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

**Meeting Information**

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

**December 20, 2022 at 11:00 AM ET**

**Agenda**

**Co-Chaired by:**

Jason O’Born – RBC

Keith Evans – CCMA

1. Approval of Minutes from the meeting held on October 25, 2022
2. General Industry Update
3. Working Group Reports
   1. Operations - Sheera Badial and Domenic Sgambelluri
      1. OWG Update – CDS T+1 Paper, Buyside Taskforce
      2. OWG-006 – Int’l Client Allocations – combined with OWG-031
      3. OWG-016 – Penalty for Fails – to be closed
   2. Legal/Regulatory - Jamie Anderson
      1. LRWG Update
      2. LRWG-018 – IIROC agreements with dealers – to be closed
      3. Plain Language – Update – document attached
   3. Mutual Funds - Russ White
      1. MFWG Update
   4. Education/Communications - Barb Amsden
      1. CEWG Update
4. Other Business
5. Next Meeting January 24, 2023 at 11:00 AM ET

**T1SC - Minutes of October 25, 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 September 20, 2022**

Keith reported that the Minutes from the last T+1 Steering Committee meeting, held on September 20, 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 – General industry update**

Keith Evans provided a general update on the status of the T+1 project as follows;

* The SEC in the U.S had not yet issued their Final Rule notice which includes the T+1 compliance date. Keith said that the SEC may not publish the Final Rule until closer to the end of the year or early next year. He said that this poses increased uncertainty and risk around timing of project deliverables, such as industry testing, and system and rule updates.
* Keith said that he (CCMA) had co-signed a letter, on October 10th, to the SEC requesting confirmation of the transition date at the earliest time possible. To date no response has been provided.
* The CSA is expected to issue a consultation paper in October. Included in the consultation paper are potential updates to NI 24-101 and NI 81-102. A 90-day comment period will follow. A final update will be issued sometime next spring/summer.
* DTCC is hosting an update on Wednesday October 26th in Toronto, where T+1 will be front and center.
* The CDS PTM project started industry testing on September 12th. The industry testing is 9 months in duration and will be using similar resources to those needed for T+1. This creates some conflicts for the T+1 initiative.
* T+1 will be implemented even if the industry is not fully prepared.
* There was a good discussion on the timing of implementing T+1 and the conflict of resources with PTM. Everyone agreed the sooner we learn of the transition date the better.

**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**:

1. Sheera Badial of Canaccord Genuity reported that at the last meeting of the OWG, two agenda items were discussed. The first was OWG-028 and the other was OWG-031. These two logs deal with trade reporting, allocation and confirmation of Non exchange Trades.
2. OWG-028 – Trade Entry/Correction/Allocation for Non Exchange Trades – Sheera reported that there was a lengthy discussion on this topic. The deadline that was proposed is 8:00 PM ET on Trade Date. This will include Non Exchange - Trade Entry and Allocation. By meeting this deadline members will be providing a reasonable amount of time for the buyside and custodians to confirm the trades for settlement. She reported that the Operations Working Group recommended that the Steering Committee approve two things. The first is that 8:00 PM ET will be used as the deadline for the sellside firms to report non exchange trades to CDS. The second was that this should be treated as an industry ‘best practice’ instead of making it a regulatory requirement. By not making it part of the regulatory framework, the industry will have the flexibility should the date need to be modified. After a brief discussion, **all members of the T+1 Steering Committee unanimously agreed with the recommendation; therefore Issue Log OWG-028 is now approved.**
3. OWG-031 – Trade Confirmation/Affirmation/Matching Process - Sheera reported that the Operations Working Group started the discussion on this topic. The discussions involved the potential for automation of the buyside, and the possible need for regulation. She said that members were asked to review this issue internally to determine the best course of action.

**B - Legal:** Jamie Anderson reported that the LRWG held a meeting during the month of October. The focus of the meeting was twofold. The first was to finalize their review of the proposed plain language summary document associated with Client Communications of trading activity. The second was a presentation, by IIROC, on the areas of possible rules changes. Jamie reported that members were asked to review these proposals internally for a full discussion at the next meeting.

**C - Mutual Funds:** Russ White said that the Mutual Fund working group had recently met and continues with their review of activities related to T+1. He reported CCMA and Fundserv had met with the OSC recently. It is expected that the CSA is unlikely to propose changes to NI 81-102. Instead each manufacturer of funds will decide on an issue by issue basis if it will settle on T+1 or T+2. He also mentioned that Fundserv has development schedules lined up to support a September 2024 transition date, with a Fundserv code deployment date sometime in June 2024, with an effective date on the transition date of T+1.

**D – Communication/Education:** Keith Evans, on behalf of Barb Amsden reported that the CEWG had not met since the last Steering Committee. Consequently there is no report this month.

**4 – Other Business:** Keith asked members if it would be helpful to have a high level overview of activities from the major vendors supporting the community. All members thought that this was a good idea. Keith agreed to reach out to Broadridge, Kyndryl, Dataphile, IFDS and LTI for an update at the next meeting or two.

One member asked if ETF’s would transition to T+1. Pat Dunwoody from the CETFA said that settlements would follow exchange rules and settle on a T+1 basis, while the primary issue and redemption process would follow whatever rules are finalized under NI 81-102.

Another member asked if other in the community had been approached by DTCC consulting services about assistance for the move to T+1. No other member indicated that they had been approached.

There was no other business raised.

**5 – Next Meeting:** The next meeting of the T+1 Steering Committee is scheduled for Tuesday November 22, 2022, at 11:00 AM Eastern.

|  |  |  |  |
| --- | --- | --- | --- |
| **Attendance** | **Organization** | **Name** |  |
| **x** | AMF | Francis Coche | Observer |
| **x** | Bank of Canada | Pooja Kumar | Observer |
| **x** | Bank of Canada | Stefan Caputo | Observer |
|  | Bank of Canada | Andre Usche | Observer |
|  | BlackRock | Meaghan Li |  |
|  | BlackRock | William Trieu |  |
| **x** | BMO | Keri Peacock |  |
|  | BNY Mellon - CASLA | Phil Zywot |  |
| **x** | BNY Mellon | Chris Butler |  |
| **x** | BNY Mellon | Chris Ekonomidis |  |
|  | Broadridge | Mary Beth Law | Observer |
| **x** | Broadridge | Henry DeLange | Observer |
| **x** | Broadridge - US | Doug Gifford | Observer |
| **x** | Canaccord | Sheera Badial |  |
|  | Candeal | Jamie Grant | Observer |
| **x** | Casgrain | Andre Zanga |  |
|  | Casgrain | Pierre Mital |  |
|  | CCMA | Barb Amsden |  |
| **x** | CCMA | Jamie Anderson |  |
| **x** | **CCMA** | **Keith Evans - Co-Chair** |  |
|  | CDS | Johann Lochner | Observer |
| **x** | CETFA | Pat Dunwoody | Observer |
|  | CFA Canada | Michael Thom | Observer |
|  | CIBC | Carol Elmalem |  |
| **x** | CIBC | Danny Leca |  |
|  | CIBC | Jim Newman |  |
|  | CIBC | Vikram Gulati |  |
| **x** | CIBC | Kapil Sharma |  |
| **x** | CIBC | Lavanya Gandhimohan |  |
|  | CIBC | Shawn Fernandez |  |
|  | CIBC | TJ Panth |  |
|  | CIBC - WM | Charlena Gaulin |  |
| **x** | CIBC Mellon | Louis Lesnika |  |
|  | CIBC Mellon | Carol Revoredo |  |
| **x** | CIBC Mellon | Frank Baron |  |
|  | Citi - US | David Smith |  |
|  | Citi - US | Ravi Hugar |  |
|  | Citi - US | Martin Palivec |  |
| **x** | Citi - Canada | Mei Yang |  |
|  | Citi - US | Christian Quinn |  |
| **x** | Citi - US | Lyndon James |  |
|  | Connor Clarke | Mark Austin |  |
|  | Cooperators | Mitra Raghubir |  |
|  | Cooperators | Mehreen Hussain |  |
| **x** | Credit Suisse | Sam Farrell |  |
| **x** | CSE | Mary Anne Palangio | Observer |
| **x** | Deliotte | Noura Dube | Observer |
|  | Desjardins | Cesar Valderama-Sanchez |  |
| **x** | Desjardins | Pascal Deslauriers |  |
|  | Desjardins | Assane Ndoye |  |
|  | Desjardins | Marc Dallaire |  |
|  | Desjardins | Jonathan Grenier |  |
|  | DTCC | John Abel | Observer |
|  | DTCC | Robert Cavallo | Observer |
|  | Fidelity | Robert Argue |  |
| **x** | Fidelity | Dan Brennan |  |
| **x** | Fidelity | Stephanie Leblanc-Mchenry |  |
| **x** | Fundserv | Russ White |  |
|  | Haywood | Peter Virvillis |  |
| **x** | IFDS | Grant Bellamy | Observer |
| **x** | IFIC | Pamela Egger | Observer |
|  | IIROC | Bruce Grossman | Observer |
| **x** | IIROC | Muneeb Ahsan | Observer |
|  | IIROC | Catherine Drennan | Observer |
|  | Kyndryl | Andrew Ledbury | Observer |
| **x** | Kyndryl | Hagen Einspenner | Observer |
|  | L&T Infotech - Regulatory | Kim Barrett | Observer |
|  | L&T Infotech/IFIC | Janaki Nagulan | Observer |
|  | Laurentian Bank | Anne-Claire Hurillon |  |
| **x** | Laurentian Bank Securities | Jennifer Vachon |  |
|  | Manulife | Bill Devolin |  |
|  | National Bank | Nelson Dugre-Sasseville |  |
| **x** | National Bank | Anna Tyniec |  |
| **x** | Northern Trust | Domenic Sgambelluri |  |
| **x** | Odlum Brown | Silvia Livingston |  |
|  | OSC | Aaron Ferguson | Observer |
| **x** | OSC | Annetta Ho | Observer |
|  | OSC | Constance Wamala | Observer |
|  | OSC | Frank Lacroce | Observer |
|  | OSC | Jarrod Smith | Observer |
|  | OSC | Nick Hawkins | Observer |
|  | OSC | Senna Eswaralingam | Observer |
|  | OSC | Stephanie Wakefield | Observer |
| **x** | Paramax | Allyn Howe | Observer |
|  | PMAC | Melissa Ghislanzoni |  |
|  | PWC | Samantha Paisley | Observer |
|  | Questrade | Andrew Kerrison |  |
| **x** | Questrade | Lulu Feng |  |
|  | RBC - IS | Cathryn MacKay |  |
|  | RBC - IS | John Riordon |  |
| **x** | RBC - IS | Alessia Michetti |  |
| **x** | RBC - IS | David Petiteville |  |
|  | RBC - IS | Isgar, Stephen |  |
| **x** | **RBC -CM** | **Jason O'Born - Co-Chair** |  |
|  | Scotia | Chester Hinkson |  |
| **x** | Scotia | Corey Cunningham |  |
| **x** | Scotia | Chelsey Morphy |  |
|  | Scotia | Aditya Saini |  |
|  | Scotia | James Gorman |  |
|  | Scotia | Lori MachEachern |  |
| **x** | Societe Generale | Katherine Whitby |  |
|  | Societe Generale | Kathy Malaga |  |
| **x** | Statestreet | Luigi Fisico |  |
| **x** | Statestreet | Brent Blake |  |
|  | TD | Kevin Calhoun |  |
| **x** | TD | Nadeem Ikram |  |
| **x** | TD | Roy Gamboa |  |
| **x** | TD | Michael Kenny |  |
| **x** | TD | Rob Candido |  |
|  | TD Securities CASLA | Sumit Sharma |  |
|  | TD Securities | Aamir Shahzad |  |
| **x** | TD Securities | Adnan Quader |  |
| **x** | TD Securities | Cynthia Seebach |  |
| **x** | TD Securities | Katherine Yu |  |
|  | TMX | Amy Li | Observer |
| **x** | Torstone | Dave O'Marra | Observer |
|  | Torstone | Geddes, Daniel | Observer |
|  | Torstone | Mack Gill | Observer |
|  | Wealthsimple | Mike Cagayat |  |
|  | Vanguard | Darnel Miller |  |
|  |  |  |  |
| **x** | **?** | **Alina Tchaussovska** |  |
| **x** | **?** | **Ivy** |  |
|  |  |  |  |