CCMA Canadian Capital Markets Association
ACMC Association canadienne des marchés des capitaux

T+2 Steering Committee

Agenda

January 21, 2016

10:30 AM ET – 7:30 AM PT

1. Approval of the December 17, 2015 meeting minutes   Keith Evans
2. UST2 - Status of T+2   John Abel
3. CEWG - Approval of milestones   - Industry Event   Barb Amsden
4. Discussion on;   All Members

     - What is a Canadian Implementation Plan?

     - Readiness Approach   - Surveys

5. T2SC Working Group Status/Approvals
   a. OWG   Michael Holmes

        Dom Sgambelluri

   b. LRWG   Jamie Anderson
   c. CEWG   Barb Amsden
6. Issues completed by working groups for approval   Jason O'Born
7. Other Business
8. Next Meeting   February 18, 2016 at 10:30 AM ET   7:30 AM PT

Conference Details

Conference ID: 7312646#

Local Dial-in   416-933-8665   Toll-free Dial-in: 1-888-402-9166

T+2 Steering Committee

Minutes

December 17, 2015

10:30 AM ET – 7:30 AM PT

1. Approval of the November 25, 2015 meeting minutes   Keith Evans

Keith reported that the minutes had been sent out as part of the package for the meeting. He had asked that any changes be sent via email prior to the meeting. He reported that no changes had been submitted. Based on this the minutes were unanimously approved.

2. UST2 - Status of T+2   John Abel

John Abel reported that the UST2 is still working on the two major initiatives this month. That is, the Implementation Plan, which is due to the SEC by this Friday (December 18, 2015) and the high level Testing Approach, which is slated to be completed by the end of December 2015.

The Implementation Plan will be completed this week as required by the SEC, which will be followed by a UST2 press release early next week. The document is very large, at about 150 pages, and John said it would be shared with Canada once issued. He said that no major surprises have been discovered through this part of the project.

The high level Test Plan is moving ahead quite well at this time. A more detailed test plan is slated to be completed in Q2 of 2016. John reported that the US is still discussing what will be required to indicate that firms are ready for T+2. He said that DTCC would require sign off from all their member firms, but that this might not be required across the industry. John also reported that DTCC would convert their

current Test Region to T+2 in order to support the testing needs of the industry as they prepare for the conversion.

John reported that there would be an official 'Go-No-go' decision taken in the US sometime just prior to implementation in 2017.

3. **Vendor/Utility - T+2 Readiness**

    a. **CDCC**   **Roger Warner**

Roger reported that CDCC has successfully completed their internal analysis of T+2, and that no issues were discovered. He said there are only minor Rule and Procedural changes required by CDCC (deliveries for underlying, tender days, standards of service, and options disclosure documentation for US citizens). Rule changes are targeted for the first half of 2016. Systems are parameter driven. He also said that MX rules impact CDCC and will need to be modified and the internal work is underway to complete this activity.

    b. **SS&C**   **Bob Shaw**

Bob reported the SS&C had completed their internal analysis and since their system does not calculated Settlement Date, there is no system or procedural changes required. Bob said they would have a test region available for the industry to complete any T+2 testing needed. They are ready to go.

    c. **FundServ**   **Kyle Bedeau**

Kyle reported that FundServ was ready…already. There are some documents that require minor modifications. He said that all system changes would be completed and tested and ready for industry wide testing is 2017.

    d. **RPM**   **Allan Grossman**

Allan reported that RPM system analysis has been completed and that only minor changes are required to the four systems they operate. All will be completed well within the T+2 timelines.

4. **T2SC Working Group Status**

   a. **OWG**   **Michael Holmes**

                                                        Domenic Sgambelluri

   Domenic reported that the OWG mandate had been reviewed by the OWG and approved for submission the T2SC.

   He also reported that the OWG had created a sub-working group to deal with the changes required by the Mutual Funds and Investment Funds products, including Seg Funds. This MF sub working group held its first meeting last week and are currently dealing with five sets of issues; 1) Regulation, 2) Awareness, 3) FundServ systems, 4) Holiday Processing, and 5) Industry Testing.

   Michael reported that significant progress has been made in issue identification with a small number to be finalized. The OWG should be complete on its objective of a comprehensive issue log by December 31st.

   b. **LRWG**   **Jamie Anderson**

   Jamie reported that the LRWG mandate had been reviewed by the LRWG and approved for submission to the T2SC.

   He indicated that the industry participation has been very supportive and positive. To date, they have identified more than 50 issues/rules that need to be reviewed. Their next meeting is scheduled for later this afternoon, and that the next T2SC meeting will see the issue log after LRWG review (rather than prior). He did indicate that the institution trade matching parameters of NI 24-101 would need to be driven by the industry and not the regulators. Domenic

and Michael agreed that this will be determined by the OWG and reported back to the LRWG sometime in the first part of 2016.

c. CEWG   Barb Amsden

Keith reported that Barb was unable to attend the meeting due to delays in travels. Keith received an update from Barb prior to the meeting and reported as follows: the CEWG is on schedule to have identified the major milestones early in January, and redevelop and relaunch the CCMA website in the new year. An industry event in late Q1 2016 will provide the industry with the information on T+2. A second event will be planned for late 2016, which will be information as relates to the industry testing readiness. It is expected that CCMA will have a small piece in the UST2 Newsletter expected to be released the week of December 21, 2015. There is a lot of work currently underway and more details will be provided at the January 2016 T2SC meeting.

5. Issues completed by working groups for approval Jason O'Born

No issues reported as yet.

6. Re-Approval of formal T2SC Mandate   Keith Evans

Keith reported that the T2SC Mandate was being resubmitted for approval. The new mandate does not materially change the roles and responsibilities of the committee, but instead provides an Overview section, along with sections that deal with Composition, Reporting and Governance.

The members unanimously approved the new Mandate.

Keith reported that all three working groups have approved mandates in the same format and that they have been included in the meeting package for acceptance.

The members unanimously accepted the three working group mandates as submitted.

Keith thanks Jamie Anderson and the LRWG for the format design of the mandates now being used across all working groups and the steering committee.

7. Other Business

There was a discussion on industry testing, and what sort of sign off might be required. Joe Riga from GMP suggested that maybe a posting, by member firms, on the CCMA website to report that they are ready is one alternative. Keith reported that this issue will need further discussion by the industry, but the use of the CCMA website for posting was definitely a good alternative.

8. Next Meeting   **January 21, 2016 at 10:30 AM ET (7:30 AM PT)**

Communications and Education Working Group Milestones

Milestones are key dates in project management terms, identifying important points on a project timeline. They represent critical deliverables and major measurable progress points that must be attained to achieve successfully project goals. With the outcomes of the issue logs of the Operations Working Group and Legal & Regulatory Working Group, linked together, form an integrated roadmap to achieve a shortened settlement cycle with the U.S. in 2017.

By:	Plan to:
Dec. 31/15	Complete CEWG milestones
Jan. 31/16	Redevelop and launch new website, connect with associations and vendors for broad T+2 information dissemination
April/16	Complete media launch of T+2 and upcoming event
By April 30/16	Host half-day T+2 "inform/pep-talk
Ongoing	Deliver regular newsletters, website updates, webinars, presentations
Dec. 31/16	Host half-day "7th inning stretch" event – status, readiness survey, testing prep
Ongoing	Deliver regular newsletters, website updates, webinars, presentations
Fall 2017	Issue final implementation report/host member recognition
The two key CEWG milestone dependencies are:	
• Relaunching the website	
• Getting industry association/regulatory/other buy-in to disseminate and promote T+2	

CCMA	Keith Evans (Co-Chair)
RBC – CM	Jason O'Born (Co-Chair)
Bank of Canada	Therese Couture
	Christain Belisle
BCSC	Meg Tassie
Broadridge	Theresa Blonde
Canaccord	Lynn Higgins
	Brenda McIntyre
CCMA	Jamie Anderson
CDS	Fran Daly
	Ana Guercio
CETFA	Pat Dunwoody
CIBC Mellon	Louis Lesnika
CIBC World Markets	Greg Holmes
	Andrew Jen
	Paul Tamburro
	Susan Fleming
	Goran Nikolovski
Computershare	Lara Donaldson
Connor Clark & Lunn	Mark Austin
Credit Suisse	Sam Ferrell
DTCC	John Abel
Fidelity Clearing	Kevin Lambie
FMDA	Sandra Kegie
Fundserv	Kyle Bedeau

GMP Securities	Joe Riga
IFIC	Charles Wang
IBM	Amy Li
Infotech Finl	Kim Barrett
National Bank	Nelson Dugre-Sasserville
Northern Trust	Domenic Sgambelluri
OSC	John Kearns
PMAC	Kevin leblanc
Questrade	Lulu Feng
Raymond James	Michael Holmes
Scotiabank	Corey Cunningham
Statestreet	Denny Mendonca
	Maggie Salisbury
	Ivan Yang
TD Securities	Tracey Randell
	Kim Tudhope
	Rob Candido