

GDF ISDA US TMMF Working Group Pre-Launch Briefing

December 3, 2025

Key Messages READOUT

Meeting context and purpose

This pre-launch briefing (hosted by sponsors Global Digital Finance and ISDA) introduced the planned US Tokenized Money Market Fund (TMMF) Working Group scheduled to launch in January. The webinar aimed to: present findings and lessons from the UK/EU TMMF work and sandbox; outline the objectives, scope and expected outputs for the US effort; explain the sandbox approach and participation roles; identify legal, regulatory and operational challenges; and call for industry participation.

Participants and roles

- Lawrence Wintermeyer (Chair, Global Digital Finance) – meeting chair and working group co-sponsor, overview and agenda.
- Amy Caruso (Head, Collateral Initiatives, ISDA) – working group co-sponsor; opening remarks and moderated panel and provided industry/regulatory context.
- Kim Hochfeld (Global Head, Digital & Cash, State Street Investment Management) – keynote on practical problems with TMMFs and regulatory context.
- Bryony Whitup (Partner, Hogan Lovells) – co-chair UK/EU legal & research workstream; summarized legal findings.
- Natasha Benson (COO/CFO, Ownera) – co-chair sandbox; summarized sandbox design and outcomes.
- Jane Heinrich (Sr VP, Head of Regulatory Affairs, Federated Hermes) – panelist on US stream discussed technical and regulatory considerations.
- John Sienna (Associate GC, Head of Regulatory Strategy, Brown Brothers Harriman) – panelist on US custodial and private-law considerations.
- Richard Walker (Head of US Markets, Ownera) – panelist on operational benefits and challenges.
- Additional participants: representatives from banks, custodians, fund managers, fintech firms, CCPs, rating agencies and industry bodies. ~150 attendees were anticipated.

Key messages and rationale for TMMFs

- Problem statement: Current collateral posting and liquidity management using traditional money market funds (MMFs) is operationally cumbersome. Redemption/subscription cycles and settlement delays create liquidity risk and forced asset sales during stress, exacerbating market stress (example: UK gilt/LDI stress in Sept 2022).
- Proposed solution: Tokenizing 2A-7 (US) style MMFs or using DLT-enabled wrappers for traditional funds to allow near-real-time transfer/settlement of fund units, programmable workflows and improved transparency while retaining regulatory characteristics and yield.

- Why MMFs: MMFs (especially government/treasury funds) are high-quality, stable, liquid, and already recognized by regulators as suitable collateral; tokenization preserves those attributes and adds mobility.

Deliverables, timeline and next steps

- Deliverables:
 - A US TMMF working group report covering legal, regulatory, operational analysis, recommendations and a glossary of terms and acronyms.
 - Sandbox simulations and readouts demonstrating feasibility and practical integrations.
 - Practical guidance and recommendations for industry, CCPs, custodians and regulators (including possible legislative/regulatory asks).
- Timeline/engagement model:
 - Launch in January (scoping call early January); ongoing weekly/bi-weekly working group calls; sandbox sessions on cadence to be announced.
 - Open working group model; open to industry players (GDF members and non-members).

Sandbox design and participation (US plan)

- Sandbox purpose: Pre-production, user acceptance testing to validate operational feasibility and technology integration in a controlled environment; combines real blockchains, APIs and legacy integration without market risk.
- Architecture: Hosted on AWS, leverages Ownera FIN P2P routers and supports multi-chain connectivity; designed to integrate with other sandboxes and test APIs.
- Roles invited: Fund issuer, fund admin, transfer agent, payment/treasury, custodian, pledgor, pledgee, margin engine, settlement agent, key management provider, smart contract provider, market utilities (CCP), repo/tri-party participants, rating agencies, etc. Firms can take one or multiple roles.
- Example scenarios: Issuance; immediate transfer/pledge for collateral; repo and tri-party flows; margin call automation; default and insolvency simulations; cross-chain movements and reconciling with legacy rails.
- Real vs simulated: The sandbox is pre-production/off-market but uses real ingredients (real chains/APIs, legacy connectors) and can be made production-grade if legal/regulatory clarity allows.
- Commitment: Weekly one-hour calls, bi-weekly working sessions, and operational participation in sandbox testing for those who opt in.

Actions requested and calls to industry

- Firms are encouraged to [register interest](#), engage in weekly calls and/or join the sandbox to contribute and learn (hands-on involvement emphasized).
- Legal and operational commitments: participants should be prepared to provide subject matter experts in legal, custody, fund administration, collateral management, technology and security.

- Industry coordination: work with trade associations and regulators to harmonize rules, consider third-country recognition, and adopt recommended technical/data standards.

Closing points

- The webinar positioned TMMFs as a high-impact, realistic and tangible use case for tokenization that addresses real liquidity and systemic-risk problems.
- UK/EU workstreams and sandboxes established proof points that the model is feasible; the US effort will adapt those lessons to US legal/regulatory specifics.
- The project is collaborative and requires multi-disciplinary engagement; attendees were invited to join early to both contribute and accelerate their own institutional learning.