confirmations sent must be in image of paper form.

3.1 – Form and Content of Delivery:

(1) For the sake of consistency, documents delivered electronically may follow the formatting requirements set out in the [SEDAR Filer Manual](#). This includes altering the document to be delivered electronically from the paper version in accordance with these formatting requirements.

*(2) As with documents filed under SEDAR, **documents proposed to be delivered electronically should be recreated in electronic format, rather than scanned into electronic format.** This is recommended because scanned documents can be difficult to transmit, store and retrieve on a cost-efficient basis and may be difficult to view upon retrieval*

Based on the SEDAR Filer Manual mandate, sending an image of paper to satisfy electronic delivery requirements would not be appropriate. As the bolded wording above indicates, trade confirmations should be entirely in electronic form.

Required Disclosures

IIROC and UMIR set out several mandatory disclosures that are required on all trade confirmations. [Part 13 of UMIR Rule 7.1: Trading and Supervision Obligations](#) and IIROC rules [2284](#) and [2285](#) dictate specifically what is required.

UMIR Part 13 – Specific Provisions Respecting Client Disclosures

Each Participant must develop, implement and maintain a supervision system to verify that appropriate trade disclosures are made on client confirmations. To comply with IIROC rules, such disclosures must include:

- *the quantity and description of the security purchased or sold*
- *whether or not the person or company that executed the trade acted as principal or agent*
- *the consideration of the trade (may include average price of the security traded)*
- *the related issuers of the security traded*

Trade Confirmation Summary

- *the date of the trade and name of the marketplace on which the transaction took place (if applicable, Participants may use a general statement that the transaction took place on more than one marketplace or over more than one day)*
- *the name of the salesperson responsible for the transaction*
- *the settlement date of the trade.*

Each Participant must review a sample of trade confirmations at least on a quarterly basis.

IIROC 2284

A Dealer Member must disclose to its clients, in accordance with the CIPF Disclosure Policy, membership in the Canadian Investor Protection Fund and the coverage available for eligible accounts.

IIROC 2285

A Dealer Member must disclose to its clients that it is regulated by IIROC in accordance with the requirements set out in the IIROC Membership Disclosure Policy.

Conclusion

As per CSA National Policy 11-201, dealers can satisfy delivery obligations through electronic means if the aforementioned requirements are met. Additionally, electronic trade confirmations should be in full electronic form, opposed to an image of paper, and include all required disclosures mentioned in this report.