

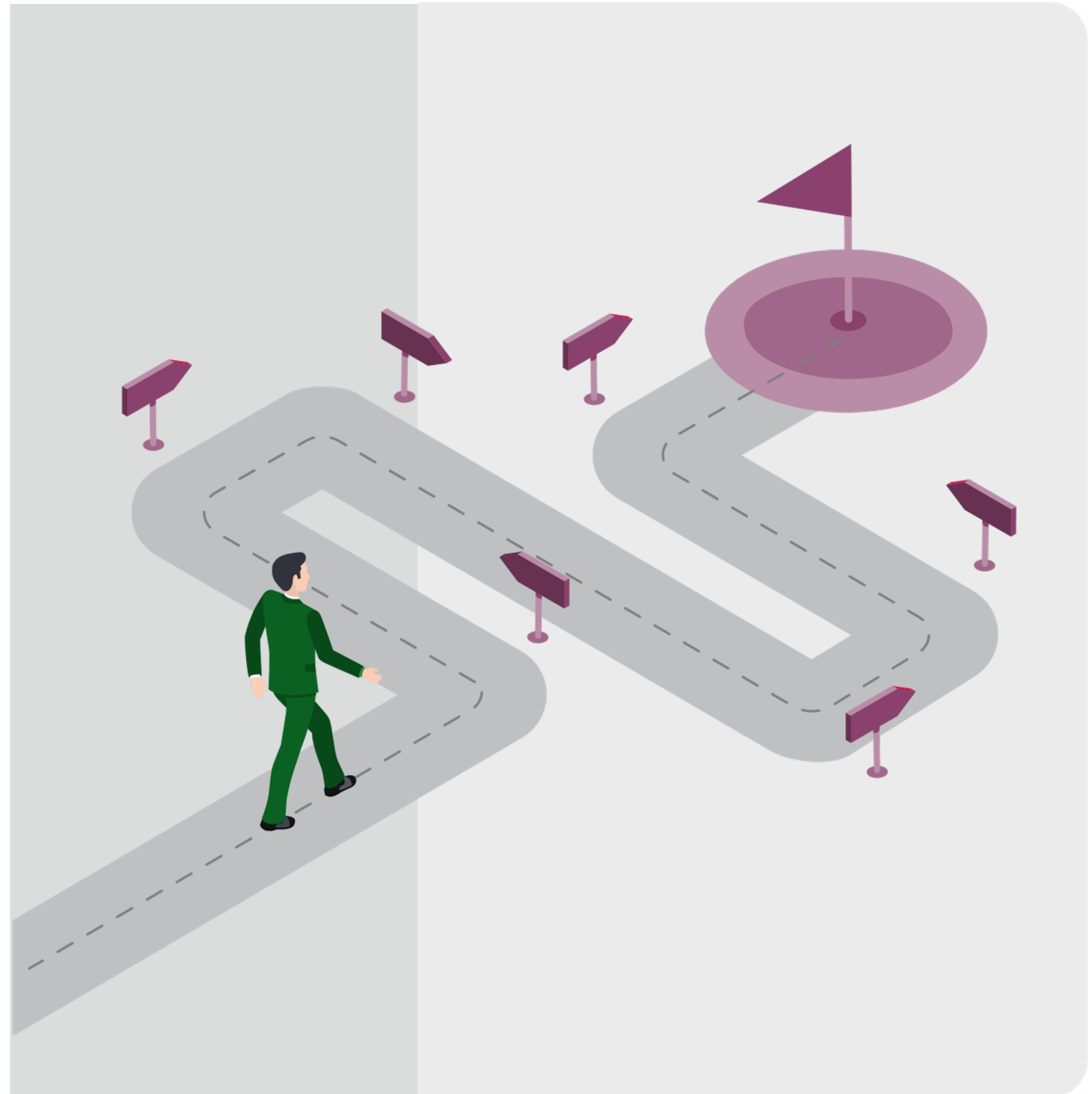
---

# Transition to T+1

IFIC 2022 Operations Day

Russ White

Director, Product Management



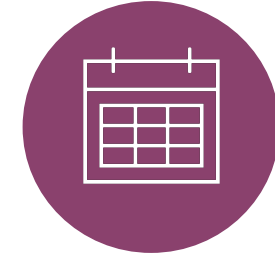
# Mandate of the Fundserv Working Group



Collaborate with members and other industry stakeholders to uncover the operational issues related to the potential settlement cycle change from T+2 to T+1.



Gain consensus on tactics to remediate these issues.



Timing of implementation  
Sometime in 2024  
Awaiting decisions by SEC and CSA

# Companies Represented on the Working Group

AGF	Counsel Group of Funds	National Bank
ATB Securities Inc.	Desjardins	OSC
Aviso	Edward Jones	Portfolio Strategies
BBS	Fidelity Investments Canada	Questrade
BMO	Fidelity Clearing Canada	Raymond James
Broadridge	Federation of Mutual Fund Dealers	RBC
Canada Life	Franklin Templeton	Scotiabank
CCMA	HUB Financial	SGGG Fund Services
CGI	IA Clarington Investments	Sunlife
CI Investments	IFSD	TD
CIBC	IFIC	Torstone Technology
CIBC Mellon	LTI	UBS
CLHIA	Invesco	Viefund
Cooperators	Manulife	

# Current Breakdown by Settlement Date & Trade Volume

## Funds available on the Network broken down by settlement period

Settlement period	# of funds	Percentage
T+1	8,671	9%
T+2	82,821	87%
T+3 or gr	4,131	4%
<b>TOTAL</b>	<b>95,623*</b>	<b>100%</b>

*\*As of end of 2021*

# Current Breakdown by Settlement Date & Trade Volume

## Buys and sells over 3-month period broken down by settlement period

Settlement period	Volume of trades**	Percentage
T+1	5,444,681	23.33%
T+2	17,784,730	76.23%
T+3 or greater	100,462	.44%
<b>TOTAL</b>	<b>23,329,873</b>	<b>100%</b>

# Scope



All funds covered  
by National  
Instrument 81-102

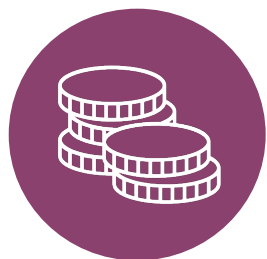


Most did, but not all  
funds moved to T+2, we  
expect the same for the  
transition to T+1

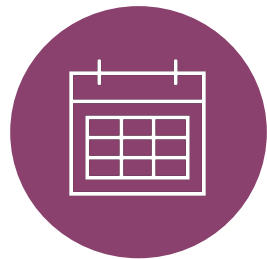


In our operational  
committee, 26 out of  
27 members voted in  
favour of moving to  
T+1. This is not from  
an IFIC Board or risk  
perspective

# Issue Logs



Liquidity – A fund manager challenge



Aligning settlement date of directs with wire orders



Dealer challenge: how to obtain investor money for purchases and settle by T+1?



In-cash transfers – will continue as is



Error corrections on settlement date (V33)

# Dates & Execution



- When do we publish changes to the Fundserv Standards?
- How much UAT time do members need?



- Fund Setup files with implementation date weekend effective date



# How To Get Involved

Meetings are held on the fourth Thursday of the month.  
Want to participate? Email us at: [workinggroupcoordinators@fundserv.com](mailto:workinggroupcoordinators@fundserv.com)  
Your voice matters

