



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

Call to Order

Attendees are requested to enter their name and firm name in Zoom (those dialing in are requested to email the Chair to confirm their attendance)

- 1. Approval of Minutes from the meetings held on Feb. 16, 2023 and Mar. 16, 2023**
- 2. Matters arising from the minutes of the meetings held on Feb. 16, 2023 and Mar. 16, 2023**
- 3. Parties subject to NI 24-101 regarding ITM - Summary of Requirements**
- 4. Other Business**
- 5. Next Meeting** May 18, 2023 at 11:00 AM ET

Jamie Anderson chaired the meeting and welcomed the attendees. Attendees were requested to indicate their name and firm; those telephoning in to the video meeting were requested to email Jamie or Keith Evans to confirm their attendance.

1. Approval of the Jan. 19, 2023 meeting minutes

The minutes were approved.

2. Matters arising from the Jan. 19, 2023 meeting minutes

In previous meetings, there has been action items concerning whether the U.S. Industry Steering Committee¹ has a T+1 legal and regulatory issues log (similar to that done for T+2 by a U.S. law firm)² and whether the U.S. T+1 Asset List has been reviewed by DTCC.³

Tasneem Novak (DTCC) advised that as far as she is aware, the U.S. Asset List is in its final state.

In terms of a U.S. legal and regulatory issues log, Tasneem will send an update on this to the CCMA.

3. IIROC proposed Rule amendments – update on MBS's

Jamie advised that the New SRO of Canada ("NSROC") has received feedback from the industry regarding its settlement rules concerning mortgage-backed securities ("MBS"). Muneeb Ahsan of NSROC reported that NSROC wanted to make sure the Dealer-Member Rules were in accordance with industry practice and thus the solicitation for industry feedback.

The proposed amendment to Dealer-Member Rule 3816(2)(iv)(g) pertains to MBS confirms. As some components of MBS confirms are not available or unknown at the beginning of a month (including total settlement amount and accrued interest), the following proposed amendments reflect industry practice:

"... provided that in the case of trades entered into from the ~~second-clearing~~first business day ~~before month-end~~of the month to the ~~fifth-clearing~~fourth business day of the ~~following~~— month, inclusive, a preliminary confirmation shall be issued..."

For new issue delivery of MBS's [Dealer-Member Rule 4805(4)(4)(iii)], there is a commitment period. MBS's cannot settle within the first 4 business days (delivery cannot occur) so it is proposed that the NSROC Dealer-Member Rules be updated as follows:

"For a mortgage-backed security transaction made during the period from the ~~second~~first business day ~~before~~of the month-~~end~~ to the ~~first business day on or before the twelfth day~~fourth business day of the ~~following~~ month, inclusive, delivery must take place on or after the ~~fifteenth day~~fifth business day of the month."

¹ <https://www.dtcc.com/ust1/about>.

² <https://www.ust2.com/pdfs/SIFMA-WFG-SSC-Rule-Changes-20170707.pdf>.

³ The U.S. T+2 Asset List: <https://www.ust2.com/pdfs/t2-cash-products-in-scope.pdf>.

There were no questions on the proposed amendments.

4. SEC's final T+1 Rule approval⁴

Jamie reported that the SEC approved its final rule for T+1 on Feb. 15, 2023. The compliance date was set as May 28, 2024. Both Canada and the U.S. industries had recommended that the transition take place over the Labour Day weekend in 2024.

The May 28, 2024 date provides a three-day weekend (Memorial Day) in the U.S. - but it is not a holiday weekend in Canada. The CCMA will be looking at this timeline and whether the Canadian transition (i.e. first T+1 trading day) will be May 27 or May 28.

Keith noted the selection of the May 28, 2024 date means a loss of three months (compared to Labour Day) to prepare for T+1. There could be an increase in failed trades if preparation for T+1 is insufficient. There is also concern about the overlap with the TMX/CDS Post-trade Modernization project. The industry will need to assess their resources and evaluate the simultaneous running of the two projects.

In regards to FundServ's annual systems implementation, it is normally conducted in June each year. As such, FundServ would need to implement earlier. There is a FundServ steering committee that will discuss the matter.

There was a question about entitlements around the May 28, 2024 date. Jamie noted that for the T+2 project, issuers were encouraged to avoid entitlement events around the transition date (for instance, the exchanges sent out notices to listed companies).




5. Other Business





There was no other business raised.

6. Next Meeting


March 16, 2023 at 11:00 AM ET

⁴ <https://www.sec.gov/rules/final/2023/34-96930.pdf>. For an archived webcast of the approval process and vote, see: <https://www.sec.gov/news/sec-webcasts>. Announcements: CCMA: <https://ccma-acmc.ca/en/wp-content/uploads/CCMA-Announces-SEC-Releases-Final-T1-Rules-Date-2023-02-15.pdf>. SIFMA: <https://www.sifma.org/resources/news/sifma-statement-on-shortening-the-settlement-cycle-to-t1/>. ICI: <https://www.ici.org/news-release/23-news-t1-settlement>. DTCC: <https://www.dtcc.com/dtcc-connection/articles/2023/february/15/sec-announces-t1-implementation-date>.

Attendance		Organization	Member
1.		ASC	Jan Bagh
2.		ASC	Chad Conrad
3.		ASC	Harvey Steblyk
4.		Casgrain	Alejandro Hozer
5.		Casgrain	Lysianne Guillemette
6.		Casgrain	Jonathan Lee
7.		Casgrain	Pierre Mital
8.		Casgrain	Andre Zanga
9.		CCMA	Barb Amsden
10.		CCMA	Jamie Anderson - CHAIR
11.		CCMA	Keith Evans
12.		CIBC	Maryam Bashir
13.		CIBC	Carol Elmalem
14.		CIBC	Halyna Fenkanyhawryshko
15.		CIBC	Lavanya Gandhimohan
16.		CIBC	Vikram Gulati
17.		CIBC	Danny Leca
18.		CIBC	Jim Newman
19.		CIBC	Kapil Sharma
20.		CIBC Mellon	Frank Baron
21.		CIBC Mellon	Nick Douzenis
22.		CIBC Mellon	Carol Revoredo
23.		CIBC WM	Terry Moore
24.		Connor, Clarke & Lunn	Patrick Robitaille
25.		Desjardins	Zachary Carmel
26.		Desjardins	Gino Cimetta
27.		Desjardins	Francine Duchesne
28.		Desjardins	Lafleche Montreuil
29.		Desjardins	Éric Primeau
30.		Desjardins	Jean-Gabriel Vigneault
31.		DTCC ITP	Tasneem Novak
32.		DTCC	Vikash Saunders
33.		DTCC	Patricia Wong
34.		E&Y Canada	Alexandra Nestyurkina
35.		E&Y Canada	Chris Pimentel
36.		E&Y Canada	Gaurang Sardana
37.		IFIC	Pamela Egger
38.		IFIC	Janet Salter
39.		IIROC	Muneeb Ahsan
40.		IIROC	Catherine Drennan

Attendance	Organization	Member
41. 	IIROC	Bruce Grossman
42. 	Invesco	Caroline Mingfok
43. 	L&T Infotech/IFIC	Janaki Nagulan
44. 	L&T Infotech	Kim Barrett
45. 	Manulife	Bill Devolin
46. 	Morgan Stanley	Brian Choy
47. 	Morgan Stanley	Mazen Ghanem
48. 	National Bank	Anna Tyniec
49. 	Northern Trust - Legal	Scott Kelly
50. 	OSC	Aaron Ferguson
51. 	OSC	Nick Hawkins
52. 	OSC	Annetta Ho
53. 	OSC	Frank Lacroce
54. 	OSC	Michael Tang
55. 	OSC	Emily Sutlic
56. 	OSC	Stephanie Wakefield
57. 	Questrade	Lawrence Horowitz
58. 	RBC	Allan Laurent
59. 	RBC - IS	Alan Tonner
60. 	Scotiabank	William Finn
61. 	Scotiabank	Julia Piergeti
62. 	Scotiabank	Sean Steele
63. 	Société Générale Capital Canada Inc.	Maxime Frézal
64. 	Société Générale Capital Canada Inc.	Louis-Philippe Nadeau
65. 	Société Générale Capital Canada Inc.	Marc-Antoine La Rochelle
66. 	Société Générale Capital Canada Inc.	Anna Wong
67. 	State Street	Christen Henry
68. 	State Street	Rose Mark
69. 	TD	Marlene
70. 	TD	Ellen Lee
71. 	TD	Riyaad Munshi
72. 	TD	Naudia Nelson
73. 	TD	Rajiv Ranjan
74. 	TD	Aamir Shahzad
75. 	TD	Lucy Vetro
76. 	TD Asset Management	Jasvir Bhogal
77. 	TD Asset Management	Kenneth Poon
78. 	TD Wealth	Paul Garnavos
79. 	TD Wealth Governance & Control	Elodie Goncalves
80. 	TMX	Alexandre Prince



Attendance		Organization	Member
81.		Torstone	Dave O'Marra
82.		Vanguard/CEFTA	Jessica Stern

Jamie Anderson chaired the meeting and welcomed the attendees. Attendees were requested to indicate their name and firm; those telephoning in to the video meeting were requested to email Jamie or Keith Evans to confirm their attendance.

1. Approval of the Feb. 16, 2023 meeting minutes

The minutes were approved.

2. Matters arising from the Feb. 16, 2023 meeting minutes

Jamie reported that SIFMA had advised that the U.S. Asset List will be issued in the next couple of weeks and will be added to the Industry Playbook.

Regarding a U.S. legal and regulatory issues log, Patricia Wong (DTCC) advised that there will not be a similar log as done for T+2.

3. Update – CCMA Comment letter regarding Proposed Amendments to NI 24-101 (ITMS) Proposed Changes to CP 24-101 (ITMS)

Jamie provided an update as to the status of the CCMA comment letter. The draft letter underwent the following reviews and consideration:

- Jan. 12, 2023 – OWG reviewed
- Jan. 19, 2023 – LRWG reviewed
- Jan. 24, 2023 – T1SC reviewed
- Feb. 9, 2023 – OWG reviewed updated draft:
 - (a) 3:59am confirmed;
 - (b) data collection times considered;
 - (c) clarification re: CSA Staff Notice 81-335 (if adverse impacts are discovered during project, will send comments)
 - (d) reverted to the language in the instrument – registered firms (i.e. Registered Dealers and Registered Advisers are subject to the rules)
- Mar. 9, 2023 – OWG reviewed final draft – recommended T1SC approve
- Mar. 13, 2023 – T1SC approved comment letter

Items of note in the draft:

- the setting of the compliance date by the SEC (May 28, 2024),
- the U.S. is pursuing T+1 (T+0 is a subsequent initiative),
- a request for the earlier of the Canada and U.S. transitions to provide flexibility if Canada chooses a different date (such as May 27, 2024),
- request for a CSA response as soon as possible so the industry can prepare accordingly (such as with respect to the 9 p.m. versus 3:59 a.m. matching deadline),
- some amendments to the data collection times for quarterly reporting, and
- request that quarterly reporting follow a similar transition process as used for T+2 (new collection times would start July 1, 2024).

Jamie reported that CCMA was advised just prior to the meeting of a letter being submitted by IFIC with respect to proposed amendments to s. 9.4 of NI 81-102 *Investment Funds*. Janet Salter of IFIC provided background on the proposed amendment.

4. Update – amendment to s. 9.4(4) of NI 81-102 *Investment Funds* – LRWG4-NI 81-102

Jamie reported that CCMA was advised of a comment letter being submitted by IFIC with respect to proposed amendments to s. 9.4 of NI 81-102 *Investment Funds*. Janet Salter of IFIC provided background on the proposed amendment.

Jamie noted that the amendments were slightly different to those in issue log LRWG4-NI 81-102 and he would update the log.

5. Update – New SRO Proposed amendments to rules – LRWG17-NSROC-Rules

Muneeb Ashan of New SRO reported that its proposed amendments will be tabled with the New SRO Board for approval; subsequently the amendments will be published for a 60-day comment period. It is expected that they would be published in April.

6. Other Business

There was no other business raised.

7. Next Meeting

April 20, 2023 at 11:00 AM ET

Attendance	Organization	Member
1.	ASC	Jan Bagh
2.	ASC	Chad Conrad
3.	ASC	Harvey Steblyk
4.	 BMO	Claudia Ardeleanu
5.	 BMO	Natalia Markelova
6.	 Casgrain	Alejandro Hozer
7.	Casgrain	Lysianne Guillemette
8.	Casgrain	Jonathan Lee
9.	Casgrain	Pierre Mital
10.	Casgrain	Andre Zanga
11.	 CCMA	Barb Amsden
12.	 CCMA	Jamie Anderson - CHAIR
13.	 CCMA	Keith Evans
14.	CIBC	Maryam Bashir
15.	CIBC	Carol Elmalem
16.	CIBC	Halyna Fenkanyhawryshko
17.	CIBC	Lavanya Gandhimohan
18.	CIBC	Vikram Gulati
19.	CIBC	Danny Leca
20.	CIBC	Terry Moore
21.	CIBC	Jim Newman
22.	CIBC	Kapil Sharma
23.	 CIBC Mellon	Frank Baron
24.	CIBC Mellon	Nick Douzenis
25.	CIBC Mellon	Carol Revoredo
26.	Connor, Clarke & Lunn	Patrick Robitaille
27.	Desjardins	Zachary Carmel
28.	Desjardins	Gino Cimetta
29.	 Desjardins	Francine Duchesne
30.	 Desjardins	Lafleche Montreuil
31.	 Desjardins	Éric Primeau
32.	Desjardins	Jean-Gabriel Vigneault
33.	 DTCC ITP	Tasneem Novak
34.	DTCC	Vikash Saunders
35.	 DTCC	Patricia Wong
36.	 E&Y Canada	Stephen Gaon
37.	E&Y Canada	Alexandra Nestyurkina
38.	E&Y Canada	Chris Pimentel
39.	E&Y Canada	Gaurang Sardana
40.	 E&Y Canada	Thad Spiker

Attendance	Organization	Member
41.	IFIC	Pamela Egger
42.	 IFIC	Janet Salter
43.	 IIROC	Muneeb Ahsan
44.	IIROC	Catherine Drennan
45.	 IIROC	Bruce Grossman
46.	 Invesco	Caroline Mingfok
47.	L&T Infotech/IFIC	Janaki Nagulan
48.	 L&T Infotech	Kim Barrett
49.	Manulife	Bill Devolin
50.	 Morgan Stanley	Brian Choy
51.	 Morgan Stanley	Mazen Ghanem
52.	 National Bank	Anna Tyniec
53.	 Northern Trust - Legal	Scott Kelly
54.	OSC	Aaron Ferguson
55.	OSC	Nick Hawkins
56.	 OSC	Annetta Ho
57.	OSC	Frank Lacroce
58.	 OSC	Michael Tang
59.	OSC	Emily Sutlic
60.	OSC	Stephanie Wakefield
61.	 Questrade	Lawrence Horowitz
62.	RBC	Allan Laurent
63.	 RBC - IS	Alan Tonner
64.	Scotiabank	William Finn
65.	Scotiabank	Julia Piergeti
66.	Scotiabank	Sean Steele
67.	Société Générale Capital Canada Inc.	Maxime Frézal
68.	 Société Générale Capital Canada Inc.	Louis-Philippe Nadeau
69.	Société Générale Capital Canada Inc.	Marc-Antoine La Rochelle
70.	 Société Générale Capital Canada Inc.	Anna Wong
71.	 State Street	Christen Henry
72.	State Street	Rose Mark
73.	 TD	Marlene Costa
74.	TD	Jasvir Bhogal
75.	TD	Ellen Lee
76.	 TD	Veronica Lee
77.	 TD	Riyaad Munshi
78.	TD	Naudia Nelson
79.	TD	Kenneth Poon
80.	TD	Rajiv Ranjan

Attendance		Organization	Member
81.		TD	Aamir Shahzad
82.		TD	Lucy Vetro
83.		TD	Katherine Yu
84.		TD Wealth	Paul Garnavos
85.		TD Wealth Governance & Control	Elodie Goncalves
86.		TMX	Alexandre Prince
87.		Torstone	Dave O'Marra
88.		Vanguard/CEFTA	Jessica Stern
89.			Chris Madden
90.			tm334

Securities legislation definitions

"In the business of"	Registration Categories ¹
Adviser — advising others as to the investing in or the buying or selling of securities	(1) Portfolio Manager (includes discretionary and non-discretionary); (2) Restricted Portfolio Manager (e.g. provides advice on a sector or industry, such as real estate, oil and gas, etc.)
Dealer — trading in securities as principal or agent	(1) investment dealer; (2) mutual fund dealer; (3) scholarship fund dealer; (4) exempt market dealer; (5) restricted dealer

NI 24-101 definitions

Trade-Matching Party ("**TMP**") — Registered Adviser, institutional investor, Registered Dealer, custodian.

Trade-Matching Agreement ("**TMA**") — agreement among TMPs setting out the roles and responsibilities of the TMPs re: matching, including, without limitation, that TMPs agree to establish, maintain and enforce policies & procedures ("P&P") designed to achieve matching as soon as possible ("ASAP") after a trade.

Trade-Matching Statement ("**TMS**") — statement of a TMP confirming that it has established, maintains and enforces P&P designed to achieve matching ASAP after a trade.

Matching Requirements for Registered Dealers & Registered Advisers

Registered	Cannot		Have P&P to:
1. Dealer	• execute trade	UNLESS	→ achieve 90% matching by the deadline
2. Adviser	• give order to dealer to execute trade		→ achieve 90% matching by the deadline
3. Dealer or Adviser	• open account to execute trade		→ encourage each TMP to enter into TMA or provide TMS

Companion Policy to NI 24-101 – Noted Items (Summarized)

1.2 (1) Parties to institutional trade — typically at least three parties:

- Registered Adviser or other *buy-side* manager acting for an institutional investor(s) in the trade
- Registered Dealer
- Custodian

1.2 (2) Matching — ... a Registered Adviser or other buy-side manager is required to report trade details and provide settlement instructions to its custodian.

1.3(5) TMP — An institutional investor, whether Canadian or foreign-based, may be a TMP. As such, it, or its Registered Adviser that is acting for it in processing a trade, should enter into a TMA or provide a TMS ... A custodian that settles a trade on behalf of an institutional investor is also a TMP and should enter into a TMA or provide a TMS.

¹ See s. 26(2) and s. 26(6) of the *Securities Act* (Ontario) and for outside of Ontario, s. 7.1(1) and s. 7.2(1) of NI 31-103.

Parties subject to NI 24-101 regarding Institutional Trade Matching – Summary of Requirements

2.3 (1) Establishing, maintaining and enforcing policies and procedures — (a) Under sections 3.2 and 3.4, a Registered Dealer's or Registered Adviser's P&P must be designed to encourage TMPs to (i) enter into a TMA with the Registered Dealer or Registered Adviser or (ii) provide or make available a TMS to the Registered Dealer or Registered Adviser. The purpose of the TMA or TMS is to **ensure** that all TMPs have established, maintain, and enforce appropriate P&P designed to achieve matching of a DAP/RAP² trade ASAP after the trade is executed. If the Registered Dealer or Registered Adviser is unable to obtain a TMA or TMS from a TMP, it should document its efforts in accordance with its P&P.

2.3 (4) Monitoring and enforcement of undertakings in trade-matching documentation — Registered Dealers and Registered Advisers should use reasonable efforts to monitor compliance with the terms or undertakings set out in the TMAs or TMSs in accordance with their P&P. Registered Dealers and Registered Advisers should also take active steps to address problems if the P&P of other TMPs appear to be inadequate and are causing delays in the matching process. Such steps might include imposing monetary incentives (e.g. penalty fees) or requesting a third party review or assessment of the party's P&P.

Determination of appropriate policies and procedures

2.4 (1) Best practices — a party should consider the industry's generally adopted best practices and standards for ITP in establishing its P&P and incorporate the P&P into its regulatory compliance and risk management programs.

Standardized documentation

6.1 An SRO may require its members to use, or recommend that they use, a standardized form of TMA or TMS prepared or approved by the SRO, and may negotiate on behalf of its members with other trade-matching parties and industry associations to agree on the standardized form of TMA or TMS to be used by all relevant sectors in the industry (dealers, buy-side managers and custodians).

² See s. 1.3(4) of Companion Policy 24-101 CP *Institutional Trade Matching and Settlement*.