

DSB TAC MEETING MINUTES

Date: 28 October 2020 **Time:** 13.00 – 15.00 UTC **Location:** WebEx/Teleconference

Chairperson: Chris Pulsifer

In attendance:	TAC Members Chris Pulsifer, Bloomberg (Chair) Felix Ertl, BVI Yan Hui, CFETS Huang Lu, CFMMC Billy Chen, CSIS Amit Bairagi, Deutsche Bank AG Vincent Dessard, EFAMA Lisa Taikitsadaporn, FIX James Cowie, HSBC David Broadway, Investment Association Nadav Krispin, JP Morgan Aanya Madhani, LSEG Abhinav Koul, Morgan Stanley Artur Grajek, Refinitiv Kamel Singh, SIX Group Services AG Rocky Martinez, SmartStream	 Anthony Brennan, Standard Chartered Bank Jefferson Braswell, Tahoe Blue Ltd Zintis Rullis, Refinitiv MTF Rajkamal Roka, State Street FX Connect Elodie Cany, Tradeweb Regulatory Observers Robert Stowsky, CFTC Eiichiro Fukase, JSDA DSB Marc Honegger, DSB Board Sponsor Sassan Danesh (Designated DSB Officer - DDO) Will Palmer (DSB CISO) Andy Hughes (TAC Secretariat) Will Braithwaite (TAC Secretariat)
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Apologies James Brown, Rabobank
Henrik Martensson, SEB

Absences:	Martijn Groot, Asset Control Souvik Deb, Citigroup James McGovern, Independent Expert Jim Northey, Independent Expert Karel Engelen, ISDA	Kimberly Cohen, State Street Bank Jimmy Chen, BGC Partners Olga Petrenko, ESMA Paul Everson, FCA
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No Topics (recording time)

1 Welcome (00:00)

AH (TAC Secretariat) introduced the meeting and described Competition Law expectations and responsibilities of TAC members and noted that all members had reviewed and accepted the Competition Law Protocol as defined in the Charter.

2 Roll Call (01:10)

AH (TAC Secretariat) undertook the roll call and advised that some members had joined via the attendee link which meant that they would not be able to contribute to the meeting unless they re-join via the participant link.

3 Update from the Sponsor (03:00)

MH (Sponsor) introduced the new TAC Charter term and thanked the outgoing members and Chair for their participating during the first term. He welcomed the new Chair, Chris Pulsifer as well as the new members. MH then provided a summary of the contribution the TAC has made in 2020, particularly the pandemic situation and the input into IT change management. MH then provided a forward view particularly the UPI project before handing over to the new Chair.

4 Update from the Chair (07:36)

CP (Chair) thanked the outgoing Chair, David Broadway, and welcomed the new members then briefly described the agenda.

5 Membership Update (08:55)

Slides 6 & 7

AH provided an update on the changes to the TAC membership after the outreach to both the existing members and to wider industry. Total membership increased by two. The changes were described in detail along with the changes in geographic representation which is now referenced in the Charter. A graphic showing the geographical location was also displayed.

6 UPI Update (11:45)

Slide 8 - UPI News

AH provided an update on the UPI project since the last meeting as well as some headline news items. DB (Investment Association) advised that the ISO group had made good progress currently running around 8 weeks ahead of schedule.

Slide 9 – UPI Update (14:48)

AH described the progress that has been made this year and walked the members through the plan including the plans to engage with industry.

Slide 10 – TAC Strategy Subcommittee (TAC SSC) (16:31)

AH reminded the members of the creation of the TAC Strategy Subcommittee and the output produced by that committee. A regular meeting will be required in 2021 to progress technical matters relating to the UPI. The proposal is to undertake an outreach to the TAC members for applications to join this forum and for any nominations for the SSC Chair.

AH proposed to undertake a refresher meeting before the end of the year, then to hold the first TAC SSC meeting in mid-January 2021 with a monthly meeting frequency after that.

AH asked if there were any questions, there were none received.

Action: TAC Secretariat to undertake a further outreach for membership of the TAC SSC as well as any nominations for the role of Chair.

The DDO provided insight into the technical design for the UPI system and an indication of the kind of questions that are likely to be posed to the TAC SSC. Two specific items were highlighted:

- **Strict Hierarchy**
- **Automated User Management**

The DDO asked if there were any questions?

RS (CTFC) advised that there was any error with the dates attributed to the CTFC in the first bullet point on slide 8.

The TAC Secretariat took an action to ensure this was corrected and to upload a revised pack to the TAC Website.

Action: TAC Secretariat to correct slide 8 and to ensure this is reflected on the DSB website.

Slide 11 – File Download Snapshot & Delta

AH introduced a new topic which suggests an extension to the existing file download service where periodic snapshots of the latest ISIN records are provided.

The members were asked if they had any thoughts or comments regarding this suggestion?

JB (Tahoe Blue Ltd) felt that this is a good idea.

JC (HSBC) added that this is the same approach that ESMA undertake with FIRDS and would be welcome.

AG (Refinitiv) asked if the snapshot will contain all of the deleted and expired ISINs?

AH responded that the expectation is that the most recent status of the ISIN would be written to the file e.g. expired status.

KS (SIX Group Services AG) asked if the file format would be the same as the current file or different.

AH – replied that the files would have the same internal representation as the current files, although the structure of the where the file are written has yet to be agreed.

CP summarised that given the positive feedback that this item will be taken forward.

Action: TAC Secretariat to arrange for the production of weekly snapshots via BAU in 2021.

Slides 12 & 13 – ToTV Disaster Recovery (37:38)

AH provided an update on progress made regarding the TAC's previous request from the March meeting to bring the resilience of ToTV service in line with that of the OTC ISIN. The three options considered were presented along with an explanation as to why the DSB was recommending the third option – Global Dynamo DB tables.

The members were asked if they had any thoughts or comments regarding this suggestion?

JC asked if the DSB had considered if there were any performance degradation or any security concerns or are they all equally the same.

AH said that it was the latter, given they all have the same basic footprint. The one difference being the third option. The DynamoDB option gives you a localised version in the region.

JB assumed that the onus would be on AWS to manage the synchronisation/replication?

AH agreed - our reliance would be on AWS for both the primary and secondary databases

JB – SLA have some indication of timing, what synchronisation windows they are and when they may be out of sync.

DB - Was going to ask if this brought us back to a single point of failure, but the question from Jeff has answered this.

CP asked if there were any dissenting thoughts before proceeding. CP noted a comment on the WebEx chat window:

RM (SmartStream) (via chat) asked if the DSB could confirm that the URL's will remain the same?

AH replied that the access points will be seamless across the two regions.

CP asked if the DSB could follow up regarding some of the questions, e.g. the latency for the switchover, and share any documentation through the bulletin board/email to the membership.

AH took an action to share further updates on this topic via the bulletin board.

Action: DSB Secretariat to share further updates on the Dynamo DB Global Tables with the members via the bulletin board.

Slide 14 – Industry Consultation Cloud & Multi Region (00:47:58)

AH introduced the two topics from the Industry Consultation process regarding multiple cloud providers and a review of running out a single region. The TAC had requested that a subcommittee should be involved alongside these analysis items.

The question was asked regarding the shape of this subcommittee, members and meeting frequency.

EC (TradeWeb) – explained that others in her organisation may be better placed to attend such a forum to opine on these topics. EC asked if the other TAC members should reach out to their respective organisations to see if they can identify like-minded resource?

AH clarified the question EC had posed.

EC – advised that she would not be able to opine on these two topics without the input from her two experts.

KS asked if the DSB are looking for one subcommittee to look at both topics or different ones?

AH advised that one subcommittee would address these two questions and this would be separate from the TAC SSC.

KS said that Q6 regarding single active region may be easier to work through than multi-cloud?

AH agreed and welcomed the input from the industry experts to assist narrowing down the options and help shape the analysis.

The DDO wanted to clarify that the DSB were proposing a total of two subcommittees, one being the original TAC SSC as part of the UPI discussion and then one additional subcommittee, the scope of this will be both multi-cloud and the single active risk assessment.

AH agreed and added that the TAC SSC is expected to run all year, whereas the other subcommittee would run for the duration of the analysis.

EC – apologies if any confusion was caused regarding reaching out to others with her organisation.

AH suggested a further outreach to identify which members organisations would be interested in attending this subcommittee and noted there were some chat messages relating to these topics:

JB Multi-cloud would presumably involve some form of Platform-as-a-Service (PaaS) in order for portability across multiple cloud providers?

AG Is the multi-cloud seen as independent services (again: need for reconciliation) or one is still seen as main while the other cloud is backup?

JB Or, is multi-cloud intended as multiple cloud services in different regions by the same cloud provider ?

AH replied that the main aim was to remove the dependency on AWS, however, all options would be considered to reduce cloud concentration risk. It is also feasible to run out of both the primary and secondary regions at the same time which may improve latency for users.

The DDO referred back to EC's question and said the DSB would need to review the Charter wording in relation to the formation of subcommittees, particularly extending membership outside of the main committee members.

DB asked if the DSB should rename the TAC SSC to be the UPI subcommittee then create other committees as required?

The DDO advised that the TAC Secretariat should take this away and see what can be done to provide better clarity.

Action: TAC Secretariat to review the wording in the Charters with respect to members being outside of the main committee and to investigate what the DSB can do to provide greater clarity around subcommittees and to set up a bulletin board topic relating to this topic.

CP added that there are industry specific pieces but also items which relate to running the system, so these will require different expertise.

CP suggested gathering the questions that had been raised in the chat window so these can be fed into the subcommittee.

Action: TAC Secretariat to ensure the questions raised via the chat window are recorded for review by the subcommittee when established.

9 **Existing Topics (01:05:00)**

Slide 15 – Strike Price Update

AH provided an update on the Strike Price topic which has been discussed with the TAC in the past and thanked the members for their support. A progress update was provided along with next steps. It was noted that the price multiplier changes would be made at a later date in line with the TAC's previous guidance.

Slides 16 & 17 – O/S Migration and Software Upgrades (01:07:27)

AH provided a progress update on the end of life software including the operating system migration. A question was raised for the members regarding the US election. The release is currently scheduled for the 15th November 2020, do the members feel that this is any cause for concern especially with the additional window of 8 hours downtime?

JC was a sensible question to ask but did not see a big challenge with this.

AH advised the DSB are planning to monitor this very closely and to defer should something arise.

RM (via chat) did not see any issues.

LT (FIX) agreed that the DSB should monitor the situation.

AG (via chat) had no concerns with it.

AH asked if there were any concerns with the approach?

There were none received so CP advised that the DSB were ok to proceed with this approach.

Slides 17 – O/S Migration and Software Upgrades (01:13:02)

AH provided an update on the remaining software versions along with the timeline which was summarised in the table. The Strike Price delivery took priority and therefore delayed this phase of the project.

Slide 18 – DR Testing Update (01:15:06)

AH provided a recap for the benefit of the new members, including a summary of the outreach undertaken after the action recorded at the March meeting. A reduction in numbers of VPN users was observed as part of the outreach leaving just three VPN users. These users offered to assist but had other commitments so were unable to support the testing.

AH asked the question that given the reduced number of VPN users should the DSB investigate alternative options?

EC – said that investigating is the right thing to do. However, UPI VPN user volumes should be considered.

AH advised that this was a question that the DSB would be raising on the UPI project.

AG (via chat) Maybe the DSB should explore if those 3 remaining VPN users are planning to migrate to other connectivity options (trend suggests it is possible). It may remove VPN problem on its entirety.

CP concluded that the DSB should press ahead with the investigation to arrive at some suggestions.

Action: TAC Secretariat to investigate alternative VPN options and report findings back to the TAC.

JB (via chat) Users of VPN may want to continue, as VPN is more secure than TLS/SSL, and can also pass through some gateway restrictions.

AH advised that the DSB were considering looking at alternative options for the VPN service provision, but VPN would remain as an option.

AG (via chat) That's why I suggest asking them if they plan to stay on VPN as if not, it may be artificial problem. The number somehow got reduced from 15 down to 3.

AH asked if the members felt that the DSB should continue to push the DR test or if a break was required and if so, for how long?

DB asked to what extent the DSB would consider progressing the BT Radianz testing rather than VPN?

AH that it was hard to answer, BT Radianz clients are engaged but it is very hard to predict when the testing will end.

JC advised that it is not reasonable to chase for a long period of time as this is a drain on resources especially if a disaster was to occur, hence, users should try and undertake the test or accept a level of risk.

AH reminded the members that the initially testing is against the UAT environment rather than production. There is an argument that the DSB could look to schedule this testing anyway.

JC asked if the feedback implied delaying would improve people's ability to test?

AH said that the DSB didn't explicitly ask for this, so unable to answer this.

CP advised that this is unlikely to improve towards the end of the year as firms lock systems down.

AH asked for guidance on next steps.

DB (Investment Association) raised the concern that the DR testing is being held up and to move this forward by perhaps explaining to the VPN users what will be happening.

JC agreed.

JB (via chat) If you don't participate in the test, you have the risk

AH concluded that the DSB should look to schedule the UAT DR test as soon as possible in 2021.

Action: TAC Secretariat to identify a suitable UAT testing window in 2021.

Slides 19 & 20 – CISO Update (01:35:25)

WP (DSB CISO) provided an update on the progress made from the office of the CISO. This included an update on the two industry consultation analysis items for Secure SDLC and ISO27001 and detailed the engagement required with the TAC to review the papers prior to the end of the year. The members were asked if they had any questions, none were received.

WP advised that the team had assisted with a number of BAU activities and took the members through the individual items listed on the slide.

The members were asked if they had any questions, none were received.

Slide 21 – One Time Data Snapshots (01:45:00)

AH provided an update on Question 3 from the Industry Consultation which was discussed in June. There was an action to discuss this further in the October TAC meeting, however, the TAC Secretariat are not in a position to discuss this at this time. The TAC Secretariat have instead created a bulletin board topic which includes the key papers which refer to this item and are asking members to review the content and to raise any questions or concerns via the bulletin board topic. Any feedback received will be made available to the analysts when this work is scheduled next year.

JB (via chat) This appears to essentially be a query facility.

10 **AOB (01:49:07)**

CP asked the members if there was any other business?

No items were raised, so CP reminded the members to respond to the outreach regarding the two subcommittees and also to the two CISO papers when published later in the month. CP thanked the members for their time today.

The meeting ending at 14:56.

8 **Actions**

The following actions were discussed in the meeting and were proposed to be closed:

2003-001, 2003-002, 2003-003, 2003-005, 2003-006, 2006-001, 2006-002, 2006-003, 2006-006, 2006-007

The following new actions were recorded:

- 2010-001: Slide 8 - TAC Secretariat to correct the first bullet and to ensure this is reflected on the DSB website.
- 2010-002: Slide 10 - TAC Secretariat to undertake a further outreach for membership of the TAC SSC as well as any nominations for the role of Chair.
- 2010-003: Slide 11 - TAC Secretariat to arrange for the production of weekly snapshots via BAU in 2021.
- 2010-004: Slide 13 - TAC Secretariat to share further updates on the Dynamo DB Global Tables with the members via the TAC bulletin board.
- 2010-005: Slide 14 – TAC Secretariat to review the wording in the Charters with respect to members being outside of the main committee.
- 2010-006: Slide 14 - TAC Secretariat to ensure the questions raised via the chat window are recorded for review by the subcommittee when established.
- 2010-007: Slide 18 - TAC Secretariat to investigate alternative VPN options to the current FortiGate solution and report findings back to the TAC.
- 2010-008: Slide 18 - TAC Secretariat to identify a suitable UAT testing window in 2021 to run the DR failover test.
- 2010-009: Slide 19 – CISO to send the TAC members the two analysis papers for Secure SDLC and ISO27001.

Respectfully submitted,
DSB Designated Officer.