**CCMA - T+1 Operations Working Group**

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**T+1 Operations Working Group**

**Agenda**

**June 9, 2022 at 11:00 AM ET**

**Co-Chaired by:**

Sheera Badial of Canaccord Genuity

Domenic Sgambelluri of Northern Trust

1. **Approval of Minutes from the meeting held on May 12, 2022**
2. **Update from the T+1 Steering Committee.**
	1. **Meeting update**
3. **Issues for discussion**
4. **OWG-013 – CDS Job Scheduler – approval is required**
5. **OWG-003 – ETF Create Redeem**
6. **OWG-019 - Buy Ins – approval is required**
7. **Other Business**
8. **Next Meeting July 14, 2022 at 11:00 AM ET**

**T1-OWG -** **Minutes of May 12, 2022**

Keith Evans of CCMA welcomed attendees to the T+1 Operations Working Group meeting. Keith then turned the meeting over to Domenic Sgambelluri and Sheera Badial.

1. **Approval of the Minutes from the meeting held on April 14, 2022**

Domenic reported that the Minutes from the last T+1 Operations Working Group meeting, held on April 14, 2022, were distributed with the meeting package. There were no additions, subtractions or material corrections requested by members, therefore the Minutes of the meeting were approved as presented.

1. **Update from the T+1 Steering Committee**

Domenic asked Keith to provide an update on the last T+1 Steering Committee meeting.

Keith updated the working group on the CCMA Steering Committee’s meeting from April 26th. He said that no Issue Logs were presented for approval, but that all of the Working Groups were busy with the analysis phase. Of particular interest is the working being done on the CDS Job Scheduler as well as the finalization of the T+1 Asset List…..both of which are on the agenda of today’s meeting of the OWG.

*Post Meeting Note; It should have been mentioned that the OSC presented their findings on the expected costs associated with the move to T+1. A detailed discussion was had, and input from the Steering Committee members were provided.*

1. **Review of Issue Log**
2. OWG-013 – CDS Job Scheduler: Domenic introduced Fran Daly of CCMA, who is undertaking a review of the current CDS job scheduler timelines. The result of this review will lead to a new set of proposed timelines that will allow for trades to be ready for settlement by the end of Trade Date.

Fran referred to the PowerPoint presentation distributed via email just before the meeting, and was provided via ‘screen-sharing. He outlined the work completed to date and the impact that T+1 would have on the current schedule when moving to T+1. Fran said that he is working closely with CDS, exchanges, service bureaus, and industry members to determine the current schedules and the likely new schedules in the future. Specifically he walked members through the current critical timelines of the CDS job scheduler, and the processes affecting exchange trades as well as non-exchange trades. Fran suggested that the probable solutions will likely include the reporting of exchange trades in real-time or near-real-time (batch) as a way to get trades entered as early as possible on Trade Date. He also mentioned that member vendors will need to find ways of producing trade related reports, messages and/or files earlier than today. For non-exchange trades, Fran believes that the ITP stats will need significant improvement in order to meet the needs of a T+1 settlement cycle. He said that the job scheduler will not solve this part of the problem….the industry will need to look for other alternatives to meet the shortened cycle. That means more or new automation tools to assist with the trade detail communication between the sellside, buyside and custodian members. The current rates of 30% confirmed on Trade Date are far too low. Keith Evans said that modifications to NI 24-101 will be needed to material increase this number to 90% or more on the night of Trade Date. Otherwise, the failed trade rates will increase dramatically, and the reduction of collateral paid to CDS will not be reduced.

There was a good discussion on this subject amongst members, including the need to ensure that cross border files with DTCC can be met with the new proposed timelines, changes to NI 24-101 are likely, and changes to the buy in process will need to be reviewed after Fran’s work is finished.

Fran said the final report will be presented at the June meeting.

1. OWG-034 – Client Communications: Domenic indicated that Doug Butters from Merrill was gathering information on this subject, and we hope to have it avaible for discussion at the June meeting.
2. OWG-025 – Asset List – Domenic said that the proposed T+1 Asset List had been distributed to members of the OWG. Keith clarified for members that the current version of the Asset List indicates that ETF’s are still under review. He clarified that it is only the creation and redemption processes that under review by CETFA…..as it is expected that ETF’s will trade T+1 according to exchanges rules. He further clarified that the Mutual Funds industry was still analysis the overall impact to T+1 on their business. Keith said that both of these issues should be completed in the coming months. However, the rest of the Asset List is set and ready to go. Domenic asked members to confirm the current Asset List for recommendation to the T+1 Steering Committee, with the understanding that is a ‘living’ document that changes are new assets are brought to the market, or other are removed. All members agreed that this is an approved document for submission to the Steering Committee.
3. OWG-003 – ETF Create and Redeem Domenic asked Pat Dunwoody from the CETFA for an update. Pat said that their working group is still working through their issues, particularly the liquidity associated with the redemption process, and she hopes to be able to report with greater details at the next meeting.
4. OWG-017 – Deposits of Physical Securities – Domenic introduced this subject. He said that in the current environment, regular deposits take too long to get credit within CDS, while instant deposits can be expensive. He said that this issue needs to be investigated with the transfer agent community to see what alternatives are avaible….if any. Keith asked if a rule might need to be considered that would require physicals to be deposited before a trade can be executed, otherwise trades are likely to fail more often in the future. While this is not preferred, further discussion are needed. Domenic agreed that this is a relatively small percentage of the trades, but they are cumbersome. Keith said he would ask if someone from STAC could attend the next meeting to assist with this issue.
5. **Other Business**

There were no other items for discussion.

1. **Next Meeting**

The next meeting of the T+1 Operations Working Group will be scheduled for June 9, 2022, at 11:00 AM Eastern.

|  |  |  |
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| **In Attendance** | **Organization** | **Name** |
|  |  |  |
| X | AGF | Michael Kwok |
| X | ATB | Ha Luong |
|  | Aviso | Shwetha Venkataramaiah |
| X | Aviso | Wilson Young |
|  | Aviso | Winston Poh |
|  | BlackRock | Meaghan Li |
| X | BlackRock | William Trieu |
|  | BMO | Andrew Winter |
|  | BMO | Art Valdes |
| X | BMO | Joanne Whittaker |
| X | BMO | Natalia Markelova |
| X | Broadridge | Bryan Trudell |
|  | Broadridge | Dean Manchip |
|  | Broadridge | Lilea Chong |
|  | Broadridge | Roy Garafano |
|  | Broadridge | Srikar Basava |
| X | Broadridge | Vincenza Riga |
|  | Broadridge  | MeeChee Beutel |
| **X** | **Canaccord Genunity** | **Sheera Badial Co-Chair** |
| X | Canaccord Genunity | Brenda McIntyre |
|  | Canada Life | Linda Mosthaf |
|  | Casgrain | Andre Zanga |
| X | Casgrain | Pierre Mital |
| X | CCMA | Barb Amsden |
| X | CCMA | Fran Daly |
| X | CCMA | Keith Evans |
|  | CDCC  | Ana May |
| X | CDS | Johann Lochner |
| X | CDS | George Chung |
| X | CETFA  | Pat Dunwoody |
| X | CI | Deborah Carlyle |
|  | CIBC | Carol Elmalem |
| X | CIBC | TJ Panth |
| X | CIBC | Cathy Jones |
|  | CIBC | Danny Leca |
| X | CIBC | Glenn McCullough |
| X | CIBC | Jim Newman |
|  | CIBC | Kapil Sharma |
|  | CIBC | Mike Zellermayer |
|  | CIBC Mellon | Jale Wright |
|  | CIBC Mellon | Jennifer Cheung |
| X | CIBC Mellon | Louis Lesnika |
|  | CIBC Mellon | Nick Douzenis |
| X | CIBC Mellon | Phil Zywot |
| X | CIBC Mellon  | Carol Revoredo |
|  | CIBC WM | Susan Fleming |
|  | Citi - US  | David Smith |
| X | Citi - US  | Lyndon James |
|  | Computershare | Donna McLaughlin |
| X | Computershare | Helen Lau |
|  | Connor Clarke  | Mark Austin |
|  | Connor Clarke  | Nikita Patel |
| X | Consultant | Tony Kalvik |
|  | Cooperators | Mitra Raghubir |
|  | Co-Operators/Mutual Funds | Mehreen Hussain |
| X | Credit Suisse  | Ester Park |
| X | Credit Suisse  | Wayne Cowell |
| X | CSE | Mary-Anne Palangio |
| X | Desjardins  | Franck Herve Mpondo Eboa |
| X | Desjardins  | Cesar Valderrama |
|  | Desjardins  | Mario Honein |
| X | Desjardins  | Pascal Deslauriers |
| X | Deutsche Bank | Vijay-K Ag |
|  | DTCC | Ana Lotharius |
| X | Fidelity | Robert Argue |
| X | Goldman Sachs | Anit Patel |
|  | Goldman Sachs | Lauren Diekroger |
|  | Goldman Sachs | Mustafa Al Niama |
|  | Goldman Sachs | Sachin Mohindra |
|  | IFIC/L&T Infotech | Janaki Nagulan |
|  | Invesco | Austin Dukes |
|  | Invest PSP | Ali SaÃ¯b |
|  | Invest PSP | Caroline Rossa |
|  | Invest PSP | Charles Marois |
| X | Invest PSP | Elvira Federico |
|  | Invest PSP | Jason Fook Lun |
|  | Invest PSP | Lynne Carbonneau |
|  | Invest PSP | Nicholas Cadotte |
|  | Invest PSP | Victor Quan |
|  | Invest PSP | Vincent Brykczynski |
|  | Jefferies - USA | Christopher Buencamino |
|  | Jefferies - USA | Dennis Jiu |
| X | Kyndryl | Andrew Ledbury |
|  | Kyndryl | Anna Campagnaro |
| X | L&T Infotech | Kim Barrett |
|  | Laurentian Bank | Pim Manirath |
|  | Merrill Lynch - BofA | Doug Butters |
| X | Morgan Stanley | Dianne Duffy |
| X | Morgan Stanley | Mazen Ghanen |
| X | Manulife | Nima Samandari |
| X | National Bank  | Anna Tyniec |
| X | National Bank  | Natalie Roberge |
|  | National Bank  | Nelson Dugre-Sasseville |
|  | National Bank  | Tom Zorbas |
|  | NEO Exchange | Joacim Wiklander |
|  | NEO Exchange | Natalie Panasiuk |
| **X** | **Northern Trust** | **Domenic Sgambelluri Co-Chair** |
|  | Ontario Teachers | Sameer Punja |
|  | OSC | Aaron Ferguson |
| X | OSC | Annetta Ho |
|  | OSC | Emily Sutlic |
| X | OSC | Frank Lacroce |
|  | PSP Investments  | Domenica Giannini |
|  | Questrade | Farhan Kazi |
|  | RBC - IS | Anthony Codreanu |
|  | RBC - IS | Bruno Olivieri |
|  | RBC - IS | Cathryn MacKay |
|  | RBC - IS | David Cosway |
|  | RBC - IS | Harpinder Mangat |
|  | RBC - IS | Jay Gill |
|  | RBC - IS | John Riordon |
|  | RBC - IS | Junah Park |
|  | RBC - IS | Kerry Phippen |
|  | RBC - IS | Nadia Lall |
|  | RBC - IS | Rukshana Nanji |
| X | RBC - IS | Stephen Isgar |
|  | RBC - IS | Vito Mazzoli |
| X | RF Clearing | Jeff Carr |
| X | RF Clearing | Joe Riga |
|  | Scotia | Adam Usajewicz |
|  | Scotia | Corey Cunningham |
|  | Scotia | Kurt Sylvan |
|  | Scotia | Victor Chow |
| X | Scotia  | Mike Bieley |
|  | SS&C Technologies | Frank Battaglini |
| X | SS&C Technologies | Ginelle Ciuffreda |
|  | SS&C Technologies | Paul Skuriat |
|  | StateStreet | Brent Blake |
|  | StateStreet | Denny Mendonca |
|  | StateStreet | Ivan Yang |
| X | Sunlife | Ali Jaffer |
|  | Sunlife | Sameer Jamal |
|  | TD | Barry McIntyre |
|  | TD | Brad Taylor |
| X | TD | Jorge Lanca |
|  | TD  | Ian Jamieson |
|  | TD  | Kevin Fraites |
| X | TD Asset Management | Ana Liz Fernandez |
|  | TD Asset Management | Jasvir Bhogal |
| X | TD Asset Management | Julie Sandwell |
| X | TD Asset Management | Marnie Perepeluk |
|  | TD Securities | Claudia Paradis |
| X | TD Securities | Geoff Baxter |
|  | TD Securities | James Mikelson |
|  | TD Securities | Mike Hefford |
| X | TD Securities | Rob Candido |
|  | TD Securities | Sumit Sharma |
|  | TD Securities | Tim Paxton |
|  | TMX | Alexandre Prince |
|  | TMX | Antonio Discenza |
| X | TMX | Mark Jarrett |
|  | TMX  | Amy Li |
| X | TMX/MX | Marc Broomfield |
| X | Torstone | Dave O'Marra |
|  | Torstone  | Daniel Geddes |
|  | Torstone  | Mack Gill |
|  | UBS | David Ferguson |
|  | USB | Andrew Clarke |
|  | USB | Lisa Von Redden |
| X | USB | Marc Sobolewski |
| X | USB | Walker Wentworth |
|  | Vanguard | Darnel Miller |
| X | Wells Fargo | Darin Bauguss |
|  | Wells Fargo | James Gnall |
| X | Wells Fargo | Melanie Porcelli |
| X | Wells Fargo | Raul Zamudio |
| X | Wells Fargo | Meera Saj |
| X | Wells Fargo | Erik McCarrin |
| X | Wells Fargo | Melanie Porcelli |