**T+1 Steering Committee (T1SC)**

**Meeting Information**

**Time: Apr 26, 2022 11:00 AM Eastern Time (US and Canada)**

**Join Zoom Meeting**

**https://us02web.zoom.us/j/83350749421?pwd=YlBoSkRiSFg1Y21WQmt1RGVZRWlBUT09**

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**Passcode: 4CZCsF**

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**April 26, 2022 at 11:00 AM ET**

**T+1 Steering Committee (T1SC)**

**Agenda**

**Co-Chaired by:**

Jason O’Born – RBC

Keith Evans – CCMA

1. Approval of Minutes from the meeting held on March 21, 2022
2. OSC presentation of material related to NI 24-101 (see attached)
3. Comment Letter to the SEC - Update
4. Working Group Reports
   1. Operations - Sheera Badial and Domenic Sgambelluri
      1. OWG Update
   2. Legal/Regulatory - Jamie Anderson
      1. LRWG Update
   3. Mutual Funds - Russ White
      1. MFWG Update
   4. Education/Communications - Barb Amsden
      1. CEWG Update
5. Other Business
6. Next Meeting May 30, 2022 at 11:00 AM ET

**T1SC - Minutes of March 21, 2022**

Keith Evans of CCMA welcomed attendees to the T+1 Steering Committee meeting. He asked all members attending by phone to send an email to him indicating their attendance at the meeting.

**1 - Approval of the Minutes from the meeting held on February 22, 2022**

Keith reported that the Minutes from the last T+1 Steering Committee meeting, held on February 22, 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.

**2 – SEC Notice**

Keith referenced the draft comment letter intended to be delivered to the SEC in the U.S. by April 11, 2022. The comment letter indicates Canada’s full support for transitioning to T+1 at the same time as the U.S. The proposed draft comment letter asks the SEC to consider a later compliance date than was proposed in the SEC notice. Instead of by the end of March 31, 2024, Canada would prefer by the end of September 2024 as the latest date for transition. Our rational as outlined in our proposed letter is as follows-

A compliance date of by the end of September 2024 is desirable and highly recommended, not just because Labour Day is a common holiday with the U.S., but also because we think it is premature to set an earlier date for two reasons:

1. The challenges of a 24-hour reduction in the settlement cycle to get to T+1 are materially greater than those arising from a reduction of the same number of hours in the move from T+3 to T+2:
2. An end-of-Q1 compliance date, despite excellent work by SIFMA, DTCC, and ICI to prepare the industry, may well result in at least some firms making expedient decisions, rather than better choices assuming T+1 is a step on the road to T+0.

There were some discussion on various parts of the letter, but the committee unanimously approved it as written.

**3 – CDS Job Scheduler**

Keith reported that CCMA had hired Fran Daly, formerly of CDS, on contract to work with CDS, exchanges, and vendors on the revisions to the CDS Job Scheduler. Fran said that his work includes: Documenting the current end-of-day batch-processing schedule, setting out the current start and end time for each job stream, Identifying inputs to and outputs from each processing function (trade entry and correction, block trade allocation, trade reconciliation, and confirmation of domestic, cross-border and international trades), Investigating and documenting relevant aspects of service bureau, vendor and participants’ business processes for each CDS job stream, Highlighting roadblocks to T+1 securities settlement, and Proposing revisions to current job stream timelines to enable T+1 securities settlement.

Fran said he expects the proposed findings and changes will be presented to the Operations Working Group for review by the end of April 2022, and final recommendations will be taken to the T1SC for approval in the late spring.

**4 - Working Group Reports**

Keith Evans asked the chairs of each of the working groups to provide an update on their respective working groups’ activities.

**A - Operations**: Sheera Badial provided the update to the Steering Committee. She reported that at the last meeting, the working group discussed several issues on their Issue Log. In particular, there was an update from CETFA on the work their group is doing to identify issues and solutions for T+1. A further update will be brought back to a future OWG meeting, where the creation and the redemption of an ETF is expected to be the major issue. In addition, CASLA updated the group about the issues surrounding Securities Lending. Additional input from CASLA is expected to be discussed at future meetings, with the recall function being the material issue to be addressed. In addition, the draft T+1 Asset List was presented and discussed. It is expected that the OWG will bring a proposal back to the Steering Committee in May of this year for review and approval. Finally, and as reported earlier in the meeting, an update was received from Fran Daly of CCMA on the progress being made on re-sorting the CDS Job scheduler. A recommendation is expected by late April early May 2022.

**B - Legal:** Jamie Anderson reported that at the last meeting of the LRWG the CCMA comment letter to the SEC was discussed, and comments were incorporated into the proposed letter. Since the comment letter has already been approved, there was no further updates to provide. In addition, Jamie reported that the working group reviewed issue #10 – Labour Sponsored Investment Funds. As LSIF’s settlement terms are governed by contract (as opposed to NI 81-102), firms will have to verify the status of each, and it is expected that some LSIFs will move to T+1 and others may not. In the T+3 to T+2 move, 55 of the 101 FundServ-cleared LSIFs moved to T+2.

Members unanimously agreed with the recommendation to close this issue.

**C - Mutual Funds:** Russ White said that the Mutual Fund working group had recently met and that liquidity is the primary issue at this time. He reported that there are several options being considered to address redemptions in a T+1 environment (borrowing between funds, etc.). The committee will be reviewing more options at their meeting later in the week. Russ also mentioned that their working group had also reviewed and accepted the proposed project schedule for Mutual Funds.

**D - Education:** Barb Amsden updated the group on the activities of the Communications and Education Working Group. She reported that the current undertaking is to issue the next newsletter by the end of the month.

Bard said that the overall communications plan has been developed, reviewed, and approved by the CEWG. Barb referred to the plan included with the meeting material, and reviewed the highlights of the plan. Barb asked the Steering Committee to approve the plan. The plan was unanimously approved by committee members.

**5 – Other Business:** There was no other business raised.

**6 – Next Meeting:** The next meeting of the T+1 Steering Committee will be scheduled for Tuesday April 26, 2022, at 11:00 AM Eastern.

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| **Attendance** | **Organization** | **Name** |
|  | AMF | Claude Gatien |
|  | AMF | Francis Coche |
|  | Bank of Canada | Stefan Caputo |
| **x** | Bank of Canada | Pooja Kumar |
| **x** | Bank of Canada | Andre Usche |
|  | BlackRock | William Trieu |
|  | BMO | Keri Peacock |
| **x** | Broadridge | Mary Beth Law |
| **x** | Broadridge - US | Doug Gifford |
| **x** | Canaccord | Sheera Badial |
|  | Candeal | Jamie Grant |
|  | Casgrain | Andre Zanga |
| **x** | Casgrain | Pierre Mital |
| **x** | CCMA | Barb Amsden |
| **x** | CCMA | Jamie Anderson |
| **x** | CCMA | Fran Daly |
| **x** | **CCMA** | **Keith Evans - Co-Chair** |
| **x** | CDS | Johann Lochner |
| **x** | CETFA | Pat Dunwoody |
|  | CFA Canada | Michael Thom |
|  | CIBC | Carol Elmalem |
|  | CIBC | Kapil Sharma |
|  | CIBC | Danny Leca |
|  | CIBC | TJ Panth |
|  | CIBC | Shawn Fernandez |
|  | CIBC - WM | Charlena Gaulin |
|  | CIBC Mellon | Louis Lesnika |
| **x** | CIBC Mellon | Carol Revoredo |
|  | CIBC Mellon - CASLA | Phil Zywot |
|  | Citi-Canada | Mei Yang |
|  | Citi - US | David Smith |
|  | Citi-US | Lyndon James |
|  | Connor Clarke | Mark Austin |
|  | Consultant | Jeff Carr |
|  | Co-Operators | Mitra Raghubir |
|  | Co-Operators | Mehreen Hussain |
| **x** | Credit Suisse | Sam Farrell |
| **x** | Desjardins | Pascal Deslauriers |
|  | DTCC | John Abel |
|  | DTCC | Robert Cavallo |
| **x** | Fidelity | Robert Argue |
|  | Fidelity | Stephanie Leblanc-Mchenry |
| **x** | Fundserv | Russ White |
| **x** | IFDS | Grant Bellamy |
|  | IFIC | Pamela Egger |
|  | IFIC/L&T Infotech | Janaki Nagulan |
|  | IIAC | Jack Rando |
| **x** | IIROC | Catherine Drennan |
| **x** | IIROC | Bruce Grossman |
| **x** | Kyndryl | Andrew Ledbury |
|  | L&T Infotech - Regulatory | Kim Barrett |
| **x** | Laurentian Bank | Anne-Claire Hurillon |
|  | Laurentian Bank Securities | Jennifer Vachon |
| **x** | Manulife and CLHIA | Bill Devolin |
| **x** | National Bank | Nelson Dugre-Sasseville |
| **x** | Northern Trust | Domenic Sgambelluri |
|  | OSC | Aaron Ferguson |
|  | OSC | Jarrod Smith |
|  | OSC | Constance Wamala |
| **x** | OSC | Annetta Ho |
| **x** | OSC | Frank Lacroce |
|  | OSC | Stephanie Wakefield |
|  | Paramax | Allyn Howe |
|  | PMAC | Melissa Ghislanzoni |
|  | PWC | Samantha Paisley (CA) |
|  | Questrade | Andrew Kerrison |
|  | Questrade | Lulu Feng |
|  | RBC - IS | Cathryn MacKay |
|  | RBC - IS | John Riordon |
|  | RBC - IS | Isgar, Stephen |
| **x** | **RBC -CM** | **Jason O'Born - Co-Chair** |
|  | Scotia | Lori MachEachern |
| **x** | Scotia | Corey Cunningham |
|  | Statestreet | Denny Mendonca |
|  | Statestreet | Ivan Yang |
|  | TD | Rob Candido |
| **x** | TD | Michael Kenny |
|  | TD Securities CASLA | Sumit Sharma |
|  | TMX | Amy Li |
| **x** | Torstone | Dave O’Marra |
|  | Torstone | Geddes, Daniel |
|  | Torstone | Mack Gill |
|  | Vanguard | Darnel Miller |