

## T+2 Operations Working Group (OWG)

### Agenda

**September 20, 2016**

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

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|---|---|
| 1. Approval of the minutes from August 17, 2016 | Michael/Domenic                                     |
| 2. CCMA Update                                  | Keith Evans   |
| a. UST2 Update                                  |   |
| 3. Industry Testing Strategy – OWG - 001        | Committee Members                                   |
| a. Detailed Test Plan – CDS Update              | Johann Lochner                                      |
| b. Detailed Test Plan – Fundserv Update         | Kyle Bedeau   |
| c. Detailed Test Plan – DTCC Update             | Keith Evans   |
| 4. Residency Restricted Shares                  | Domenic/Johann                                      |
| 5. Holiday Processing – CDS/TMX Update          | Johann Lochner                                      |
| 6. Review of Issue Log                          | Michael/Domenic                                     |
| a. Implementation timing of 24-101 reporting    |   |
| b. Review of Open Issues                        |   |
| 7. Issues to be closed                          | Committee Members                                   |
| a. OWG – 003 – EFT Create and Redeem process    |   |
| 8. Other Business                               |   |
| 9. Next Meeting                                 | Tuesday October 25, 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

August 17, 2016

Michael Holmes welcomed attendees to the meeting of the Operations Working Group.

### 1. Approval of the June 15, 2016 Meeting Minutes

The minutes of the meeting held on June 15, 2016 were approved as written by all members of the working group.

### 2. CCMA Update

Keith Evans reported that even though the working groups have not met since June, behind the scenes work has been completed by CCMA. The French side of the CCMA website was launched back in early July. He also reported that the third version of the T+2 newsletter was issued in July, and that the Final version of the Asset List was posted to the CCMA website in early July.

### 3. OTC Transactions

Keith Evans reported that he had received a number of enquiries from members of the industry regarding OTC transactions. Keith indicated that all OTC transactions would transition to T+2 along with all exchange transactions. Keith said that even though most 'regular' transactions would settle on the default date for the security type (generally T+2), transactions could settle on other settlement dates, provided that both parties to the trade agreed. This is the same as today, where some transactions don't settle on the 'regular' settlement date and may be dependent on specific terms required by the buyer or seller.

### 4. Industry Test Planning

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

Johann Lochner from CDS presented the detailed test plan. He highlighted some of the more important sections of the plan. There were several questions seeking clarification on sections of the document. Johann said that the planned dates for

the industry wide test will be broken into two streams. The first will be in April 2017, with a second stream in May 2017, each running for two weeks.

Michael noted that all members of the OWG should review the document in detail internally, as well as with their various stakeholders, and that a further detailed review will be conducted at the next meeting.

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

Kyle Bedeau from Fundserv presented the detailed test plan. He highlighted some of the more important sections of the plan. There were several questions seeking clarification on sections of the document. Kyle reported that the planned dates for the industry wide test will be completed as part of the V27 test window in May and June 2017.

Michael noted that all members of the OWG should review the document in detail internally, as well as with their various stakeholders, and that a further detailed review will be conducted at the next meeting.

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

Keith Evans reported that the US had issued their detailed test plan. He suggested that working group members review the document and report directly to DTCC any US related issues, and to the CCMA where issues affect cross border transactions.

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

Domenic was unable to attend the meeting. Keith Evans reported that Computershare (TELUS) and CDS were scheduled to meet next week to discuss options to improve the process. Johann Lochner from CDS agreed to report back to the next working group meeting.

**6. Holiday Processing**

Johann Lochner from CDS reported that CDS, Aequitas, and TMX were still in discussions and that further information would be available at the next meeting.

## 7. Review of the Issue Log

Michael Holmes reported that there were no updates to the OWG Issue Log at this time.

Keith Evans indicated that the CSA was expected to issue for comment, the NI 24-101 changes, before the end of the month.

NOTE: These are the comments that were made by CIBC Mellon with regards to the implementation timelines for 24-101

### Rule amendments to NI-24101 Institutional Trade Matching and Settlement

1. At a minimum it would be beneficial if the changes (T+1 matching for non-western hemisphere clients) were implemented on September 1<sup>st</sup>, rather than September 5<sup>th</sup>. If not, we would need to do reporting for September 1<sup>st</sup> under a target of T+2, and the balance of the month under a target of T+1. So either producing two cards in the month of September, or doing one-time development for an exception process to accommodate.

2. Quarterly reporting is based on calendar: Jan – Mar, Apr – June, July – Sept and Oct – Dec. The quarterly reporting for July through Sept will be impacted in that July through Sept 1<sup>st</sup> will be based on a T+2 target and Sept 2<sup>nd</sup> through 30<sup>th</sup> will be based on a T+1 target. Recommendation is to make the rule amendments to T+1 at noon for non-western hemisphere clients align with the quarterly reporting requirement. So introduce the changes effective either July 1<sup>st</sup> or October 1<sup>st</sup>.

## 8. Issues to be closed

None.

## 9. Other Business

There was no other business raised.

## 10. Next Meeting

The next meeting is Tuesday September 20, 2016 at 2:00 PM ET/ 11:00 AM PT.

Michael Holmes thanked everyone for their participation.

### List of Attendees

Raymond James	Michael Holmes (Co-Chair)
Aequitas	Janet Hall
	Lang Moffat
AGF	Scott Maynard
	Ali Jaffer
Bank of America	Christina Williamson
Bank of Canada	Christian Belisle
BMO	Art Valdes
	Karen Copeland
BNY Mellon	Kerry Phippen
	Dina Zivanovic
Broadridge Canada	Angie Fernando
	Jenny Wang
CanDeal	Joe D'Alessandro
Canaccord	Sheera Badial
	Brenda McIntyre
CCMA	Keith Evans
	Barb Amsden
CDCC	Roger Warner
	Nabil Egseem
CDS	Laura Ellick
	Johann Lochner
CGI	Margaret Stephens
CIBC Mellon	Carol Revoredo
CIBC World Markets	Susan Fleming
	Goran Nikolovski
Citi	Alyse Kefeli
CCL	Mark Austin
Cormark	Eileen Conboy
Computershare	Donna McLaughlin
Credential Securities	Patrick Singh
	Tom White
Credit Suisse	Sam Ferrell
	Luigi Trentadue
	Wayne Cowel
	Jackie Chan
Desjardin	Didier Buisine
	Etienne-Manuel Reynaud
DTCC/Omgeo	Ana Lotharius
Edward Jones	Allan Knight

Fidelity Investments	Paul Peer
FundServ	Kyle Bedeau
	Russ White
Goldman Sachs	Johnny Fells III
	Oindri Lahiri
	Juan Ruiz
IBM	Amy Li
IIROC	Robert Allen
Invesco	Loredana Salceda
JP Morgan	Chris Seipel
L&T Infotech	Mike Lamacchia
Manulife	Andy Pauksens
MD Financial	Allan Riccardi
Morgan Stanley	Dianne Duffy
	Brian Choy
National Bank	Natalie Roberge
OSC	Aaron Ferguson
Questrade	Lulu Feng
Raymond James	Daniel Crean
RBC CM	Brian Calvert
RBC IS	Bruno Olivieri
	Jun Ah Park
	Ken Osugi
	Chris Strong
RPM Technologies	Allan Grossman
Scotiabank	Michael Bieleley
	Dragica Grbavac
	Frank Jocatis
Statestreet	Maggie Salisbury
	Ivan Yang
SS&C Technologies	Willie Meuller
TD Waterhouse	Michael Kenny
TMX	Mark Jarrett
	Antonio Discenza
Transatron	Stan Deudney
UBS	Marc Sobolewski
	Scott Abbott