



NHA-MBS BASKET WORKING GROUP

CIMPA Quarterly Update

April 16th, 2026

Working Plan & Timeline

➤ April 2026

- Develop eligibility and pricing rules and basket setup templates for NHA MBS in CCMS
- Collaborate with the pricing and haircut subgroups on NHA MBS related sections
- Finalize the presentation on US Agency MBS Repo
- Holding a working group NHA-MBS pricing workshop with CanDeal for transparency and remaining principal template

➤ May 2026

- Create market-wide and bilateral NHA MBS baskets in CCMS test environment (subject to CCMS enhancement to filter pool types)
- Test NHA MBS trade flows following CCMS rollout of NHA MBS functionalities in its test environment

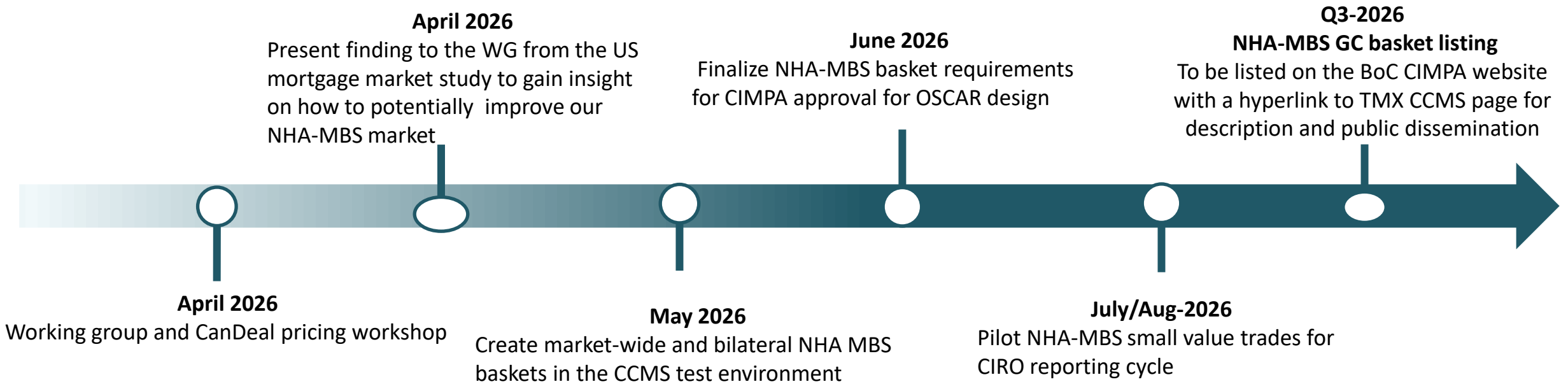
➤ June 2026

- Execute NHA MBS trades after the NHA MBS are launched in the CCMS live production environment

Entitlements Solution Rollout Schedule



Timeline for the NHA-MBS Basket working group



NHA MBS Testing Baskets in CCMS (For Discussion with working group)

- Eligibility Requirements for Two Standard NHA MBS Testing Baskets
 - NHA MBS 975 Basket
 - Pool type: 975 only
 - Remaining maturity is more than 6 months
 - Outstanding balance greater than \$25M
 - Pricing must be available in CanDeal DNA
 - NHA MBS Select Basket
 - Pool type: 975, 965, 966, 990 and 981
 - No maturity or outstanding balance restriction
 - Pricing must be available in CanDeal DNA
- Both baskets only include NHA MBS and exclude other collateral such as CMB & GoC
 - Substitutions and margin calls can only be executed by using eligible NHA MBS from Collateral Giver inventory account
- Haircut
 - A 1% fixed haircut or margin will be setup as part of templates for those two testing baskets
 - Additional 1% fixed haircut will be setup in customized bilateral repo templates
 - Testing if haircut can be applied only during the Blackout period