**T1SC/OWG Special Purpose Meeting - Minutes of February 20, 2024**

Keith Evans of CCMA welcomed attendees to the Special Purpose Meeting of the CCMA T+1 Steering Committee an Operations Working Group.

Keith said that the purpose of the meeting was to deal with a time sensitive issue that has been worked on by the ETF Task Force (ETFTF). He asked Jamie Anderson of CCMA, and Chair of the ETF Task Force to outline the draft Letter distributed prior to the meeting.

Jamie said that the ETFTF has been meeting over the past number of months to finalize a letter to the regulators on the acceptability of cash collateral within the primary market. The ETFTF worked together with the CETFA T+1 working group to draft a single joint (CETFA and CCMA) letter. If it is approved today, and CETFA approves by the end of the week (February 23, 2024) the distributed letter would be sent to the OSC - Investment Funds Division shortly thereafter.

The focus of the taskforce has been to work on the ability to provide ‘cash’ temporarily as part of the ETF primary market process. Jamie reported that NI 81-102 provides the rules for the primary ETF market (as well as Investment Funds). He said that there is a lack of clarity within the industry, if cash can be substituted for an asset on the confirmation in the creation process. Some members believe you can, while others believe you cannot.

The concern in Canada is that in the primary market, if e.g. one asset of fifty securities is not available, then the entire creation of the ETF unit cannot be completed. Further, in certain circumstances, any secondary trades in the ETF will also fail until the assets are delivered for the ETF.

The distributed Letter outlines the best option for the industry, that is to pursue a CSA Staff Guidance Notice to be issued that will clarify that cash is usable as a substitute for an underlying asset until such time as that asset is made available.

Jamie reviewed the draft letter in detail and answered all questions raised,

**It was unanimously agreed, by all OWG and Steering Committee members in attendance, that the reviewed letter be approved for sending to the OSC as soon as possible.**

**Attendees**

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| Abel, John F. |
| Alexandre Prince |
| Allan Bisessar - HOOPP |
| Althea Daley |
| Amit Joshi |
| Andrea Brake |
| Andrew LaFemina - TD Securities |
| Anna Campagnaro |
| Anna Tyniec |
| Anne-Claire Hurillon |
| Ashtab Ruffudeen - HOOPP |
| Assane Ndoye - Desjardins |
| Barb Amsden - CCMA |
| Barry McIntyre - TDSecurities |
| Bernd Schwericke |
| Brent Blake |
| Calonda Brown |
| CANDIR |
| Carol Elmalem |
| Casey Als - TD |
| Cathrine Drennan |
| cfaull |
| Chinmay(TD) |
| Chioma O |
| Dan Brennan |
| Daniel Bailey |
| Daniel Shu |
| Danny Leca CIBC |
| Darshin |
| David Connolly |
| David O'Marra |
| David Petiteville @rbc |
| dcarlyle |
| Deepak D. |
| Dennis Jiu |
| **Dom Sgambelluri - Co-Chair OWG** |
| Domenica G. |
| Doug Gifford |
| Elaine Partridge |
| Farhan |
| Frank Battaglini |
| Franklin Lacroce OSC |
| Geoff Baxter - TD |
| George Chung [TMX-CDS] |
| Giancarlo |
| Greg Harris |
| Greg Sutton - CIBC |
| GYee |
| Ha Luong - ATBIM |
| Harry Li - Broadridge |
| Hector Toriz AMF |
| Henry - Broadridge |
| Herman Tan |
| Ian Jamieson |
| Ibi |
| Ivy Sananikone |
| James Merenda |
| James Stares FundServ |
| Jamie Anderson - CCMA |
| Jason Dear - Scotiabank |
| **Jason O'Born - RBC - Co-Chair** |
| Jeff Lunshof |
| Jing |
| Joe Torres |
| Johann Lochner - CDS |
| JonesCathy @ CIBC |
| Jude Dant |
| Judith Marcelo |
| Kapil Sharma (CIBC) |
| **Keith Evans - CCMA Co-Chair** |
| KevinC TD |
| Khadija (Kika) Boujnane |
| Kilee - ATB Wealth |
| Laura Leitch |
| Louis Lesnika - CIBC Mellon |
| Luisa R |
| Lyndon James |
| Mamadou |
| Manda, Navin |
| Mark Cicero- BMO |
| Marnie Perepeluk |
| Matthew Andreacchi (OSC) |
| Mehreen H |
| Michael Cagayat |
| Michael Lowes - TD Securities |
| Michael Palmiotto |
| Mieka Halliday-Gunn |
| Mike Bieley |
| Mohamad El Habech |
| Myessa - LBS |
| Natalia Markelova |
| Nav Badhan - BNYM |
| Nelson Dugre-Sasseville (NBC) |
| Niranjan Rudraradhya |
| Noura Dube |
| Olga Svistoun - BMO |
| Pamela Egger |
| Pascal D. |
| Pat Dunwoody |
| Patrick Owens |
| Paul Adair - Lysander Funds |
| Paul Salomone |
| Peter Burns |
| Philippe Beato - NBC |
| Pierre Mital - Casgrain |
| Raymond Lee - BMO |
| Roger Yin |
| RosemaryM |
| RuthA |
| Safiya |
| Sandra Marcoccia |
| Sara Zaidi |
| schultzr |
| Scott MacKenzie |
| **Sheera Badial - Canaccord - Co-Chair OWG** |
| Silvia L |
| Stef Caputo (Bank of Canada) |
| Stefan Bijelic - Scotiabank |
| Stephanie Leblanc-Mchenry |
| Sun Young Sauve |
| TAE5098 |
| Tara Dobson (ATB) |
| Thomas Chong - HOOPP |
| Tom Beaton (CIBC Mellon) |
| Vasu Ganesan - Wealthsimple |
| Walter Raposo - Cboe (iPhone 13 Pro Max) |
| Weijia Luan |
| Winston Poh |
| wyoung |
| Yolanda Rodrigues |