

DSB PRODUCT COMMITTEE MEETING MINUTES

Meeting: The 34th DSB Product Committee Meeting

Date: 15-Aug-2017 **Time:** 15.00 – 16.30 BST **Location:** Teleconference

Chairperson: Sassan Danesh, DSB

In attendance:

<p>Committee Members Joseph Berardo, Intercontinental Exchange Bill Stenning, Société Generale Ayala Truelove, Tradeweb Peter Gratwick, JP Morgan Trevor Mallinson, Bloomberg Tia Ellerman, Citi</p> <p>ANNA Observer Emma Kalliomaki, ANNA Board</p>	<p>Regulators (Observers) Takahiro Onojima, JSDA Eiichiro Fukase, JSDA Alejandro De La Rocha, FCA</p> <p>DSB Secretariat / PMO Sassan Danesh, ANNA DSB Tony Birrell, ANNA DSB Malavika Solanki, ANNA DSB Nathan Dagg, ANNA DSB</p>
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Apologies: Franz Rockermeier, Allianz Global Investors
Stephen White, Fidelity

Absences: Danielle Wissmar, GSAM

No	Topics
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1	Open Actions
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- **Action 89:** Secretariat had distributed documentation earlier in the week to cover ISIN Status, action closed
 - **Action 111:** Separate agenda item to discuss index workflow, action closed
 - **Action 114/129/130:** Secretariat presented some comments from ESMA around in LEI or ISIN for CDS products. PC noted that this was defining an approach for the industry, which was outside of scope for the DSB and advised this issue be submitted to ISDA for them opine from an industry standpoint, action closed
 - **Action:** Secretariat to refer the issue of no underlying ISIN or LEI to ISDA for comment
 - **Action 131:** Secretariat advised the DSB can facilitate an FX Swap template, action closed
 - **Action 132:** Separate agenda item to discuss Non-Standard Product Definitions, action closed
 - **Action 133:** Separate agenda item to discuss Equity Indices, action closed
 - **Action 134:** Secretariat received guidance from GFMA that best approach would be to apply an alphabetical approach to FX normalisation, action closed
 - **Action 135:** Secretariat has provided feedback for Put or Call behaviour on Swaptions to ISDA, action closed
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2	Index Enumerations
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- Secretariat requested PC to advise on the most optimal way to obtain relevant Equity indices at the desired ticker level. PC advised reaching out to a vendor to obtain, plus sourcing a secondary provider to use as back up
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- **Action:** Secretariat to engage primary and secondary vendors to obtain Equity index information at desired ticker level
 - Secretariat proposed an interim solution for proprietary indices which means adding “Custom Index” where the specific proprietary index is not found
 - Secretariat proposed a strategic solution, for development in H1 2018, in which they will develop a change workflow process whereby pre-authorized requestors can submit additions to the existing index list
 - Secretariat also proposed a strategic solution, for development in 2018, in which the industry could submit an API request to create proprietary indices to use later in their ISIN requests
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3 ISIN Status

- Secretariat provided the ISIN Status document to the PC earlier in the week for their review
 - PC advised that industry feedback should be sought
 - PC also had commented that explicit conditions would need to be documented around the expiry process and treatment of items
 - **Action:** Secretariat to distribute the ISIN Status document to industry for feedback
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3 Non-Standard Product Definitions

- Secretariat outlines the following high-level principles which could be used for the creation of non-standard definitions:
 - A single ISIN and associated CFI code should be either represented as a flow Product Definition or a Non-Standard Product Definition but not both simultaneously
 - Product Definition design should remain aligned to the RTS23/CFI scope and currently thinking on CPMI-IOSCO UPI
 - Members had commented that exotics would make up a small percentage of volume traded, but could ultimately be a large number of templates
 - Members suggested the creation of a task force for exotics in order to design and create templates for each asset class
 - Members stressed that there needed to be rigid timelines put in place, with questions and expectations drawn out which should leverage work already done in the Equities asset class
 - **Action:** Secretariat to contact the industry for participation in Non-Standard Product Definition Taskforce
 - **Action:** Secretariat to distribute Equity Product Definitions that can be used as a basis to roll out other asset classes
 - **Action:** Secretariat to create a timeline of milestones which the Taskforce would have to deliver against in order for templates to ready for production
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Respectfully submitted,

DSB Secretariat

Minutes Approved on: 22nd August 2017

Summary of Open Actions

No	Actions	Owner	Target Date
136	Secretariat to refer the issue of no underlying ISIN or LEI to ISDA for comment	DSB Sec	22-Aug-17
137	Secretariat to engage primary and secondary vendors to obtain Equity index information at desired ticker level	DSB Sec	22-Aug-17
138	Secretariat to distribute the ISIN Status document to industry for feedback	DSB Sec	01-Sep-17
139	Secretariat to contact the industry for participation in Non-Standard Product Definition Taskforce	DSB Sec	29-Aug-17
140	Secretariat to distribute Equity Product Definitions that can be used as a basis to roll out other asset classes	DSB Sec	16-Aug-17
141	Secretariat to create a timeline of milestones which the Taskforce would have to deliver against in order for templates to ready for production	DSB Sec	22-Aug-17