DSB TAC MEETING MINUTES

Date: 27 March 2024	**Time:** 13.00 – 15.00 BST	**Location:** Zoom/Teleconference	

Chairperson: Chris Pulsifer

In attendance:	**TAC Members** Amit Bairagi, Deutsche Bank Warren Rubin, DTCC Lisa Taikitsadaporn, FIX James Cowie, HSBC Atara Sender-Stein, JP Morgan Chase Anthony Brennan, Standard Chartered Bank William Rodiger, State Street Bank Jefferson Braswell, Tahoe Blue Ltd James Colquhoun, UBS Zintis Rullis, Refinitiv MTF Elodie Cany, Tradeweb	**Regulatory Observers** Robert Stowsky, CFTC Grzegorz Skrzypczynski, ECB Eiichiro Fukase, JSDA Paul Everson, FCA **DSB** Emma Kalliomaki, DSB Managing Director Andy Hughes, Designated DSB Officer - DDO David Lane, MSP Technical Operations Officer Alison Bargeron, DSB PMO Lead Cristina Scurr, DSB PMO Joe Wilkinson, DSB Project Manager Chrisi Baetz, CISO Tamara MacIntyre, DSB Project Manager **+ Registered attendees from Industry**
Apologies	Marc Honegger, DSB Board Sponsor Niteen Shastri, LSEG	Richard Gee, SIX Group Services AG Stuart Oliver, StateStreet
Absences:	Martijn Groot, Asset Control Felix Ertl, BVI Yan Hui, CFETS Huang Lu, CFMMC Souvik Deb, Citigroup Billy Chen, CSIS James McGovern, Independent Expert	Jim Northey, Independent Expert Ian Sloyan, ISDA Bharat Kanase, Morgan Stanley James Brown, Rabobank Torbjörn Cronbladh, SEB Vishal Joshi, Smartstream Jimmy Chen, BGC Partners

No	Topics (recording time)
1	**Governance (00:00:00) [1]**

Slides 1 thru 4 – Welcome

CP (Chair) introduced the meeting and described Competition Law expectations and responsibilities of TAC members.

Slide 5 - Roll Call

AH (DDO) undertook the roll call, noting apologies had been received from some members.

Slide 6 – TAC Member Changes

AH presented an addition to the Regulatory Observers which had been approved by the DSB Board and welcomed Vishal Joshi to the forum. AH thanked Rocky Martinez for his contribution to the TAC. AH thanked Yuval Cohen who left the DSB, for his work and wished him the best for the future.

Slide 7 – TAC Charter

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[1] https://www.anna-dsb.com/wp-content/uploads/2024/04/DSB-TAC-2024-Meeting-1-20240327.mp4

AH provided an update to the TAC charter as it will see its 3rd charter term. Feedback was requested from the members by cob Friday 9th August 2024 – to allow the TAC Charter to be revised in time for the DSB Board meeting in September.

The DSB will be undertaking a further membership outreach to industry. Existing TAC members will be contacted at this time to confirm their ongoing participation for a further charter term.

AH asked if there were any questions on the charter, none were received.

Slide 8 – Zoom Update

AH presented the change to host TAC meetings via Team Events, AH advised that Zoom has been a problem for some members and the way Zoom manages its invites has caused confusion.

AH asked the TAC members for their thoughts.

AS (JPM) advised that she would need to confirm if Teams is suitable.

JC (HSBC) asked if audio only will be available via Teams. AH confirmed that a dial in is available,

AS Advised that they would not be able to see the screen share.

JC (HSBC) advised that members would need to refer to the pack – AH agreed to state the slide numbers during the presentation to aid those referring to an offline copy.

EC added no objection to using teams (via Webinar chat).

Action: AH to reach out to Atara about use of Teams instead of Zoom.

Slide 9 – Actions Update

AH provided an update on the actions. All actions to be discussed during meeting

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2   Existing Topics (00:12:13)

Slides 10-12 – UPI Go Live

TM (DSB) introduced herself, provided an update on the UPI and the timeline of scheduled mandates. Production and UAT User numbers have increased, majority from EU. UPI Creation graph can be viewed within pack provided.   TM asked the members if there were any questions?

JC (HSBC) asked if the original user estimates included the EMIR regulation or was it for CFTC only?

TM replied that estimates were scaled based on the different mandates throughout the course of 2024*.*

JC (HSBC) added that the user estimates were accurate and so the costs identified were reasonable.

EK (DSB) provided further details on the approach to user number analysis, the current status and confirmed that further details will be provided in due course.

RB – added that the CFTC considers the UPI implementation a success, they are seeing around 95% compliance across asset classes, there are a small number of data errors, e.g. using the wrong template.

AH presented slide 12 covering the background to the addition of a 3rd UAT environment and the original plan to decommission that after 9 months after the 1st regulatory mandate. However, the DSB were concerned with the timing of this that it may impact firms preparing for the ESMA mandate, so there was a need to revisit the plan. In addition, users who wish to take part in the upcoming DR test will need to be on the UAT environment as UAT3 is not contingent.

AH proposed a new approach to keep UAT3 available up until first ESMA date at the end of April, then migrate users and then decommission the UAT3 environment. The migration is possible via COSP both for GUI and programmatic users. AH reminded the members that UAT3 is a different environment, therefore, users will find different UPI codes. Network settings need to be updated to ensure users have access. A notification will be send out to all users to this effect, turning the environment off in early May and assisting users to migrate over to the environment.   AH invited the members to comment on the revised approach.

CP added that, generated codes will be different per environment. Important to get all users converted to a common UAT environment. CP highlighted the importance as part of transition, users that are switching have a smooth ride.

AH agreed with CP's point and added that weekly snapshots were now available to assist users with the migration.

No further questions raised so the DSB will progress this item.

Slide 13 – Industry Consultation (00:25:24)

AH provided an update on the completion of the 2023 Industry Consultation items; further specific details are being provided on later slides. AH also advised that the 2024 Industry Consultation process has started and the TAC Secretariat would be providing the date for the June Industry Consultation meeting soon. AH asked the TAC members to email the TAC secretariat if they have any topics they would like to be included.

There were no questions raised.

Slides 14 – Technology Controls : Tools (00:28:22)

DL (DSB) provided an update on the toolset review as part of the 2022 Industry Consultation Process. Post cataloguing and consolidating all tools, processes have been integrated into BAU to align with the tool strategy, minimizing costs. All tooling is now managed by the Platform Engineering Team. Two key actions have been taken: centralizing logging with AWS OpenSearch and migrating monitoring functions where feasible. DL invited the members to ask questions.

There were no questions raised.

Slide 15 – Plan on a Page (00:33:21)

AB (DSB) presented the 2024 Plan on a Page and described each of the four swim lanes. AB advised that due to the introduction of the UPI service the DSB would be undertaking a brand refresh over the 6/7th April weekend. The members were invited to ask questions.

There were no questions raised.

Slide 16 – Disaster Recovery Testing (00:36:05)

AH reminded the members of the agreed approach for the disaster recovery testing exercise. Plans have been impacted by concerns over the ESMA mandate, the timing of the 2024 penetration test and concerns around the decommissioning of UAT3. AH proposed the following revised dates for testing:

- UAT Testing Saturday 11th May to Saturday 25th May 2024
- Prod testing Sunday 26th June to Sunday 30th June 2024 (subject to a successful UAT test)

AH asked if there were any questions:

JC (UBS) asked when changes happen, what is required from the participants. Should this be seamless?

AH responded that each client has different specifics, and it depends on how the clients have chosen to implement the solution. All organisations need to be able to ensure they can reach the secondary addresses. The UPI service has adopted a new approach which should be seamless for users. The DSB are aware of organisations not using the DNS names provided, therefore have to make the equivalent changes during the event.

JC (UBS) requested clarification that for ISIN the BCP side needs to be accessed via separate IP address, however, can be coded automatically. The UPI service has a resilient end point, so single IP address.

AH confirmed JC's point, using an AWS Global Accelerator.

CP added that users not using DNS will need to undertake more work. Need to ensure that the risk and necessary steps those users need to take to complete, has been conveyed.

AS asked if any changes will be needed.

AH replied by stating checks on how FIX service has been implemented are needed.

Action: AH and AS to discuss how their FIX ISIN service has been setup to clarify if any changes will need to be made.

There were no further questions.

Slide 17 thru 19 – CFI (00:45:55)

JW (DSB) provided a summary of the implementation outline of the CFI project and gave an update of currently progress. Current development per asset class. Migration scripts pending finalisation, plan of putting rates templates in UAT environment in mid May, templates to be held till 17th November for users to test.

Alternative approach has been reviewed. Proposal to be given to EK and DSB Board, then over to TAC and PC.

JW asked if there were any questions.

JC (HSBC) asked if the current CFI version being returned by the ISIN service is the 2015 version?

JW confirmed it was. The current service does not distinguish between the 2015 and 2021 CFI code, it just returns a single field, the new approach identifies the version.

JC (HSBC) asked if the specifications the DSB are working to have been discussed with the Product Committee?

JW replied that this is currently with the PC and is available to share.

AB (Deutsche Bank) asked if all templates have to be updated now and does this apply to all asset classes.

JW replied that once templates are put in UAT, changes can start to be made and will apply to all asset classes.

No further questions.

Slide 20 – Global Agile Architecture (GAA) (00:51:20)

DL provided a summary of the GAA which is a programme to improve the agility of the DSB to avoid large problems which may occur due to regulatory changes or other industry initiatives. Last year the GAA programme introduced automation into the DSB build process. The DSB also moved away from standalone MongoDB to the MongoDB Atlas managed service which supports multi-cloud.   The next step is to move to a single global database to support being able to move to an active-active model and to introduce additional regions if required. The GAA is also looking at the current search service which is using application-level replication due to the vendor not having a native replication solution and Atlas search is being considered to replace this. The GAA has also undertaken a proof of concept around the introduction of the CFI changes to see if this could be made quicker, simpler and more cost effective while simplifying the adoption for clients. The findings of this will be shared with the TAC in due course. Finally, the GAA is also looking at the file download service, specifically driving them from the database which is a foundational element for future expansion. The members were asked if there were any questions relating to this topic.

There were no questions raised.

Slide 21 – DSB Release Process (00:57:30)

AH provided an update on the DSB Release Process. The release pages on DSB website have been updated, however, it has been a quiet start to the year due to extended change freeze so we have yet to see the usual type of template releases. AH informed the TAC that a Bulletin Board topic has been created for feedback around notification templates and shared the link. AH requested that members send any other feedback that they have on the release process to the TAC Secretariat.

The members were asked if there were any questions relating to this topic.

There were no questions raised.

Slide 22 – DSB Change Process Update (01:01:20)

AH gave an update on the DSB Change Process, this covered off the changes around the UPI launch and the quieter period due the year end change freeze.

No questions raised.

3	New Topics (01:04:00)
	Slide 23 – FDL Archiving

AH introduced FDL Archiving.

Note: Sharing of the pack was briefly stopped due to technical issues. Please view slide 23 for reference to this topic in pack.

AH explained the concept of weekly snapshots, allowing users to efficiently build or validate a local cache. AH informed TAC members about reducing file downloads and sought their input on potential cost-saving measures. Following internal discussions, AH proposed retaining two weekly snapshots and associated delta files in the download area. Additionally, AH suggested keeping six months of data available for technical support investigations. Older data would then be moved to long-term storage in accordance with our retention policy. This approach is forecasted to save the DSB €690 per month, amounting to €8,280 annually.

AH asked the members if they were supportive of this proposed revised approach.

JC (UBS) asked what is the DSB's retention policy and what is the policy about removing individual lines/ISINs from the latest snapshot.

AH replied that currently there is a 7-year retention suggestion however to be confirmed by the business.

Action: DSB to update the TAC with the DBS's data retention policy when confirmed.

Regarding ISIN population, currently there are no rules defined about how the data retention policy applies to ISIN, AH remarked that this needs to be taken to the PC. At the moment, all identifiers are published, no identifiers are removed e.g. expired ISINs from the snapshot. The proposal focuses on pruning back the file download files.

JC (UBS) replied that there are no concerns and added from experience that long term storage is reasonably cheap however read costs were disproportionately high, so a couple of accesses could negate the benefits.

AH thanked JC (UBS) for this information and the DSB will double check costs.

Action: DSB to investigate the costs of reading from the deep storage area.

JC (HSBC) asked if there was a projected implementation timeline?

AH responded by asking if it would classify as breaking. If so, then 90 days' notice would be needed.

JC (HSBC) responded that due diligence would be needed to confirm impact and may be something to consider after EMIR/FCA.

JC (UBS) asked JC (HSBC) if HSBC have processes that look at historic snapshots.

JC (HSBC) responded that theoretically no, however when there has been new or regulation change, then back date of population has occurred in the past.

JC (UBS) confirmed original question of what is included in the snapshots as historic trades would be able to occur as this information is included.

CP added that fair warning notification is needed to give users enough time to make changes.

JC (UBS) asked for clarification of benefit.

AH responded that previously the only way was to process delta files, now users have the snapshot. Gives the opportunity to process the most recent snapshot plus any deltas since then to reconcile to the current state of the DSB. This will tidy the legacy and will be an additional cost saving.

JC (UBS) asked what the cost difference is for four weekly snapshots and queried the cost sensitivity.

DSB took an action to review offline the view of retention and implementation timings of the FDL archiving,

AH added that if there is a major concern then a different way could be adopted.

ZR (Refinitiv MTF) asked if it was possible to see how often the files are being accessed to remove possibility of impact.

AH responded that this can be done to guide impact.

Action: DSB to analyse the historical file access.

There wee no further questions.

Slide 24 – FDL Empty Files

AH introduced new topic around FDL Empty Files and summarised that user feedback, mainly from new UPI FDL consumers, highlighted the challenge of distinguishing between days with no data and days when processing hasn't yet completed, particularly for certain asset classes. This was originally a bulletin board topic, but despite extensive TAC feedback, no conclusion was reached. The DSB proposed a solution: generating a trigger file after daily processing, signalling completion and enabling users to start FDL consumption. This solution doesn't affect existing ISIN users unless they opt for the new file.   AH invited the members to provide their views.

JC (HSBC) commented agreement with the proposal and other processes have already implemented as a marker.

AB (Deutsche Bank) agreed that it is already used in a couple of processes.

CP liked the non-impacting nature of this proposal.

There were no further questions raised.

DSB took an action to take this forward.

5	CISO Update (01:24:25)

Slide 25 thru 28 – Cyber Security Update

CB provided an update on the cyber security activities since the last meeting. In 2023, the TAC approved the establishment of a SOC to enhance the DSB's cyber resilience, with recruitment almost complete and the Head of SOC joined in March 2024. Security operations processes are being defined, and an implementation plan is in progress. ISO27001 implementation is well underway, with certification planned from July 2024 becoming certified by the end of Q3. The initial focus is the ISIN with the UPI to follow. Initial costs for certification and surveillance audits have been estimated. Meanwhile, the DORA regulatory framework is being monitored, and the DSB is assessing its potential classification as a critical third-party tech vendor.

The DSB has developed a third-party risk management policy and process, with an RFP conducted to manage supplier risk. CB asked the members if they had any views on the four options presented and if they had a preferred option from those presented on slide 30.

JC (HSBC) Advised this was a detailed question so asked if it would be possible to move this topic to the bulletin board?

CP agreed and asked the DSB to record an action.

DSB took an action to add a bulletin board topic to obtain the TAC's feedback on the supplier risk management process.

There were no further questions raised, so AH handed back to CP for AOB.

6	AOB (01:32:28)

CP thanked the presenters and the participants and asked if there was any other business.

JC (HSBC) asked that based on the public cyber security attacks on other companies, does the DSB need to review processes or is the DSB confident of its preparation for this type of event?

CB replied that the cyber security roadmap outlined the multi-layered approach is underway, the SOC is a key part of this. BCP has been updated, which is key. Disaster recovery ensures continuity of operations. CB added that separate security session to answer specific questions can be organised.

JB (Tahoe Blue Ltd) asked regarding the ransom ware attacks if detection technology has been implemented to detect backups which may have already been impacted.

AH suggested that the DSB add a new bulletin board topic for members to ask security questions which will then be collated and used for a separate security session with members.

JC (HSBC) agreed.

JB added that it is a good thing to review for those who are not up to speed.

CP added that GAA work has helped with this process creating the ability spin up new, clean environments.

CB added that there will be a launch of a new enhanced email security solution to prevent phishing and cyber-attacks.

Action: DSB to create a new BB topic for members to ask security questions – leading to an offline security review meeting, if required.

There were no further items raised so CP brought the meeting to a close and reminded the members to:

- Provide any feedback regarding the new charter
- Notify the TAC Secretariat of any items they wish to include in the Industry Consultation
- Review the minutes when they are sent out

CP thanked the DSB team for the presentation and closed the meeting.

7 Actions

The following new actions were recorded:

- 2403-001 AH to reach out to Atara about use of Teams instead of Zoom
- 2403-002 AH and AS to discuss the FIX implementation to determine if changes need to be made
- 2403-003 DSB to update the TAC with the DSB's data retention policy when confirmed
- 2403-004 DSB to investigate the costs of reading from the proposed FDL deep storage area
- 2403-005 DSB to analyse historical user access to the FDL and to share with the TAC on the BB
- 2403-006 DSB to take forward the production of the FDL trigger files
- 2403-007 DSB to add a bulletin board topic to obtain the TAC's feedback on the supplier risk management process.
- 2403-008 DSB to add a bulletin board topic to allow TAC members to ask security questions leading to an offline security review meeting, if required.

Respectfully submitted,

DSB Designated Officer.