

Evolving Technologies WG – DLT Use Case – Collateral Workstream 19 November 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	HKEX

Agenda

1. Review Objectives
2. Preview Collateral Tokenisation Survey Key Findings – Guest: Barney Nelson of The Value Exchange

1. Review Objectives

Key Points Addressed

- We agreed the following two measurable objectives for the Workstream:
- 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. 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
 - Discussion ensued identify two categories of Use Cases for our focus:
 - Intraday Repo/Digital Collateral
 - Cross-Border Transactions
 - At the next meeting we will validate this and split the group into two to work on these two Use Cases, applying the criteria above in the two measurable objectives. Those two groups can then recruit additional experts from their firms to work on the analysis

3. Collateral Tokenisation Survey Key Findings – Guest: Barney Nelson of The Value Exchange

Key Points Addressed

- The Key Findings are being published this week by both The Value Exchange and ISSA. ISSA’s announcement can be accessed via this link: <https://issanet.org/collateral-tokenisation-survey-key-findings-release-comms/>
- The average firm is pledging \$74 billion
- The highest areas of investment are in Securities Lending, Repos, OTC Derivatives and Listed Derivatives
- 25% of a firm’s collateral is either excess or not renumeralated
- Tokenisation of collateral is expected to deliver immediate savings of over USD340m for Tier one firms
- Collateral tokenisation is expected to deliver across the full trade lifecycle reducing fails by over 13%
- Firms are moving quickly - 52% expect to be live by year-end
- The Economic Challenges include:
 - \$2.8 billion average lost earnings for large firms.
 - Operational costs are up to 57% of the costs of a trade today
 - Delivery: Almost 70% of respondents struggle to manage collateral delivery today
 - Complexity: Firms face collateral delivery issues across up to 65
 - locations
 - Lost mobility: 35% of firms are posting more than half of their collateral overnight
 - Over-provisioning: Delivery issues are driving the average firm to post 6% more collateral than they need to
- 70% of firms believe tokenisation will significantly decrease costs
- 30% of firms see Repos as the highest priority
- Cash, money market funds, G7 Sovereign Debt are key targets for tokenisation
- CSDs, CCPs, Exchanges, Custodians, Brokers and Tech Providers are all taking significant steps this year and next year
- Legal clarity is an obstacle for many firms and they expect governments and/or regulators to weigh in, as has happened in the U.S. and that the legal issues will be cleared up in 1 to 3 years
- 68% of North American firms expect to make significant progress on tokenisation this year

AOB and Close

No other business raised. The meeting was then closed.

Summary of Follow Up Actions

No.	Action Description	Responsibility	Deadline
1.	Validate the two categories of Use Cases to be analysed by the Subgroup	All Members	December 8