

T+2 Operations Working Group

Agenda

February 17, 2016

2:00 PM Eastern - 11:00 AM Pacific

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| 1. Approval of the Minutes from January 13, 2015 | Michael/Domenic |
| 2. Mutual Fund sub Working Group (MFSWG) update | FundServ |
| 3. CEWG Update | Keith Evans |
| 4. Asset List Update | Michael/Domenic |
| 5. Industry Testing Strategy Discussion | Committee Members |
| 6. Review of Issue Log | Michael/Domenic |
| 7. New Issues added from the LRWG | Keith Evans |
| 8. Issues to be closed | Committee Members |
| 9. Other Business | |
| 10. Next Meeting | Wednesday March 16, 2016 at 2:00 PM ET/ 11:00 AM PT |

Conference Details

Conference ID: 7312646#

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

Minutes Below

T+2 Operations Working Group

Minutes of the meeting held on

January 13, 2016

2:00 PM Eastern

Domenic Sgambelluri and Michael Holmes welcomed all attendees to the meeting of the T+2 Operations Working Group.

1. Approval of Minutes from December 15, 2015

Keith Evans apologized for the late distribution of the minutes.

Domenic asked if there were any changes required to the minutes. No changes were requested. The minutes were unanimously approved as written.

2. MFSWG Update

Harry Gundy was not available to attend the meeting in order to provide an update on the sub working group. Kyle Bedeau, of FundServ attended and indicated that there was no new information, as the MFSWG had not met recently. Their next meeting is scheduled for January 26th, and a detailed update will be provided at the next OWG meeting in February. However, Kyle reported that FundServ is continuing with their internal detailed analysis in preparation of the next MFSWG meeting.

3. Asset List

Michael Holmes reported that a draft asset listing had been provided as part of the meeting package. He indicated that it is difficult to provide a definitive list, but that

every attempt would be made to make this list as complete as possible. The asset list is divided into two sections. The first is a list of Canadian assets, while the second is the asset listing provided by the UST2 group (from the 'Playbook'). Michael asked and received volunteers to review each of the sections for completeness, and be in a position to report the finding back to Michael, Domenic or Keith. The updated listing will be finalized at the OWG meeting and then be posted on the CCMA website.

4. OWG – Issues

5. Next Steps

Michael and Domenic reported that the Issue Log had been updated with additional information provided by Mark Austin (OWG-020). In addition, Holiday Processing (OWG – 023) was omitted from the listing and will be reported on going forward. Also during the meeting, it was determined that a new issue needed to be added. This issue, OWG – 024 will deal with the calculation of accrued interest during the trade reporting process. This completed the first phase, which was to identify all of the issues that need to be researched as part of the T+2 project.

They indicated that the next step was to prioritize the issues as **High**, **Medium**, or **Low** in terms of importance to get to a conclusion. There was a very health discussion on many of the issues, including NI 24-101, Trade Reporting by Exchanges, and Holiday Processing.

The process resulted in the 24 issues being prioritized as follows.

- 4 High Priority Issues (OWG - 001, 005, 007, 023)
- 9 Medium Priority Issues (OWG - 002, 003, 006, 008, 013, 014, 021, 022, 024)
- 6 Low Priority Issues (OWG - 004, 009, 011, 012, 019, 020)
- 5 Closed Issues (OWG - 010, 015, 016, 017, 018)

6. How are we doing?

Domenic asked the committee to provide feedback on the progress of the OWG to date. He asked if there were any suggestions to improve the meetings, or if there were other expectations from the industry that weren't being addressed. The feedback was very positive that the committee felt that the OWG was heading in the right direction and we should carry on as we have outlined.

7. Other Business

There was a question about the overall communication of the T+2 initiative to the industry, particularly the Buyside. Keith reported the Communication and Education Working Group (CEWG) was planning on an approach to deal with this issue. He said that this plan would be shared with the OWG at their next meeting in February.

8. Next Meeting

The next Operations Working Group meeting is scheduled for February 17th at 2:00 PM ET, 11:00 AM PT.

Michael and Domenic thanked everyone for their attendance and the meeting was adjourned.

Attendees Below

Meeting of January 13, 2016

List of Attendees

Raymond James	Michael Holmes (Co-Chair)
Northern Trust	Domenic Sgambelluri (Co-Chair)
AGF	Ali Jaffer
Bank of Canada	Christian Belisle
BBS Securities	Deborah Carlyle
BCSC	Meg Tassie
BlackRock	William Trieu
BMO	Art Valdes
	Kevin Armstrong
	Peter Altimas
	Rose Stillie
	Donna Ayers
Broadridge Canada	Manprit Jhajj
	Theresa Blonde
Canaccord	Lynn Higgins
	Brenda McIntryre
CanDeal	Joe D'Alessandro
CCMA	Keith Evans
	Barb Amsden
CDCC	Roger Warner
CDS	Johann Lochner
	Laura Ellick
	Anna Guerico
CGI	Nick van der Kroon
CIBC Mellon	Louis Lesnika
	Stasha Ninkovic
CIBC World Markets	Susan Fleming
	Goran Nikolovski
Computershare	Helen Lau

	Donna McLaughlin
Connor Clark & Lunn	Mark Austin
CST	Tony Iervolino
DTCC/Omgeo	Ana Lotharis
Edward Jones	Al Knight
E & Y	Matt Fischer
FIS Financial	Kerry Lutes
	Dianne Shepherd
FundServ	Kyle Bedeau
Great West Life	Linda Mosthaf
IBM	Amy Li
L&T Infotech	Kim Barrett
Invesco	Barry Duggan
Manulife	Andy Pauksens
Morgan Stanley Canada	Dianne Duffy
MX	Antonio Discenza
National Bank	Natalie Roberge
	Carmelo Scifo
OSC	Aaron Ferguson
Paramax	Gary Stephenson
Peerconnect	Bill Cavanagh
Questrade	Lulu Feng
RBC CM	Brian Calvert
RBC IS	Doug Allard
	Bruno Olivieri
	Florence Cheng
	Rahanna Rai
Scotiabank	Michael Bieley
	Frank Jocaitis
	Corey Cunningham
	Greg Moroz
SimCorp	Giles Anderson
State Street	Denny Mendonca



Maggie Salisbury

Brent Blake

Ivan Yang

TD Waterhouse

Brandon Buckley

Rob Candido

TMX

Mark Jarrett

Transatron

Stan Deudney

UBS Securities

Walker Wentworth

CEWG Milestones Below

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:	
<ul style="list-style-type: none"> • Relaunching the website 	
<ul style="list-style-type: none"> • Getting industry association/regulatory/other buy-in to disseminate and promote T+2 	

Testing Discussion Document Below

OWG

T+2 Testing Discussion Document

February 17, 2016

The OWG needs to determine the level of testing the industry should be performing to ensure readiness for the transition to T+2 in Q3 2017.

The following topics are for discussion purposes and should be debated in order to assist in the determination of this industry requirement.

1. Mandatory vs Optional

- Should industry testing be mandated that all users **MUST** test?
 - What does this mean?
 - What if they don't?
 - How do we determine/reach all users?
 - Should this be limited to Custodians and Sell Side firms only?
- Should industry testing be at the option of the user to determine the level of testing they need to perform to adequately assess their readiness?
 - Are there concerns with this level of testing?
 - Should any guidelines in terms of minimum testing be provided?
 - How will we assess the industry readiness?
 - Surveys?
 - Formal Sign-off?
- What would success look like?
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2. Vendors/Utilities vs Everyone

- Should all users test?
 - How would we ensure that this occurs?
 - Who is everyone?
 - What happens if they don't?
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- Should Utilities/Vendors perform mandatory testing with a formal report back to the community?
 - Is this up to each Utility/Vendor to determine the level of testing?
 - What will the formal report look like?
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3. Scripted vs Open

- Should the industry prepare formal test scripts?
 - Who would do this?
- Should each firm be able to develop their own test scripts?
 - Would we care what they test...at a minimum?
- Should testing be done as a whole or by partnering with another firm?
 - Coordinating the whole industry could prove problematic, based on individual schedules.
 - How would a partner be determined?
 - How will we monitor this?

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4. How will the US influence this decision

- As members of the US links via CDS or direct, Canada will need to participate within their testing requirements.
 - Does this influence the way we approach ours?

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5. What timeline do we need to follow

- Do we need to mirror the US?
- Can we have our own schedule separate from the US?
 - Can we?
 - Do we want to?

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6. Other Considerations





