

CCMA Thanks Securities Regulators for Final Rule Supporting T+1 Transition

December 15, 2023: The Canadian Capital Markets Association (CCMA) today expressed the investment industry’s appreciation to the Canadian Securities Administrators (CSA) for their release yesterday announcing adoption of [amendments](#) to National Instrument (NI) 24-101 *Institutional Trade Matching and Settlement*.

CCMA Executive Director Keith Evans said: “The final NI 24-101 rule announcement provides regulatory certainty and mitigation of implementation and transition risks, as well as a reduction in the likelihood of an increase in failed trades.”

The CSA release noted changes to the rules in response to industry comment letters and other consultations regarding its proposed NI 24-101 revisions released for feedback a year ago on December 15, 2022. Of particular importance are:

- The institutional trade-matching (ITM) deadline effective May 27, 2024 will be **3:59 a.m. ET on T+1** – the business day following the trade – before the next day’s trade settlement cycle begins. This will let members in different time zones Canada-wide to have more flexibility. Custodians and buy-side firms (investment managers) will have additional time to confirm trades and sell-side firms (broker/dealers) will be better able to manage collateral and settlement. Equally important, counterparties operating in non-Canadian time zones – especially Asia, Europe and the U.K. – will be able to start working to correct any trading errors hours before business opens in North America.
- CDS’s trade-matching reporting times to regulators have been amended as recommended to better align with process timing.
- The new CDS ITM reporting requirements will take effect **July 1, 2024**, meaning no requirement to build a one-time-only split Q2 report (up to May 27 and May 27 and beyond).
- Industry participant exception reporting has been confirmed as repealed (regulatory monitoring can be done using CDS’s ITM reports to regulators).

“These changes will help facilitate the migration from today’s T+2 securities settlement cycle to a T+1 (one-business-day) standard on **Monday, May 27, 2024.**” Evans concluded: “We’re happy to see this high-priority issue close because the move to next-day settlement is very complex and unlike in other industries, it’s not enough that a firm is ready; what’s important is that every member in the chain connecting firms and infrastructure in the investment industry are ready too.”

For more information, please contact:

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About the CCMA:

The [Canadian Capital Markets Association](#) (CCMA) is a national, federally incorporated, not-for-profit organization launched in 1999 to identify, analyze and recommend ways to meet the challenges and opportunities facing Canadian and international capital markets. The CCMA’s mandate is to communicate, educate, and help co-ordinate the different segments of the

investment industry on projects and initiatives spanning multiple parts of Canada's capital markets. Participating under the CCMA's co-ordinating umbrella are dealers, custodians, asset managers, and industry associations; exchanges and securities infrastructure entities, including The Canadian Depository of Securities (CDS) and Fundserv; back-office service providers and vendors; and other stakeholders.