



## **CST Enters Canadian Mortgage Custody Market with Electronic System, following CMHC Qualification**

December 13, 2016 – Toronto, ON – CST Trust Company (“CST”), a leading provider of financial, administrative and advisory solutions, has entered the Canadian custody market as a National Housing Act Mortgage-Backed Securities (NHA MBS) custodian and title custodian, following its qualification last week by the Canada Mortgage Housing Corporation (CMHC). As the first new entrant to the market in 30 years, CST will transform the documentation and tracking processes around Canada’s NHA MBS program, and assets held within, through state-of-the-art technology and automation.

While adhering to CMHC requirements, CST will also create a digital registry of Canadian mortgages. This electronic repository, with CST as the registered title holder, will track beneficial ownership of every mortgage from origination through its sale to investors and subsequent securitization. This will provide issuers, originators and investors with easily searchable, on-demand access to specific asset information whenever they need it. The new technology will also eliminate delays and potential inaccuracies inherent in manual attestation, in which custodians certify that documentation is complete, as well as in the storage of physical documents off-site.

Already, both a top-three Canadian bank in mortgage securitization and an IIROC dealer have selected CST as its new mortgage custodian, becoming the first bank and dealer to digitize their NHA MBS mortgage records.

With the introduction of the new service, CST also launches its new Structured Financial Services group. Through the new business unit, CST will be the only tech-enabled professional services firm in North America offering a full range of structured financial solutions to capital markets, ranging from trustee to customized administration functions on an advisory basis. The newly appointed head of the division, Frank Turzanski, will lead a dedicated and experienced team, providing clients with high-touch, personal service. Mr. Turzanski brings more than ten years of experience in structured finance to the role, having previously held progressively senior positions at other major Canadian financial institutions.

“CST is poised to reinvent the process of mortgage custody in Canada, using proprietary technology to create efficiencies in a market that has long been bogged down by paperwork and manual processes,” said Mr. Turzanski, Senior Vice President at CST. “Our goal is to move beyond the physical document storage system that currently exists, and advance the market towards an ‘e-signature’ model. Issuers, originators and investors alike will benefit from increased efficiency and reduced risk.”

“As we grow our suite of service offerings, we aim to be a ‘one-stop shop’ for our clients’ structured finance needs,” said Margot Jordan, President and Chief Executive Officer at CST. “With regulated trust companies in the U.S. and Canada, we have a distinct advantage over our peers in terms of the range of solutions we are able to provide. And with Frank at the helm, our clients will benefit from his extensive industry expertise and from his team’s best-in-class approach to service.”

The Structured Financial Services group will offer a broad suite of solutions including custodial, administrative agency, special purpose vehicle (SPV) administration, covered bond administration, asset-backed commercial paper administration, and other structured finance services. The unit complements CST’s comprehensive range of issuer services, including corporate trust, transfer agency and corporate actions services, among others.

**About CST**

Headquartered in Canada, with offices in Toronto, Montreal, Calgary and Vancouver, CST Trust Company (CST) provides issuers global solutions through local access points. CST and its affiliate, American Stock Transfer & Trust Company, LLC (AST), provide fully integrated services that include comprehensive stock transfer, corporate trust, employee plan services, corporate proxy solicitation and advisory solutions, information agent, shareholder identification, asset recovery, and investment management offerings to more than 8,000 public issues and over five million shareholders. Together, CST and AST serve clients located throughout North America that range in size from initial public offerings to Fortune 100 companies. For more information, please visit [www.canstockta.com](http://www.canstockta.com).

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