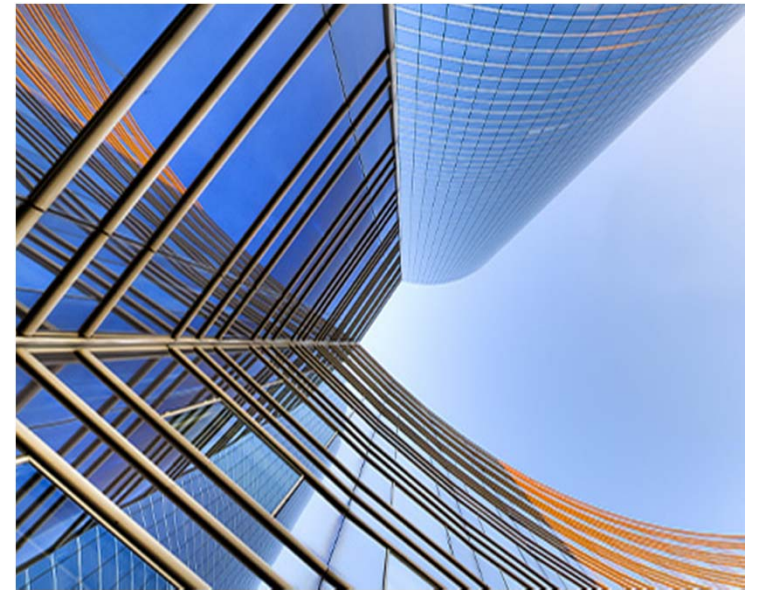


# Broadridge Canada: T+2 Readiness

September 9th, 2016





# Agenda

- Broadridge T+2 Approach
- Current Status
- Broadridge Readiness Approach
- Broadridge Readiness Checkpoints
- The Next 12 Months

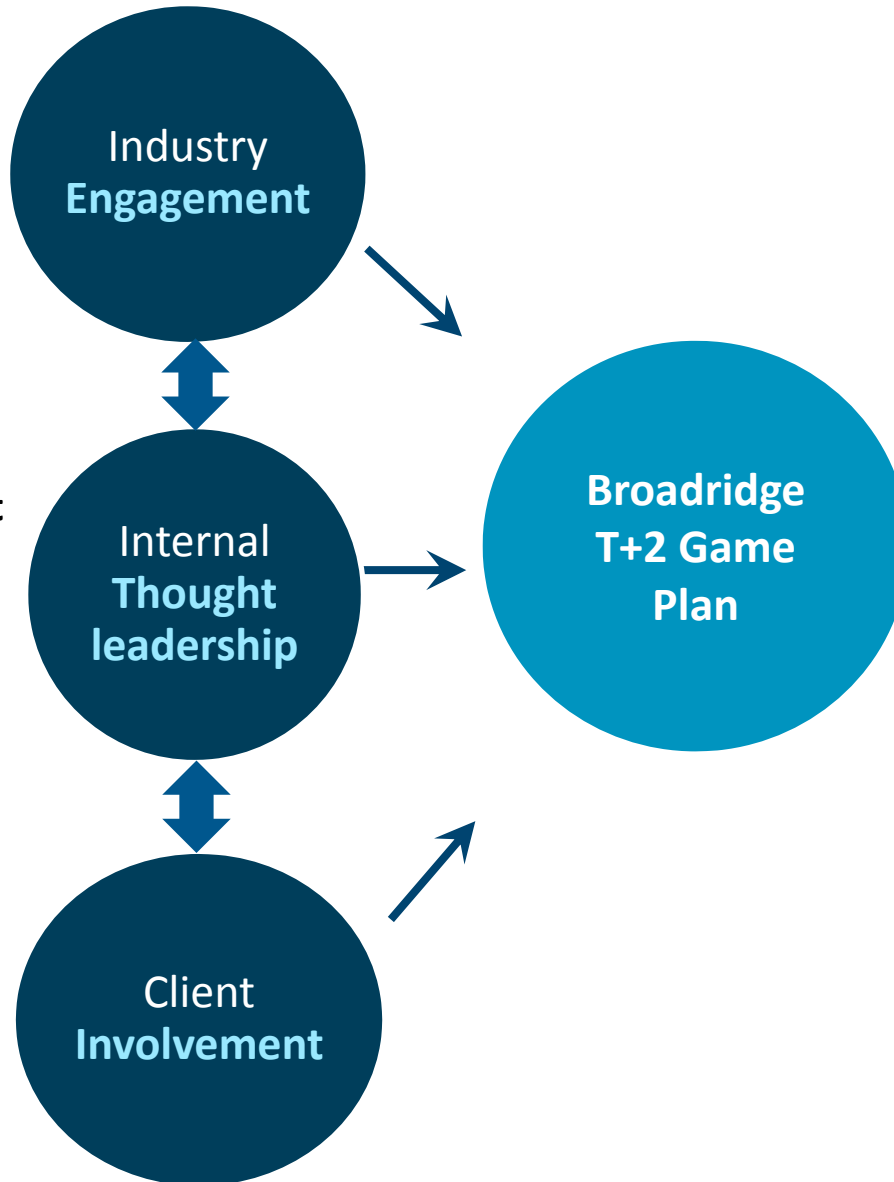
# T+2 Game Plan: How We Created It

- Our Approach: Industry Driven, Client Centric, Thought Leadership

- Industry Working Groups
- DTCC, CCMA, FundSERV, CDS
- Industry Testing Committee

- Enterprise wide cross product assessment
- Multi-discipline
- Robust Analytical & Planning Framework

- Client centric project governance
- Client Advisory Committee
- Operational Working Groups



- Technology Changes
- Test Environment
- Process Changes



# Current Broadridge Status

## Accomplishments

- Identified system changes needed
- Engaged in T2 Industry groups (CCMA, DTCC, Fundserv)
- Established Canadian client meeting structure: weekly working groups, monthly senior advisory meetings
- Completed Development & Testing for CDS' CNS Early Novation initiative

## Work In Progress

- Completing T+2 test environment build
- Reviewing Industry test plans to integrate into overall Broadridge Test Strategy
- Identifying business process enhancements for shortened settlement cycle
- Defining overall readiness tests

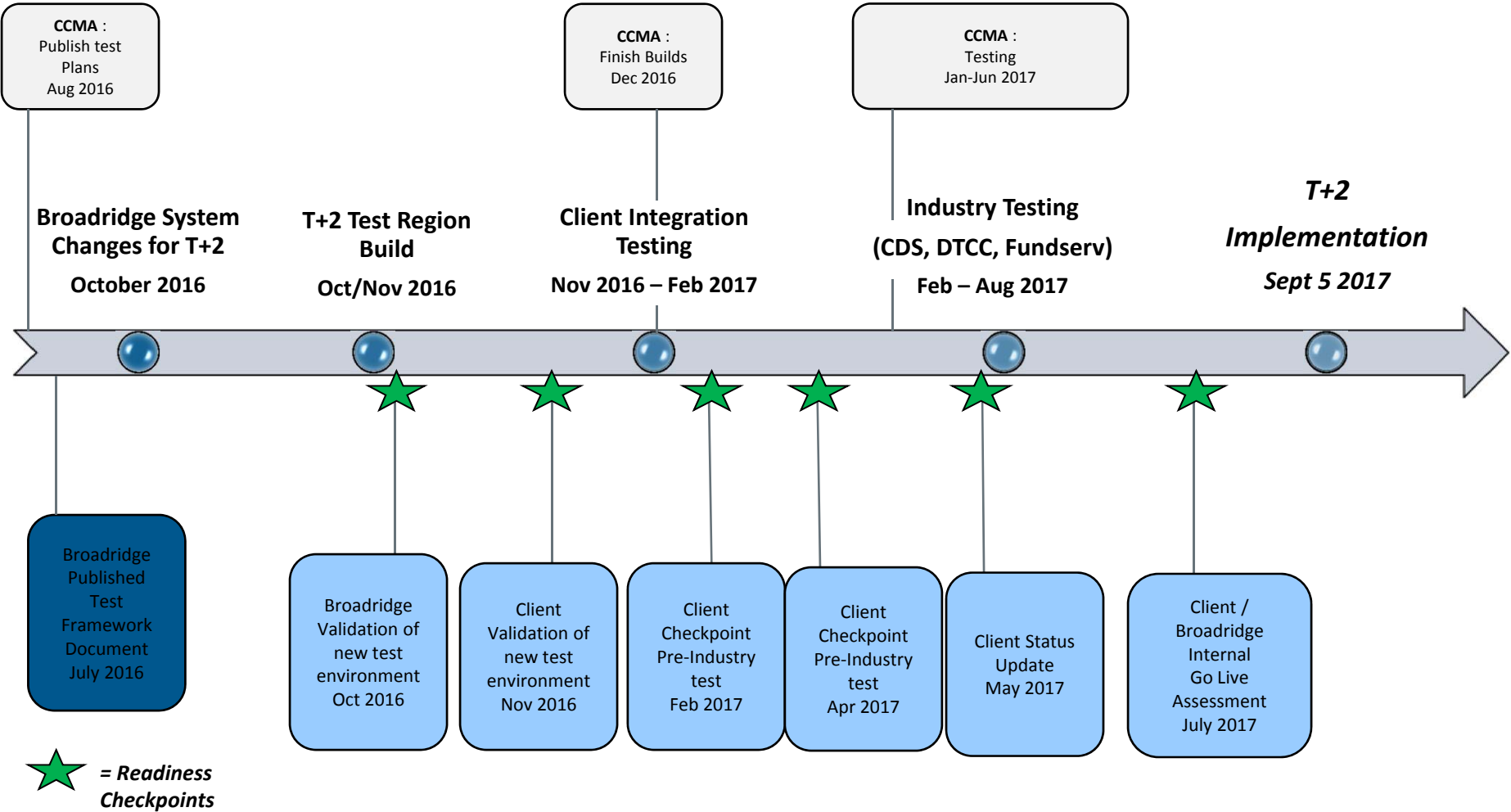


# The Next 12 Months

- Test, Test, Test...
  - Finish environment build
  - Finalize test strategy and execute
  - Finalize cutover plan, test and execute
- Readiness
  - Define aspects of readiness and scorecard system
  - Implement assessments and ratings
  - Client attestations
- Business Process Management improvements
  - Holiday processes
  - Reconciliations
  - Trade analysis



# Broadridge Project Stages





# Readiness Checkpoints

- Broadridge will track & assess readiness with various checkpoints prior to and after Industry Testing
- Checkpoints will be in the form of questionnaires and scorecards
- Checkpoints are intended to assess the following:
  - Availability, accessibility and usability of T+2 test environment
  - Client readiness in advance of Industry Testing
  - Status of Clients' Industry testing
  - Client readiness for T+2 implementation (required for Broadridge's industry sign off)
  - Broadridge readiness for T+2 implementation (required for Broadridge's Industry sign off)



# Business Process Management for T+2

- What are we talking to our clients about?

Our focus is to analyze and improve those business process activities impacted as a result the move to T2 to enable our clients to become more efficient

- **Reconciliation**

- Street side reconciliation for Clearing Trades
- Root cause analysis of exceptions

- **Fails Management**

- Causal analysis of fails
- Comparison Rates for Ex-clear and Fixed Income
- Affirmations
- Corrections

- **Trade Analysis**

- Trade Lifecycle STP analysis
- How good are you at processing your trades straight through without exceptions
- Where are the potential STP breakpoints in the process





# QUESTIONS?