

## T+2 Steering Committee

### Agenda

**January 18, 2017 at 10:30 AM ET – 7:30 AM PT**

- |  |   |
|--|---|
| 1. Approval of the November 23, 2016 Minutes                     | Keith Evans   |
| 2. UST2 - Status of T+2  | John Abel   |
| 3. CCMA Update   | Keith Evans   |
| a. Peru and Mexico to T+2  |   |
| 4. CCMA Survey #2 Results  | Barb Amsden   |
| 5. Industry Readiness – APPROVAL REQUIRED                        | Keith Evans   |
| a. “Readiness Acknowledgement Form” (see bottom of this package) |   |
| b. “List of entities to sign” (see bottom of this package)       |   |
| 6. T2SC Working Group Status                                     |   |
| a. OWG   | Michael Holmes  |
|  | Dom Sgambelluri                                       |
| b. LRWG  | Jamie Anderson  |
| c. CEWG  | Barb Amsden   |
| d. MFWG  | Kyle Bedeau   |
| 7. Issues completed by working groups for approval               | Jason O’Born  |
| a. OWG   |   |
| i. OWG – 023 – Holiday Processing                                |   |
| ii. OWG – 025 – Asset List                                       |   |
| b. LRWG  |   |
| c. CEWG  |   |
| 8. Other Business  |   |
| 9. Next Meeting  | Wednesday February 22, 2017 at 10:30 AM ET 7:30 AM PT |

### Conference Details

Conference ID: 7312646#

**Minutes of November 23, 2016**

Keith Evans of CCMA welcomed and thanked all members for attending the T2SC meeting.

**1. Approval of the October 26, 2016 meeting minutes Keith Evans**

Keith Evans reported that the minutes had been distributed prior to the meeting and that no comments had been received. No additional comments were made at the meeting and the minutes of October 26, 2016 were unanimously approved.

**2. UST2 - Status of T+2 John Abel**

John Abel updated the committee on the issues being addressed by the UST2, as follows;

- Their focus right now is on drafting comment letters to the SEC by the December 5, 2016 deadline. DTCC, SIFMA, and various individual firms will be submitting comment letters. Keith noted that for entities planning on submitting a comment letter to the SEC, specific support as to the September 5, 2017 date for transition would be helpful.
- DTCC has submitted its proposed rules for comment (DTC amendments were effective upon filing and not subject to a comment period; the NSCC proposed amendments are subject to comment with a deadline of December 9, 2016).
- DTCC development work has been completed and UAT is now underway.
- Industry prep work for the testing to commence February 12, 2017 is being finalized.
- Command Center is now reconsidering their ability to make a Go/No-Go decision, and will likely make a Go/No-Go “recommendation” as it is the SEC that will set the date. This is work that will be the focus of the next little while.

### **3. CCMA Update**

**Keith Evans**

Keith reported that the CCMA had submitted all three regulatory comment letters (CSA, SEC and IIROC) based on the approval of the T2SC. All three were submitted prior to their respective deadlines.

Keith said that IIAC had held an industry roundtable to discuss the NI 24-101 Consultation Paper, and as a result had submitted a comment letter on behalf of the industry.

All four comment letters are now posted on the CCMA website.

In terms of readiness, Keith reported that IIROC had issued a notice that requires all self-clearing IIROC members to participate in the industry wide testing with CDS. Keith said that testing would be at the discretion of individual members, but it must be 'Sufficient and Appropriate' and must include evidence for review by IIROC. Keith reported that there appears to be 10 to 15 firms that use proprietary systems for back office processing, and that he and IIROC will work to ensure that these firms are contacted in the near term.

### **4. Industry Readiness**

**Members**

Keith Evans reported that he had had a number of discussions with both industry members since the last meeting. He reported that we are still leaning towards Canada providing some form of sign-off. However, the original draft document was causing some firms concern, due to possible legal implications of the wording. Keith said that a new draft was included in the package for review. He said that the new version had been revised to make it more of a project signoff rather than a legal certification. Keith said that this version is the next to last version and that the T2SC would be required to approve the final version at the January 2017 meeting. This would allow sufficient time to socialize the document with those who would be expected to sign off on them. He asked all members to review the document and provide material comments to Keith as soon as possible. Keith said that he would

work with CDS to ensure a process that makes sense would be communicated at the next meeting of the T2SC.

## **5. T2SC Working Group Status/Approvals**

### **a. OWG**

**Dom Sgambelluri**

Michael Holmes reported that the OWG had met the previous day and reviewed the latest on the industry test plans. In addition, CDCC has recently issued their first draft of their test plan. He also reported that IIROC had recently issued an email to members advising them that all self-clearing members would be required to be part of the industry testing.

### **b. LRWG**

**Jamie Anderson**

Jamie reported that the LRWG had also met the previous day. He said that they continue to work on the list of outstanding issues, and suggested that approximately two thirds of the issues have been closed. He also mentioned that all of the issues that would have required a long lead time are in progress (e.g. IIROC rules and NI 24-101). Jamie said that 9 issues have been sent to the US ISC for guidance, as these entities have their primary regulator in the U.S. and ultimately the US ISC and the entities themselves will need to determine what changes, if any, are required for T+2. Of these 9 issues, 4 do not appear to require rule changes, 3 do appear to require such, and 2 are unknown due to lack of public information.

### **c. CEWG**

**Barb Amsden**

Barb Amsden reported that all of the CEWG have been closed. She said that the committee is focusing on a new survey, updating FAQs and a new newsletter. The CEWG is also considering whether an event should be held in the new year regarding T+2.

### **d. MFWG**

**Kyle Bedeau**

Kyle Bedeau from Fundserv reported that there are no changes have been made to their test plan, and that everything is on track. He did report that Fundserv is

planning for system downtime during the transition weekend, but no definitive decision has been made yet. Kyle also reported that all members are encouraged to become familiar with the test plan and the process to be followed throughout the test period.

**6. Issues completed by working groups for approval**                      **Jason O’Born**

- a) OWG Issues; Michael Holmes reported that OWG – 024, which deals with Accrued Interest has been reviewed by the OWG and that no changes have been identified. Therefore the OWG is recommending that this issue be closed.
- b) LRWG: Jamie Anderson four issues to be closed.
  - 1. LRWG – 004 - Mutual Funds. Both IFIC and the CSA concluded that no changes are required to NI 81-102 as the current drafting is flexible enough to support a transition to T+2.
  - 2. LRWG – 014 –Commodity Pool Funds. Both IFIC and the CSA concluded that no changes are required in order to support a transition to T+2.
  - 3. LRWG – 007 – Insurance Products. The CLHIA representative advised IFIC that no changes are required in order to transition to T+2.
  - 4. LRWG – 045 – Omgeo Canada. Omgeo has reported that no changes are required for its Master Services Agreement in order to support a move to T+2.

Jason O’Born asked for any questions or comments. After a brief discussion all issues were accepted for closure.

**7. Other Business**

There was no new business brought forward at this time.

**8. Next Meeting**                                      **January 18, 2017** at 10:30 AM ET 7:30 AM PT

### List of Attendees

CCMA	Keith Evans (Co-Chair)
RBC – CM	Jason O’Born (Co-Chair)
Bank of Canada	Christian Belisle Therese Couture
Canaccord	Brenda McIntyre John Coyle Simon Whitney
CCMA	Jamie Anderson Barb Amsden
CDS	Fran Daly
CIBC Mellon	Louis Lesnika Carol Revoredo Dina Martinovic
CIBC World Markets	Greg Holmes
Computershare	Lara Donaldson
Connor Clark	Mark Austin
DTCC	Ana Lotharius John Abel
Fundserv	Kyle Bedeau
GMP	Joe Riga
Goldman Sachs	Adam Lakose
IBM	Amy Li
IIROC	Marsha Gerhart Ciro Marabella
IFDS	Millicent Asiamah
National Bank	Natalie Roberge Nelson Dugre Sasserville
Northern Trust	Domenic Sgambelluri
OSC	Aaron Ferguson



PMAC	Kevin Leblanc
Questrade	Lulu Feng
Raymond James	Michael Holmes
Scotiabank	Corey Cunningham
STAC	Bill Speirs

**PROJECT ACKNOWLEDGEMENT FORM ON THE NEXT PAGE**

## **SAMPLE T+2 Project Acknowledgement**

Dated the \_\_\_\_ day of \_\_\_\_\_, 2017

Name of Entity: \_\_\_\_\_

**has taken commercially reasonable steps and we acknowledge that the entity:**

- and its senior management have not been made aware of any material issues regarding functional and systems testing (including those outsourced) for T+2 settlement to the extent required for the entity's operational activities;
- has enacted or intends to implement or file all rule, procedure, contractual, regulatory and other similar amendments required to implement T+2 settlement it deems necessary;
- has undertaken or intends to undertake a communications plan to advise its impacted clients and members of the entity's T+2 settlement changes;
- has completed or is on schedule to implement all systems changes required for T+2 settlement it deems necessary; and
- in its sole discretion and after exercising commercially reasonable due diligence, anticipates no other material issues which would prevent its T+2 settlement development from going live on the 5<sup>th</sup> of September, 2017.

Signed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Please email the completed Project Acknowledgement to [info@ccma-acmc.ca](mailto:info@ccma-acmc.ca) no later than close of business on **Friday 30<sup>th</sup> of June, 2017.**



Proposed organizations to provide attestation as to their T+2 readiness.

### Clearing Agencies

- CDS
- CDCC
- DTC/NSCC
- Fundserv

### Exchanges

- Aequitas
- MX
- CSE
- TSX, TSX-V, TSX Alpha -

### ATS's

- Bloomberg Tradebook
- Nasdaq (Chi-X)
- Equilend Canada
- Liquidnet Canada
- Match Now (TriAct)
- CanDeal
- CBID (Perimeter)
- Instinet Canada Cross
- MarketAxess Canada
- Omega/Lynx

### Vendors

- Broadridge - BPS
- CGI
- IBM
- Paramax
- SGGG
- SunGard
- Broadridge - Dataphile
- IFDS
- Omgeo
- RPM
- SS&C
- Univeris

### Custodian Vendors

- CIBC Mellon
- RBC Investor Services
- Northern Trust
- Statestreet