

## T+2 Operations Working Group (OWG)

### Agenda

**November 22, 2016**

**2:00 PM Eastern - 11:00 AM Pacific**

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|--|---|
| 1. Approval of the minutes from October 25, 2016 | Michael/Domenic                                     |
| 2. CCMA Update                                   | Keith Evans   |
| a. UST2 Update                                   |   |
| b. Comment Letter submissions                    |   |
| c. IIAC submission on CSA Consultation Paper     |   |
| d. Readiness discussions                         |   |
| 3. Industry Testing Strategy                     | Committee Members                                   |
| a. Detailed Test Plan – CDS Update               | Johann Lochner                                      |
| b. Detailed Test Plan – Fundserv Update          | Kyle Bedeau   |
| c. Detailed Test Plan - CDCC                     |   |
| d. Detailed Test Plan – DTCC Update              | Keith Evans   |
| 4. Residency Restricted Shares                   | Domenic/Johann                                      |
| 5. Review of Issue Log                           | Michael/Domenic                                     |
| a. Review of Open Issues                         |   |
| 6. Issues to be closed                           | Committee Members                                   |
| a. OWG – 023 Holiday Processing                  |   |
| b. OWG – 024 Accrued Interest on Trades          |   |
| 7. Other Business                                |   |
| 8. Next Meeting                                  | Tuesday January 17, 2017 at 2:00 PM ET/ 11:00 AM PM |

### Conference Details

Conference ID: 7312646#

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

### Minutes

**October 25, 2016**

Domenic Sgambelluri welcomed attendees to the meeting of the Operations Working Group.

**1. Approval of the September 20, 2016 Meeting Minutes**

The minutes of the meeting held on September 20, 2016 were approved as written by members of the working group.

**2. CCMA Update**

Keith Evans reported that CCMA was finalizing the regulatory comment letters, and that a newsletter would be issued next week outlining the contents of the comment letters. He also reported that DTCC was hosting a T+2 Forum on October 28<sup>th</sup>, and that he would be attending the session. Keith said that he would provide an update, via email, upon his return.

Keith also reported the Final US Asset List had been issued.

**3. Industry Test Planning**

***a. Detailed Test Plan – CDS Update***

Johann Lochner from CDS provided an update on the CDS detailed test plan. He said that there is now an email address that participants can use to direct questions and comments with respect to the testing program. In addition, Johann said that members are required to indicate their intentions to participate in CDS testing before the end of November 2016. Johann reported that cross-border trade reporting is now part of the test plan, and that these will be tested as part of the DTCC – Phase Three testing cycle in March and April 2017. If a retest is required, CDS plans on utilizing the DTCC – Phase Eleven test cycle in July 2017.

***b. Detailed Test Plan – Fundserv Update***

Kyle Bedeau from Fundserv provided an update on their detailed test plan. He reported that Fundserv had recently issued The Standard Documents for T+2 to members, and that the rest of the program is moving along as planned.

**c. Detailed Test Plan – DTCC Update**

Keith Evans reported that there is no new information with regards to the U.S. Test Plan. However, Keith said that DTCC was hosting a T+2 Forum on October 28<sup>th</sup> that will include a section on the Test Plan.

**4. Restricted Share Transfers (residency/hold periods, etc.)**

Johann reported that CDS had heard back from TELUS representatives who indicated that they did not prefer the one ISIN solution. Consequently CDS is considering other alternatives and will report back a later date.

**5. Holiday Processing**

Johann Lochner from CDS reported that there are no additional changes being considered for this initiative. CDS and the exchanges have a communication plan for each holiday and a final message confirmation immediately before a holiday period. He reported that no other alternatives are being considered at this time.

Based on a question asked, Keith Evans outlined the process that CDS will employ if there is material impact on collateral calls via the CDS risk system. Michael Holmes asked that Keith put in writing the CDS process that is expected to be followed, and add this to the OWG Issue Log OWG # 023. Once this wording is added, this issue will be considered closed.

**6. Review of Issue Log**

Michael Holmes asked Keith Evans to provide an overview of the three regulatory comment letters distributed with the meeting package. Keith indicated that all three letters had been drafted on behalf of the CCMA T+2 Steering Committee, and that members were encouraged to submit their own letters if they wanted, since the CCMA letters were drafted from a T+2 point of view only. Keith said that all three

letters supported the transition to T+2, and that all comments were positive in tone. The CSA letter dealt with the removal of the 24-hour extension currently being granted for non-North American clients, and the reporting during the transitional period of time. The IIROC letter referred to IIROC Dealer Members, which already suppress institutional trade confirmations, asking that they be permitted to continue to do so for the third and fourth calendar quarters of 2017 even should their institutional trades matched drop temporarily below the 90% threshold that must be matched by noon on T+1, and that IIROC Dealer Members, which are in the process of building three consecutive quarters of not needing to file Forms 24-101F1, may exclude the results of the third and fourth quarters of 2017 from the calculation for suppressing written confirmations for clients.

Keith said that all three letters had been distributed in advance of the meeting, and that a number of members had already provided their comments to CCMA. All three letters are now in final form and require approval from the OWG in order to be taken to the T2SC for final approval.

The OWG members unanimously approved all three letters.

## **7. Issues to be closed**

Michael said that Issue Log # 023 had been discussed as part of agenda item #5, and that the recommendation was to close this item.

The OWG members unanimously approved all three letters.

## **8. Other Business**

There was no other business raised.

## **9. Next Meeting**

The next meeting is Tuesday, November 22, 2016 at 2:00 PM ET/ 11:00 AM PT.

Michael and Domenic thanked everyone for their participation.

## List of Attendees

Northern Trust	Domenic Sgambelluri (Co-Chair)
Raymond James	Michael Holmes (Co-Chair)
AGF	Scott Maynard
Alberta I M C	David Austin
Bank of Canada	Christian Belisle
BMO	Art Valdes
	Anthony Cardinuto
	Kevin Armstrong
Broadridge Canada	Theresa Blonde
	Jenny Wang
Canaccord	Sheera Badial
	Brenda McIntyre
	John Coyle
	Simon Whitney
CCMA	Keith Evans
	Barb Amsden
CDCC	Roger Warner
	Nabil Egseem
CDS	Lucy Mullins
	Johann Lochner
CETFA	Pat Dunwoody
CGI	Margaret Stephens
CIBC	Goran Nikolovski
CIBC Mellon	Carol Revoredo
	Louis Lesnika
	Dina Zivanovic
Compass360	Merici Young
Connor Clark	Mark Austin
Cormark	Eileen Conboy
Desjardin	Didier Buisine
	Etienne-Manuel Reynard
DTCC/Omgeo	Ana Lotharius
Edward Jones	Laurie Easton
FundServ	Kyle Bedeau
	Russ White
Goldman Sachs	Johnny Fells III
	Juan Ruiz
IBM	Amy Li
Invesco	Loredana Salceda
JP Morgan	Chris Seipel
MD Financial	Allan Riccardi
National Bank	Natalie Roberge

Questrade	Lulu Feng
RBC IS	Doug Allard
	Edward Chow
	Ellen Batrie-Saites
Scotiabank	Corey Cunningham
	Greg Moroz
	Anthony Lavalley
	Frank Jocatis
Statestreet	Denny Mendonca
	Maggie Salisbury
TD Waterhouse	Rob Candido
	Dave O'Marra
	Michael Kenny
Transatron	Stan Deudney
UBS	Marc Sobolewski
Industry Consultant	Rob Argue