NEWS RELEASE

# Canadian Derivatives Clearing Corporation Announces Inaugural Subscription of Secured General Collateral Notes (SGC Notes)

2026-07-02

- Bank of Montreal (BMO), the first eligible subscribing bank, issued the first SGC Notes
- Moody's Ratings (Moody's) assigned a Prime-1 (sf) rating to the Series BMO-521 notes
- Bank of Canada announced the addition of SGC Notes as eligible collateral under its Standing Liquidity Facility (SLF), with the intent to support the development of this new market

Toronto, Ontario--(Newsfile Corp. - July 2, 2026) - Canadian Derivatives Clearing Corporation (CDCC), the Central Clearing Counterparty (CCP) for exchange-traded derivative products and repurchase agreements in Canada, today announced that the inaugural issuance for the Secured General Collateral (SGC) Notes program was executed and subscribed by BMO. The inaugural issuance received a Prime-1 (sf) rating by Moody's.

SGC Notes represent an innovative financial instrument designed for Canadian institutional money market investors. They offer secured, short-term cash solutions collateralized by high-quality debt securities. As an eligible instrument within The Canadian Depository for Securities Limited (CDS), SGC Notes are easily accessible and investors can purchase the notes directly from the subscriber.

CDCC is currently working with other eligible banks and dealers, who are enabled on the Canadian Collateral Management Service (CCMS), to be onboarded as underwriters in the SGC Notes program. For the subscriber banks and dealers, SGC Notes provide a funding solution through CDCC's critical capital markets infrastructure which has demonstrated reliability and resilience.

In June 2024, the Bank of Canada announced the inclusion of SGC Notes as eligible collateral under its

Standing Liquidity Facility (SLF). The Bank previously announced in January 2025 that it is operationally ready to accept SGC Notes as collateral. This milestone represents a significant step in supporting the development of this new market.

Nick Chan, Head of Capital Allocation & Management, BMO Capital Markets, said: "SGC Notes are a meaningful step forward for Canada's short-term funding and collateral markets. BMO is proud to help bring this innovation to market to help expand high-quality secured investment options and strengthen system liquidity."

Karen McMeekin, President of CDCC, said: "We are extremely excited to bring this financial innovation to market to provide end investors with an additional alternative to the Canadian money market. We are proud to work with BMO, one of our key industry partners, to support this inaugural SGC Note issuance and look forward to serving our mutual clients."

Marton Szigeti, Head of Collateral, Lending & Liquidity Solutions at Clearstream, joint operator of the CCMS with TMX Post Trade Innovations (PTI) Inc., said: "We are proud that the Canadian Collateral Management Service, jointly operated by Clearstream and TMX PTI, provides the modern and efficient infrastructure that supports this innovation. Our platform is engineered to deliver the seamless collateral management capabilities that subscribers like BMO depend on. By providing the critical backbone, we are reinforcing our commitment to fostering greater liquidity, security, and resilience across the Canadian financial landscape."

For more information on the new SGC Notes, please visit https://www.cdcc.ca/en/sgc-notes.

**About TMX Group (TSX: X)**

TMX Group operates global markets, and builds digital communities and analytic solutions that facilitate the funding, growth and success of businesses, traders and investors. TMX Group's key operations include Toronto Stock Exchange, TSX Venture Exchange, TSX Alpha Exchange, The Canadian Depository for Securities, Montréal Exchange, Canadian Derivatives Clearing Corporation, TSX Trust, TMX Trayport, TMX Datalinx, TMX VettaFi and TMX Newsfile, which provide listing markets, trading markets, clearing facilities, depository services, technology solutions, data products and other services to the global financial community. TMX Group is headquartered in Toronto and operates offices across North America (Montréal, Calgary, Vancouver and New York), as well as in key international markets including London, Singapore and Vienna. For more information about TMX Group, visit www.tmx.com. Follow TMX Group on X: @TMXGroup.

For more information please contact:

Catherine Kee
Head of Media Relations
TMX Group
416-671-1704
catherine.kee@tmx.com

To view the source version of this press release, please visit https://www.newsfilecorp.com/release/303506

SOURCE TMX Group Limited