Evolving Technologies WG – DLT Use Case – Collateral Workstream   23 July 2025, On Teams

Meeting Minutes

Bill Hodash, (PMO)

Participants (in attendance in bold):

Steve	**Everett**	**TMX Group Limited**
Kelly	**Mathieson**	**Digital Asset Holdings**
Juerg	Unger	Swiss Re
Patrick	Kropp	Deutsche Börse Group
Jiang	**Qian**	**SWIFT**
Martin	**Watkins**	**Archax Holdings Ltd**
Peter	**Hubli**	**Zurcher Kantonalbank**
Steve	**Briscoe**	**Cleartoken**
Simon	**Wong**	**Hong Kong Exchange**

Agenda

1. Set Objectives for the Workstream

1. Select 2 or 3 Objectives for the Workstream

Key Points Addressed

- In the last meeting it was agreed that the main discussion is no longer about the technology itself but rather about the legal and regulatory issues, and risks, especially related to cross-border transactions. The group agrees it should focus on the client benefits of real Collateral use cases including how they can scale and to stress the need for interoperability and integration.
- We discussed the following 5 potential measurable objectives for the Workstream and agreed to focus on the ones in Blue Font:

1. **Define 3–5 Viable Implementation Models for Collateral Use Cases**
    - We'll map out a small set of feasible DLT deployment models for securities services. These will be practical configurations that make sense from an operational, legal, and regulatory standpoint—thinking something like hybrid models, permissioned ledgers with tiered access, or FMI-operated nodes. The goal is to publish a comparative view showing strengths, weaknesses, and preconditions for each.
2. **Map Current vs. Target Workflows for Key Use Cases (We decided to defer this one for now)**
    - We'll select 2–3 core DLT collateral use cases (upgrades, cross border, intraday etc.) and compare current-state workflows to what they would look like on a DLT-based infrastructure. The focus is on understanding operational deltas and integration points—not a science experiment, but something a custodian or FMI could actually run with.

3. **Identify and Categorize the Top Ten Legal/Regulatory; Operational and Technology Friction Points (where the technology is related to operational or legal/regulatory frictions)**
   - We'll catalogue the top legal/regulatory and operational issues (plus technology matters that relate to these) that would impact rollout—whether it's finality, asset definition, data sharing, or liability models—and organize them by jurisdiction and level of complexity. This gives us a working map of what needs advocacy or further exploration depending on the region.

4. **Establish Evaluation Criteria for Vendor Readiness (We decided to defer this one for now)**
   - As we engage vendors, we'll apply a standardized lens: Are they interoperable with existing standards (e.g., ISO 20022)? Do they support real-world integration? Can they meet regulatory expectations? We'll build a common evaluation framework to ensure our comparisons are grounded in what matters for implementation.

5. **Publish a Pragmatic Roadmap or Playbook (We decided to defer this one for now)**
   - Lastly, could we distill our findings into a practical roadmap or recommendation playbook for the broader ecosystem—highlighting actionable next steps, "no regrets" investments, and realistic timelines for market participants looking to move from PoC to adoption.
   - The three workstream members and PMO present at this meeting all agreed that we should focus on the first three of the potential objectives and that that we should bring in external parties to hear their views of some of the challenges so that we can develop a view of what different players from different regions think about adoption.
   - Kelly mentioned that she is aware of a major announcement coming from an FMI getting into this space, and once that is announced, we could invite them to brief us within the framework of these three objectives.
   - Steve B. added that his firm has launched a service in this space and would be happy to present at a future meeting as well.
   - It was agreed that, via distribution of these minutes, we will inform the Workstream members who were not present for this meeting of the 3 objectives we selected and ask them if they agree or have other suggestions. We will look to finalize them before the next meeting on July 23.

Next Steps

- It was agreed that each member will bring to the next meeting and implementation model for a Collateral use case to discuss.
- Then we will invite the sponsor of one of those models to the following meeting to dive into their model.

AOB and Close

No other business raised. The meeting was then closed.

Summary of Follow Up Actions

No.	Action Description	Responsibility	Deadline
1.	Bring and Implementation Model for a Collateral Use Case for discussion at next meeting	All Members	August 20