



NEWS RELEASE

## Payments Canada, Bank of Canada and TMX Group announce integrated securities and payment platform as next phase of Project Jasper

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OTTAWA, October 17, 2017 — Payments Canada, the Bank of Canada and TMX Group today announced a new collaboration to experiment with an integrated securities and payment settlement platform based on distributed ledger technology (DLT) as part of the third phase of the **Project Jasper** research initiative.

Building on previous Jasper work, this phase of the project will develop a proof of concept for the clearing and settlement of securities using the central bank cash-on-ledger model. This platform would seek to discover greater speed and efficiency by automating the securities settlement process.

"This experiment continues to push boundaries, so it is exciting to move into a third phase with a broader scope and another partner," said Gerry Gaetz, President and CEO of Payments Canada. "We continue to learn by applying distributed ledger technology to a wider set of functions within our financial system."

Project Jasper was launched in March 2016 to better understand how DLT could transform the future of payments in Canada. In the first two phases, the project focused on exploring the clearing and settlement of high-value interbank payments using DLT.

In close partnership with the Bank of Canada and Payments Canada, TMX Group is working to explore an integrated

securities and payment infrastructure, identifying opportunities and potential efficiencies within the end-to-end securities settlement process.

"It is vital to explore a financial ecosystem that leverages innovative technologies to optimize the business transaction process for all Canadian investors," said John Lee, Vice President, Head of Innovations & Enterprise Delivery, TMX Group. "We believe industry collaboration among key stakeholders across Canada's capital markets is critical to the success and long-term viability of this project."

For the Bank of Canada, Phase 3 constitutes an opportunity to further research one of several promising paths identified in previous phases of Jasper—the ability to settle multiple assets on the same ledger.

"Our involvement in this effort to explore potential ways to modernize the securities settlement process is a good example of how the Bank of Canada promotes the efficiency and stability of the financial system," said Senior Deputy Governor Carolyn A. Wilkins. "A better settlement process would not only reduce the cost of securities transactions, but also support financial system resiliency, especially in periods of stress, through faster settlement times and reduced settlement risk."

The process to select a vendor to support this phase of Project Jasper is currently underway. Detailed findings of Phase 3 are anticipated to be published at the **Payments Canada SUMMIT** in Toronto, May 9-11, 2018.

#### About Payments Canada

**Payments Canada** ensures that financial transactions in Canada are carried out safely and securely each day. The organization underpins the Canadian financial system and economy by owning and operating Canada's payment clearing and settlement infrastructure, including associated systems, bylaws, rules and standards. The value of payments cleared and settled by Payments Canada in 2016 was C\$51 trillion, or C\$201 billion every business day. These encompass a wide range of payments made by Canadians and businesses involving inter-bank transactions, including those made with debit cards, pre-authorized debits, direct deposits, bill payments, wire payments and cheques.

#### About the Bank of Canada

The **Bank of Canada** is the nation's central bank. Its principal role is "to promote the economic and financial welfare of Canada," as defined in the Bank of Canada Act. The Bank's four main areas of responsibility are: monetary policy—keep inflation low and stable; financial stability—promoting a safe, sound and efficient financial system; currency—designing, issuing and distributing Canada's bank notes; and funds management—acting as fiscal agent for the Government of Canada.

## About TMX Group (TSX: X)

TMX Group's key subsidiaries operate cash and derivative markets and clearinghouses for multiple asset classes including equities, fixed income and energy. **Toronto Stock Exchange, TSX Venture Exchange, TSX Alpha Exchange, The Canadian Depository for Securities, Montréal Exchange, Canadian Derivatives Clearing Corporation, NGX, Shorcan, Shorcan Energy Brokers, AgriClear** and other TMX Group companies provide listing markets, trading markets, clearing facilities, depository services, data products and other services to the global financial community. TMX Group is headquartered in Toronto and operates offices across Canada (Montréal, Calgary and Vancouver), in key U.S. markets (New York, Houston) as well as in London, Beijing and Singapore. For more information about TMX Group, visit our website at [www.tmx.com](http://www.tmx.com). Follow TMX Group on Twitter: [@TMXGroup](https://twitter.com/TMXGroup).

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