

T+2 Operations Working Group (OWG)

Agenda

March 21, 2017

2:00 PM Eastern - 11:00 AM Pacific

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| 1. Approval of the minutes from February 21, 2017 | Michael/Domenic |
| 2. CCMA Update | Keith Evans |
| 3. Ex Date during T+2 Transition | Johann Lochner |
| 4. 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 | Roger Warner |
| d. Detailed Test Plan – DTCC Update | Keith Evans |
| 5. Review of Issue Log | Michael/Domenic |
| a. Review of Open Issues | |
| 6. Issues to be closed | Committee Members |
| a. OWG – | |
| 7. Other Business | |
| 8. Next Meeting | Tuesday April 18, 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 of February 21, 2016

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

1. Approval of the January 17, 2017 Meeting Minutes

The minutes of the meeting held on January 17, 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.

- The one-day Sifma conference on T+2, scheduled for March 29th, did not have an agenda that warranted the CCMA to attend. This is mainly due to another Sifma conference at the beginning of May, and the CCMA will be attending, and will cover much of the same information.
- He encouraged all Fundserv members to complete the recently issued T+2 survey. The deadline for completing the survey is Friday February 24th.
- He reported that the CCMA, on direction from the T2SC, had issued a comment letter to the CSA with regards to NI 81-102. In particular, the T2SC was concerned that the NI, as currently written, was not clear enough with respect to settlement and buy ins. Keith reported that this letter is on the CCMA website for those interested in what was submitted.
- He reported that the CCMA will be meeting this Friday with members of the CSA, to discuss the content and final timing of the two comment letters submitted to the CSA on NI 24-101 and NI 81-102. Keith indicated that he would immediately report back to the CCMA T+2 committees if anything material comes out of the meeting.

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 a new version of the test plan would be released shortly to include newly requested ISINs. He said that CDS is currently working on the connectivity testing. However, he said that there are still a number of organizations that have not contacted CDS to set up the testing...and this is important to complete prior to the start of testing in April.

b. Detailed Test Plan – Fundserv Update

Kyle Bedeau from Fundserv provided an update on their detailed test plan. He reported that Fundserv has not made any changes to their test plan. He also reported that Fundserv has had indications from their members that all of the current T+3 funds will be moving to T+2 in September. He said that the early returns from their survey (due Feb 24th) is indicating that 90+% of their members are confident that they will be ready for the T+2 implementation this fall.

c. Detailed Test Plan – CDCC Update

Roger Warner from CDCC reported that there were no new changes to the CDCC test plan. They do plan on issuing an update shortly, which will reflect some additional ISINs to be included in the testing. He said that the test plan is in good shape and that all regulatory filings have been completed.

d. Detailed Test Plan – DTCC Update

Keith Evans reported that there was no new material for the DTCC plan. However, the US testing is in the second week of the first two-week cycle. There has been no indications of any issues.

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

Johann reported that Computershare and TELUS had met, and concluded that no changes were forthcoming with respect to the foreign ownership conversion process. The committee members discussed this decision, and the cost implications as a result of a shortened settlement period. In the end, it was determined that this issue

would not prevent the transition to T+2, since CDS/Computershare have a process that will work...albeit with a significant increase in costs to the members. Corey Cunningham from Scotiabank agreed to take this issue to the CDS Equity and Debt Committee of the SDRC for further review.

5. Structured Products

Barb Amsden reported that at an IIROC meeting a member had referred to the CCMA asset list and noted that structured products were not shown as moving to T+2 (Note: While some were not within scope, there seemed to be interest in structured products that did settle on T+3 moving to T+2). **Barb asked members to provide contacts who may be able to help clarify this issue.**

A member asked about the status of derivatives, which remained outstanding on the U.S. list. Some derivatives that are not in scope for T+2, are backed by securities that are moving to T+2. Also, some swaps may be longer-term and so resets may have to move to T+2 or hedges associated with certain derivatives may have calculations that may be impacted. **Interested parties are asked to contact info@ccma-acmc.ca.**

6. Review of Issue Log

Domenic combined this item with #7 below.

7. Issues to be closed

Domenic reported that based on the discussions above, under Restricted Share Transfers, and that Corey Cunningham will be taking this issue to the CDS Equity and Debt Committee of the SDRC for further review, it was recommended that the OWG close Issue Log # 033.

Domenic also reported that since CDCC has completed all of its rule changes and system changes, that Issue Log # 004 should be closed.

After a short discussion, both issues were recommended to be taken to the T2SC for closure.

8. Other Business

Keith Evans reported that there have been a number of enquiries about which Funds would be moving to T+2, and which would not. Keith reported that all Funds that currently settle T+3 will move to T+2.

9. Next Meeting

The next meeting is Tuesday, March 21, 2017 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	Chris Sotiropoulos
	Scott Maynard
Alberta Inv Mgt	David Austin
Bank of Canada	Sarah Norsworthy
BBS	Deborah Carlyle
BMO	Art Valdes
	Don Marlowe
	Vincenza Riga
Broadridge	Theresa Blonde
Canaccord	John Coyle
	Brenda McIntyre
Canada Stock Transfer	Tony Iervolino
CanDeal	Debra McIntyre
CCMA	Keith Evans
	Barb Amsden
CDCC	Roger Warner
CDS	Johann Lochner
	Anna Guerico
CEFTA	Pat Dunwoody
CGI	David Locke

CIBC	Margaret Stephens Goran Nikolovski Susan Fleming
CIBC Mellon	Carol Revoredo Louis Lesnika Dina Zivanovic
Citigroup	Alyse Kefeli
Compass 360	Merici Young
Connor Clarke	Mark Austin
Cormark	Eileen Conboy
Credential	Robert Allen Leslie Christmas Wilson Young Shaun Noorzay Geoff Lai Brooke Odenvald
Credit Suisse	Andrea Mahar Wayne Cowell
Desjardins	Didier Buisine Danielle Trepanier
Edward Jones	Laurie Easton
ETC	Dianne Graham
Fidelity	Rob Argue Kevin Lambie
FundServ	Kyle Bedeau
Goldman Sachs	Adam LaKose
GW Life	Linda Mosthaf
IBM	Amy Li
Invesco	Loredana Salceda
JP Morgan	Chris Seipel
L&T Infotech	Mike Lamacchia Kim Barret
MD Financial	Allan Riccardi
Morgan Stanley	Dianne Duffy Brian Choy
National Bank	Natalie Roberge
NEO Exchange	Janet Hall
OSC	Aaron Ferguson
Questrade	Lulu Feng
Raymond James	Daniel Crean
RBC DS	Brian Calvert
RBC IS	Doug Allard Drake Mayshak Ken Osugi

Scotiabank	Ellen Batrie-Saites Greg Moroz Michael Bieley Corrado Belfiore Corey Cunningham
Statestreet	Denny Mendoca Maggie Salisbury Ivan Yang
TD	Brent Blake Michael Kenny Dave O'Marra Brandon Buckley
TMX	Sameer Syed
UBS	Mark Jarrett Natalie Fillippelli