

**T+2 Communication and Education Working Group (CEWG)  
Agenda  
December 1, 2015 –2:00 PM ET / 11:00 AM PT  
Cityline Meeting Room, IIAC Offices, 11 King West, 16<sup>th</sup> Floor  
Toronto Dial-in: 416-933-8665; Toll-free: 1-888-402-9166 – ID: 7312646#**

1. **Review/approval of Draft Nov. 19 Minutes and Action Items** **Members**  
(Refer **Attachment 1**)
  
2. **Definitions** **Barb Amsden**
  - **T+2 (not tea for two)**  
Reduce the settlement cycle (the time difference between trade execution (trade date) and the exchange of securities for cash (settlement date) to no more than two business days after trade date or T+2 in industry speak. Currently industry standard settlement cycles for different products range between same-day – the day of the trade or T+0 – and three business days after trade date or T+3. For example, most equities settle three business days after a trade and this will shorten to two days; government T-bills settle on a same-day basis, and no change is necessary.
  
  - **STP**  
Many terms we will be using to advance T+2, some diagrams that may be useful and general background on the benefits of a move to straight-through processing (STP) – eliminating manual and duplicate or redundant steps from trade execution to settlement – appear in a short CCMA booklet put together in 2002 and attached.
  
3. **Updates from Other Committees/Countries** **CCMA/Members**
  
4. **Discussion/Approval of Draft CEWG Mandate, Success Measures, Etc.** **Members**  
(Refer **Attachment 2**)
  
5. **Brief Review of Possible Communications Tools** **Members**

Possible Tool/Diagram	Useful?	Who/TF?	When?
1. Communications plans			
2. CEWG milestones			
3. Key messages per target audience group			
4. FAQs: How to join? are we behind, etc.			
5. Website			
6. Timeline diagram (Can vs U.S.)			
7. Data (status of matching and settlement)			
8. T+2 benefits			

Possible Tool/Diagram	Useful?	Who/TF?	When?
1. Communications plans			
2. CEWG milestones			
9. Product list and settlement timeframes			
10. Lessons from EU T+2 move, 2000 T+1 efforts			
11. T+2 readiness checklist(s)			
12. Survey(s)			
13. Media press releases/interview			
14. Presentations			
15. Schedule of external events to piggyback on			
16. Communication obstacles			
17. Other?			
18. Other?			
19. Other?			

**6. Other Issues as Raised**

**Members**

**7. Next Meeting**

**Members**

December 15, 2015, 2:00 p.m. ET



## **T+2 Communications and Education Working Group (CEWG)**

### **Draft Minutes of November 19, 2015 Meeting**

**Participants:** (See attached)

Keith Evans of the CCMA welcomed all attendees to the first meeting of the T+2 Communications and Education Working Group. He introduced Barb Amsden, who had previously worked for the IIAC, IFIC, CBA and CDS, but also formerly with the CCMA in the early 2000s. Barb had agreed to act as Chair of the T+2 Communications and Education Working Group (CEWG).

#### **8. Introduction to CCMA**

Keith provided a brief historical background on the CCMA, and the good work that had been completed since its inception in 1999. He indicated the T+2 initiative would benefit greatly from the work completed over the years, particularly the work completed on National Instrument (NI) 24-101.

#### **9. Introduction to T+2**

Keith provided a brief history on what has led to the decision to move to T+2 in Canada. He referenced the analysis completed in the U.S., in both 2010 by the Boston Consulting Group, and the White Paper issued in June of this year by the UST2 committee. The decision had been made, in the U.S., to transition from a three-day settlement period to a two-day settlement period in the third quarter of 2017. The Canadian community knew it had to transition at the same time as the U.S. due to the robust cross-border trading environment.

#### **10. CCMA T+2 Committee Structure**

Keith provided an update on the structure to be employed to co-ordinate the activities associated with ensuring a smooth transition to T+2. The CCMA Board has approved the creation of the T+2 Steering Committee (T2SC) to oversee all of the activity required to meet the Q3 2017 deadline, that is, but is not limited to, ensuring the identification of all rules to be reviewed for possible modification, identifying process and procedural changes, organizing industry education, discussing industry-wide testing requirements and industry standards, etc. He also outlined the responsibilities of the three working groups in the areas of Operations, Legal and Communications.

## 11. T+2 Timeline

Keith reported that the overall objective is to meet the U.S. timeline for implementation in Q3 of 2017. Also, we must be able to commence industry wide testing by Q1 of 2017, which means all development needs to be completed by the end of 2016. Keith indicated that this is extremely difficult, but is imperative in meeting the overall main goals of the industry. Keith indicated that since Canada is almost three years behind the U.S. in preparations for T+2, the three working groups will need to work very hard in order to catch up. He said that fortunately we can benefit from the work already done in the U.S. This will help the industry to focus on the tasks to be undertaken within the industry, as well as individual firms. Barb noted that there was also material from previous efforts to shorten the settlement cycle to T+1 early in the century, that was interrupted by 9/11 and progress had been made on straight-through processing since then.

## 12. Proposed Process

Barb said that there were some administrative details to address – confirming the CEWG’s mandate (re industry, regulators, media, public), identifying what groups are missing from the committee, setting committee milestones, identifying tools, and so on. She noted that as much as possible, the CCMA would try to minimize member work, given members’ full-time jobs and only three very part-time staff, by using existing material from the T+1 initiative, what is available on the U.S. UST2.com website, and connections to associations and other bodies.

Action	Who
1. Draft a committee mandate for member comment and approval	B. Amsden
2. Provide diagram of industry stakeholders	B. Amsden
3. Identify any industry segments missing from stakeholder diagram and associations/organizations not yet part of the CCMA	Members
4. Provide events at which IIAC may be able to request to speak	Members

Common association practices apply: discussions are confidential; members may or should share documents internally, but not beyond their firms.

## 13. Issues to be addressed

The CCMA was using an issue log approach to managing the many parts of the move to T+2. Items raised that were only indirectly tied to T+2 were not going to be addressed, so the first question always was is there a direct link.

Five issues had been proposed for the CEWG, which were briefly addressed, with the understanding that there would be discussion at the next meeting.

### 1. *Who do we need to reach out to?*

There were many moving parts that needed to be managed, and so links with all industry segments, their associations and vendors as soon as possible was desirable (see 5. Above).

## 2. *How do we do it?*

Barb mentioned a number of steps: developing a communications plan, linking to the U.S. communications team, developing key messages for consistency, determining and creating plain-language replies to frequently asked questions, etc. These would be discussed at upcoming meetings.

## 3. *CCMA website*

The CCMA website was still functional but needed work; there was also an [info@ccma-acmc.ca](mailto:info@ccma-acmc.ca) email that had received one question already. Given staff and member constraints, the goal was for industry members and stakeholders to be able to self-serve. As well, Barb hoped to be able to access some past material – communications and white papers – that could be useful if added to the site.

## 4. *Timing of communications*

Barb suggested that the goal might be to start communicating what was known as soon as it was developed and had been vetted, but to keep communications concise and focused, and expected on a regular (to be defined) basis.

## 5. *Speaking opportunities*

Barb noted that the budget was meager and conferences were not expected. However, the intent was to link through to association, regulatory or other events to help alert the industry, broaden had to be involvement where needed, and convey key messages and status information. Keith added that a CCMA-specific event was not ruled out, but would have to be reasoned.

Action	Who
5. Add discussion of log to agenda of next meeting	B. Amsden
6. Provide member areas of interest/skills knowledge (as well as title and phone number) to <a href="mailto:bjamsden@gmail.com">bjamsden@gmail.com</a>	Members

## 14. Next Meeting

Barb thanked all in attendance for their time and said the next meeting would be scheduled for (confirmed for December 1<sup>st</sup>, at 11:30 AM ET) and December 15, 2:00-3:30 p.m.

## 15. Other Business

There was no other business raised at this meeting.

## CCMA T+2 Communications and Education Working Group Attendance

Please advise if you identify any names missing or errors

	Sal	First	Last	Company	E-mail	
1.	Ms.	Karen	Copeland	BMONB	<a href="mailto:Karen.Copeland@bmonb.com">Karen.Copeland@bmonb.com</a>	
2.	Mr.	Mark	Austin	CCL Group	<a href="mailto:MAustin@cclgroup.com">MAustin@cclgroup.com</a>	
3.	Mr.	Keith	Evans	CCMA	<a href="mailto:kevans@ccma-acmc.ca">kevans@ccma-acmc.ca</a>	
4.		Barb	Amsden	CCMA Advisor	bjamsden@gmail.com	647 223 2843
5.	Mr.	Andrew	Jen	CIBC	<a href="mailto:Andrew.Jen@cibc.com">Andrew.Jen@cibc.com</a>	
6.	Mr.	Paul	Tamburro	CIBC	<a href="mailto:Paul.Tamburro@CIBC.com">Paul.Tamburro@CIBC.com</a>	
7.	Mr.	Harold	Walton	GMP Securities	<a href="mailto:joer@gmpsecurities.com">joer@gmpsecurities.com</a> <a href="mailto:haroldw@gmpsecurities.com">haroldw@gmpsecurities.com</a>	
8.	Mr.	Blair	Munn	IFDS	<a href="mailto:bmunn@ifdsgroup.com">bmunn@ifdsgroup.com</a>	
9.	Mr.	Jack	Rando	IIAC	<a href="mailto:JRando@iiac.ca">JRando@iiac.ca</a>	
10	Ms.	Nathalie		NBC		
11	Mr.	Carmello		NBC		
12	Ms.	Colleen	Bronson	NBC	Colleen.Bronson@nbc.ca	
13	Ms	Laurie	Clark	Smarten Up	Laurie.Clark@SmartenUpInstitute.com	
14	Mr.	Brandon	Buckley	TD	<a href="mailto:Brandon.Buckley@td.com">Brandon.Buckley@td.com</a>	
15	Mr.	Rob	Candido	TD	<a href="mailto:Robert.Candido@td.com">Robert.Candido@td.com</a>	

**Draft CEWG Mandate and Proposed Measures of Success**

Reporting to the T+2 Steering Committee, the Communications and Education Working Group will:

1. Develop and execute a comprehensive integrated communications plan for the financial community, regulators/government, and media to support the smooth implementation of a shortening of the securities settlement cycle to T+2 in the Canadian capital marketplace to coincide with a similar move in the U.S.
2. Monitor, and report on relevant, developments in the U.S. regarding T+2 regarding timelines and communication
3. Prepare/manage tools for helping advance the understanding of T+2 and advancing T+2 preparations, including supporting if determined necessary the financial community's communications with their clients
4. Identify and mitigate possible communications risks

**Note:** Keith Evans, CCMA Executive Director, will sign off on CEWG communications for public release or newsletters/publications/proposals as required.

**Measures of Success**

For discussion

**Draft CEWG Deliverables**

#	Deliverable	Target Due Date(s)	Status
	Develop milestones for communications plan creation and delivery	December 15	
	Review and advise on CCMA website update	January 15	
	Agree on tools to be developed	January 15	
	To be discussed		

**Who is missing?**

CUCC, CLHIA, PCMA, Advocis, CBA, IFIC, CETFA, CASLA, Bond traders association, other?

## Intended Audience

All stakeholders in Canada's capital markets, as shown in the diagram below, and those who may influence these stakeholders (regulators, media).

