

T+2 Operations Working Group (OWG)

Agenda

May 2, 2017

2:00 PM Eastern - 11:00 AM Pacific

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| 1. Approval of the minutes from March 21, 2017 | Michael/Domenic |
| 2. CCMA Update | Keith Evans |
| 3. CSA Notices | Keith Evans |
| a. NI 24-101 | |
| b. NI 81-102 | |
| 4. Ex-Date during T+2 Transition | Johann Lochner |
| 5. 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 |
| 6. Review of Issue Log | Michael/Domenic |
| a. Review of Open Issues | |
| 7. Issues to be closed | Committee Members |
| a. OWG – | |
| 8. Other Business | |
| 9. Next Meeting | Tuesday June 13, 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 March 21, 2016

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

1. Approval of the February 21, 2017 Meeting Minutes

The minutes of the meeting held on February 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 met with members of the CSA on February 24, 2017. The two main topics were based on the comment letters submitted relative to National Instruments 24-101 and 81-102.

For NI 24-101, Keith reported that we discussed the issues being considered by the CSA, particularly as it relates to the transitional quarter (July 1 to September 30, 2017). While the CSA Commissioners have not formally agreed, the CSA Staff were going to be recommending that the CSA approve the following;

That the amendments include transition provisions that would permit a registered firm to calculate its relevant ITM percentages for determining whether it needs to file an exception report for the calendar quarter during which the revisions are implemented, and, where applicable, for completing the report, as if the revisions do not come into force until the beginning of the following calendar quarter. Therefore, if the effective date is September 5, 2017, registered firms would be entitled to continue to use their current methodologies for calculating whether they meet the 90% ITM threshold for the entire calendar quarter ending September 30, 2017. For example, to the extent that a firm currently differentiates between North American DAP/RAP trades and non-North American DAP/RAP trades, or between ETF DAP/RAP trades and other equity DAP/RAP trades, for the purposes of its exception reports, it would not need to change mid-quarter its methodology for completing the report for the calendar quarter ending September 30, 2017.

Keith then reported that the discussion around issues related to NI 81-102 were also very positive. The CSA requested a separate meeting with Fundserv to discuss the conversion actives. This meeting took place on Friday March 3rd. Russ White from Fundserv participated in the call and provided background and details for all of the CSA questions. There are no more meeting planned at this time. The CSA was pleased with this discussion and we are hopeful that they will be able to support our request for the issuance of Guidance for Funds covered under NI 81-102 to move to T+2.

The CSA does not have a specific date for issuance, but suggested that it could be sometime in April.

3. Ex-Date during T+2 transition

Johann Lochner from CDS reported that this is a new issue that has been raised by the UST2. However, a meeting with DTCC will only be taking place later today, and therefore an update will be provided at the next meeting. Keith Evans reported that this is not likely to lead to any additional development work, as there appears to be a manual work around.

4. 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 has been released. The new version incorporates additional Fixed Income ISINs that were requested by industry members. He also reported that CDS is continuing to issue reports in RMS, to support the UST2 testing. He reported that it was expected that the US Trade Recon report testing would take place in July. However, there have been a number of requests to perform this activity earlier. Based on feedback from members of the OWG, CDS will now be performing this activity in June. Johann reported that 50% of the connectivity testing has been completed.

b. Detailed Test Plan – Fundserv Update

Russ White from Fundserv provided an update on their detailed test plan. He reported that Fundserv had commenced their V27 testing this week, and so far no issues have been reported. He also reported that as a result of the Industry Survey they completed in February, the Fund industry is well prepared. There is a high level of awareness and a high level of confidence in the progress towards a September transition. He also reported that based on feedback from all areas of the industry, there are no known 81-102 governed funds that will not be transitioning to T+2.

c. Detailed Test Plan – CDCC Update

Roger Warner from CDCC reported that there were some minor changes to the CDCC test plan. These changes include some additional ISINs and dates 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. He did report that about 115 members and 850,000 transactions were processed within the first cycle of their testing. He also reported that there were no major issues to report at this time.

5. 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 may become an issue. This will be dealt with at the next OWG meeting.

6. Issues to be closed

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

7. Other Business

There was no items raised under Other Business.

8. Next Meeting

Michael indicated that due to the timing of the CDS first test cycle, that maybe we should combine the April and May meeting of the OWG and schedule it immediately after the first two week cycle. The members of the OWG agreed. Keith agreed to find an appropriate date for this meeting.

Post Meeting Note: The next meeting is now scheduled for Tuesday May 3, 2017 at 2:00 PM ET/ 11:00 AM PT.

Michael thanked everyone for their participation.

List of Attendees

Northern Trust	Domenic Sgambelluri (Co-Chair) – Not Attending
Raymond James	Michael Holmes (Co-Chair)
AGF	Chris Sotiropoulos
Alberta Inv Mgt	David Austin
Bank of Canada	Sarah Norsworthy
BBS	Deborah Carlyle
BMO	Art Valdes
	Don Marlowe
Bony	Kerry Phippen
Broadridge	Theresa Blonde
Canaccord	John Coyle
	Brenda McIntyre
Canada Stock Transfer	Tony Iervolino
CCMA	Keith Evans
CDCC	Roger Warner
CDS	Johann Lochner
	Annie Mah

CEFTA	Anna Guerico
CGI	Pat Dunwoody
	David Locke
	Margaret Stephens
CIBC	Susan Fleming
CIBC Mellon	Carol Revoredo
	Louis Lesnika
	Timothy Pinnell
	Dina Zivanovic
Citigroup	Alyse Kefeli
Compass 360	Merici Young
Connor Clarke	Mark Austin
Cormark	Eileen Conboy
Desjardins	Danielle Trepanier
Deutsche Bank	Metreon Roberts
ETC	Dianne Graham
Fidelity	Rob Argue
FundServ	Kyle Bedeau
Goldman Sachs	Johnny fells III
	Kent Bulfin
IBM	Amy Li
Invesco	Loredana Salceda
JP Morgan	Chris Seipel
L&T Infotech	Mike Lamacchia
Mackenzie Inv	Kate Frazer
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	Elaine Partridge
RBC DS	Brian Calvert
RBC IS	Doug Allard
	Drake Mayshak
	Jun Ah Park
	Ken Osugi
Scotiabank	Greg Moroz
	Frank Jocaitis
	Ian Graham
	Corrado Belfiore
	Corey Cunningham
Statestreet	Ivan Yang

TD

Brent Blake
Michael Kenny
Dave O'Marra
Brandon Buckley
Rob Candido
Jasvir Bhogal
Sameer Syed
Antonio Discenza
Stan Deudney
Natalie Fillippelli
Walker Wentworth

TMX
Transitron
UBS