

## **T+2 Operations Working Group (OWG)**

### **Agenda**

**June 13, 2017**

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

- |                                             |                                                         |
|---------------------------------------------|---------------------------------------------------------|
| 1. Approval of the minutes from May 2, 2017 | Michael/Domenic                                         |
| 2. CCMA Update                              | Keith Evans                                             |
| 3. CSA Notices                              | Keith Evans                                             |
| a. NI 81-102 – Submission Letter            |                                                         |
| 4. Ex-Date during T+2 Transition            | Johann Lochner                                          |
| 5. Implementation Plan                      |                                                         |
| 6. Industry Testing Strategy                |                                                         |
| a. Detailed Test Plan – CDS Update          | Johann Lochner                                          |
| b. Detailed Test Plan – Fundserv Update     | Kyle Bedeau                                             |
| c. Detailed Test Plan – CDCC                | Roger Warner                                            |
| d. Detailed Test Plan – DTCC Update         | Keith Evans                                             |
| 7. Review of Issue Log                      | Michael/Domenic                                         |
| a. Review of Open Issues                    |                                                         |
| 8. Issues to be closed                      | Committee Members                                       |
| a. OWG –                                    |                                                         |
| 9. Other Business                           |                                                         |
| <b>10. Next Meeting</b>                     | <b>Tuesday June 13, 2017 at 2:00 PM ET/ 11:00 AM PM</b> |

### **Conference Details**

**Conference ID: 7312646#**

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

## Minutes of May 2, 2017

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

### 1. Approval of the March 21, 2017 Meeting Minutes

The minutes of the meeting held on March 21, 2017 were approved as written by members of the working group.

### 2. CCMA Update

Keith Evans provided an update on the activities of the CCMA. He reported that the CCMA had recently issued the 9<sup>th</sup> version of the T+2 Newsletter and that copies were sent to all committee members.

He also reported that a new list of FAQs were recently posted to the CCMA website.

### 3. CSA Notices

- a. NI 24101; Keith reported that the CSA had recently issued a final notice with regards to this national instrument. He said that copies had been sent to all committee members. Keith said that the CSA had supported all of the industry requests, as submitted in our comment letter from last November. Keith said that the CCMA would send a 'thank-you' letter to the CSA within the next couple of weeks.
- a. NI 81-102; Keith reported that the CSA had recently issued a notice with regards to this national instrument. He said that the CSA had issued 'Guidance' as was requested by the industry. He also said that somewhat surprisingly, the CSA has agreed with the industry request, and has issued for comment, changes to the national instrument that will make it much clearer in terms of settlement timelines of mutual funds that fall under this national instrument. However, the changes will not likely be in force prior to the transition to T+2 in September, consequently they issued the 'Guidance' notice. Keith said that the CCMA would draft a response to the CSA on behalf of the industry, and submit it to the OWG for review at

their next meeting on June 13<sup>th</sup>. Once the OWG is satisfied, the T2SC will have a final review and approval prior to submission to the CSA, by the due date of July 26<sup>th</sup>.

#### **4. Ex-Date during T+2 transition**

Johann Lochner from CDS reported that this issue has been raised by the UST2. He reported that CDS and DTCC have met and agreed on a process. DTC is issuing a document within the next week or so, which will describe the issue, the impact, and a solution. This document will apply equally to the exchanges in both the US as well as Canada. Johann agreed that we will distribute this document once it becomes available.

#### **5. Industry Test Planning**

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

Johann Lochner from CDS provided an update on the CDS testing cycles. He said that the first cycle had just completed and they are readying the systems for the second cycle. There were some minor environmental issues with the first cycle, however all activities were completed. No major issues were detected or reported by the industry. Johann indicated that the second cycle would be extended to a three-week test cycle in order to accommodate the processing around Memorial Day in the US. He also said that CDS would be extending the hours of operation in or to accommodate more trade input. A new version of the test plan will be issued to reflect these changes.

In terms of the International Trade reconciliation reporting, Johann said that CDS will support processing during the period of June 5<sup>th</sup> to June 16<sup>th</sup>.

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

Kyle Bedeau gave an update on the Fundserv testing. He said that all testing is going well, and as expected. He reported that so far no issues have been

reported. There is a high level of awareness and a high level of confidence in the progress towards a September transition.

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

Roger Warner from CDCC reported that their testing went as expected and no major issues were reported. He also reported that CDCC had issued a new release of their test plan, which includes some minor revisions.

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

Keith Evans reported that there was no new material for the DTCC plan. He did report that there were no major issues to report at this time.

**6. Review of Issue Log**

Michael reported that there are no open issues that require discussion for this meeting. However, based on discussions between CDS and DTCC, the Ex-Date will be added to our issue log. Keith agreed to open an issue prior to the next meeting.

In terms of the pending issues dealing with the readiness of the ATS community, it was agreed that once the Project Acknowledgement Form is signed, in June by the ATS, their issue can be closed.

It was also agreed that once the second cycle of the CDS testing is completed, that this issue can also be closed.

**7. Issues to be closed**

Michael reported that there are no issues to be closed this month.

**8. Other Business**

There was a discussion about the need for an industry T+2 Implementation Plan. After a general discussion there was no consensus reached on the need. However, it was agreed that further discussion should take place at the next meeting. Keith agreed to add it to the agenda.

## 9. Next Meeting

The next meeting is scheduled for Tuesday June 13<sup>th</sup> at 2:00 PM ET.

Michael thanked everyone for their participation.

### List of Attendees

|                |                                |
|----------------|--------------------------------|
| Northern Trust | Domenic Sgambelluri (Co-Chair) |
| Raymond James  | Michael Holmes (Co-Chair)      |
| Bank of Canada | Sarah Norsworthy               |
| BBS            | Deborah Carlyle                |
| BMO            | Art Valdes                     |
| Bony           | Kerry Phippen                  |
| Broadridge     | Theresa Blonde                 |
| Canaccord      | Sheera Badial                  |
|                | Brenda McIntyre                |
| CCMA           | Keith Evans                    |
|                | Barb Amsden                    |
| CDCC           | Roger Warner                   |
|                | Ana May                        |
| CDS            | Johann Lochner                 |
| CEFTA          | Pat Dunwoody                   |
| CGI            | Phil Elliott                   |
|                | Margaret Stephens              |
| CIBC           | Susan Fleming                  |
| CIBC Mellon    | Carol Revoredo                 |
|                | Louis Lesnika                  |
|                | Dina Zivanovic                 |
| Connor Clarke  | Mark Austin                    |
| Cormark        | Eileen Conboy                  |
| Credential     | Leslie Christmas               |
| CST            | Tony Ierolino                  |
| Desjardins     | Danielle Trepanier             |
|                | Didier Buisine                 |
| DTCC/Omgeo     | Ana Lotharius                  |
| Edward Jones   | Laurie Easton                  |

|                |                  |
|----------------|------------------|
| ETC            | Jamie Kobie      |
|                | Dianne Graham    |
| Fidelity       | Maria Ong        |
|                | Rob Argue        |
| FundServ       | Kevin Lambie     |
| Goldman Sachs  | Kyle Bedeau      |
| GWL            | Adam LaKose      |
| IBM            | Linda Mosthaf    |
| JP Morgan      | Amy Li           |
|                | Chris Seipel     |
| L&T Infotech   | Brian Bagosy     |
| MD Financial   | Mike Lamacchia   |
| Morgan Stanley | Allan Riccardi   |
|                | Dianne Duffy     |
| National Bank  | Brian Choy       |
| OSC            | Natalie Roberge  |
| PWC            | Stacey Barke     |
| Raymond James  | Tony Kalvik      |
| RBC IS         | Daniel Crean     |
|                | Doug Allard      |
|                | Chris Strong     |
|                | Ken Osugi        |
| Scotiabank     | Riaz Merchant    |
|                | Frank Jocaitis   |
|                | Ian Graham       |
|                | Michael Bieleley |
| Statestreet    | Maggie Salisbury |
| TD             | Michael Kenny    |
|                | Dave O'Marra     |
|                | Brandon Buckley  |
| TMX            | Mark Jarrett     |
| Transitron     | Stan Deudney     |