

DERIVATIVES SERVICE BUREAU

UPI FAQ WEBINAR

4 October 2023

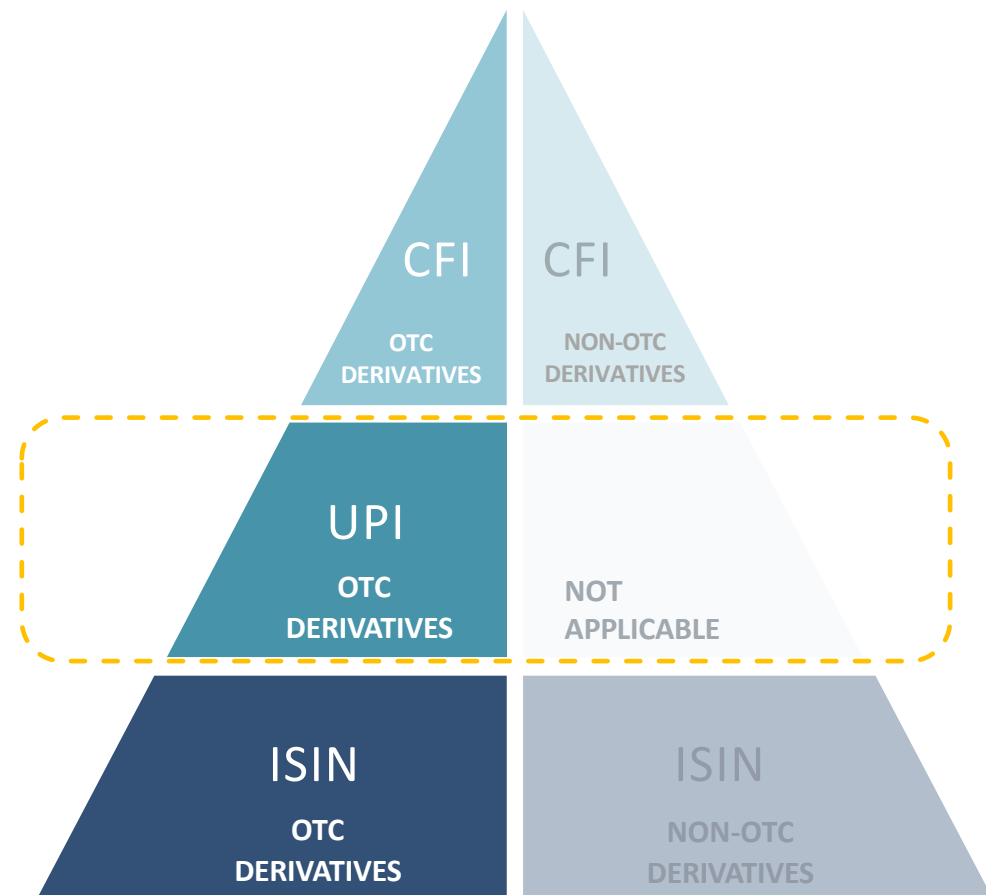
CONTENTS

1. UPI and the Identifier Hierarchy
2. Product Definitions
3. Alternative Identifiers
4. Pre-population
5. File Download
6. Onboarding and User Types
7. Annual User Fees
8. Production Readiness

UPI AND THE IDENTIFIER HIERARCHY



OTC DERIVATIVES IDENTIFIER FRAMEWORK



CFI ISO 10962	Classification of Financial Instruments	Consistent grouping of instruments with similar features by providing a common set of classification definitions.
UPI ISO 4914	Unique Product Identifier	aggregation of OTC derivatives transaction reports to provide regulators with a consistent view of systemic OTC derivative risks.
ISIN ISO 6166	International Securities Identification Numbers	For market abuse, price manipulation and spot risks to financial stability at national and cross-border levels.

IDENTIFIER ATTRIBUTES

The DSB supports multiple identifiers with different levels of granularity.

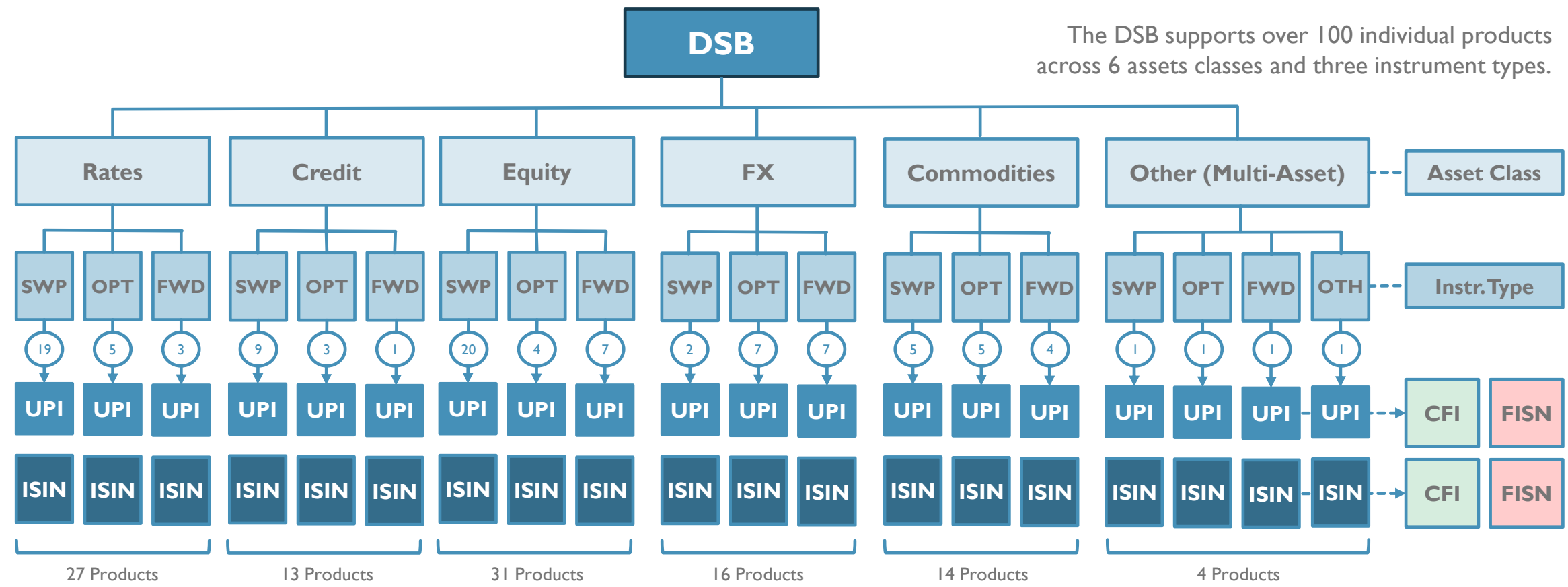
Single Currency Fixed Float Interest Rate Swap (IRS)				
Attributes	CFI	UPI	OTC ISIN	Example Values
Asset Class	✓	✓	✓	Rates
Instrument Type	✓	✓	✓	Swap
Underlying Asset Type	✓	✓	✓	Fixed-Float
Notional Schedule	✓	✓	✓	Constant
Single/ Multi-Currency	✓	✓	✓	Single
Delivery Type	✓	✓	✓	Cash
Notional Currency	✗	✓	✓	EUR
Reference Rate	✗	✓	✓	EUR-EURIBOR
Reference Rate Term	✗	✓	✓	6 MONTH
Term of Contract	✗	✗	✓	5 YEAR
Price Multiplier	✗	✗	✓	1
Expiry Date	✗	✗	✓	23/09/2028

PRODUCT DEFINITIONS



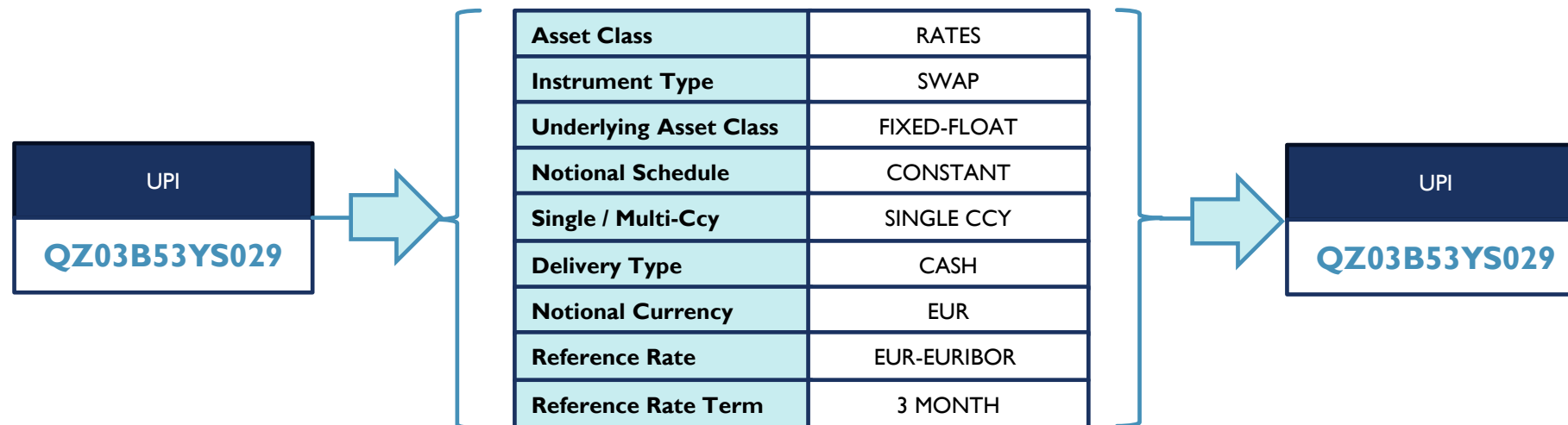
DSB PRODUCT COVERAGE

The DSB supports over 100 individual products across 6 assets classes and three instrument types.



UPI ASSIGNMENT PROCESS

- The UPI represents an OTC Derivative product by assigning a unique ID to a specific set of attributes and values.
- The UPI is a “semantically meaningless” ID that is linked to its attributes and values by the DSB.
- Once a UPI has been created, the same set of values will return the same UPI and the same value will always return the same UPI.



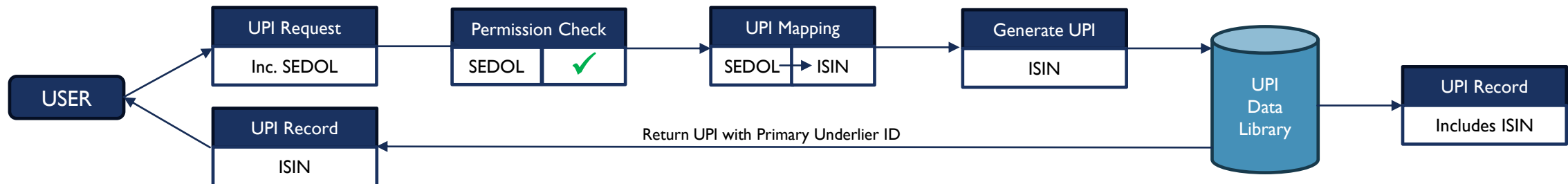
- The creation of a UPI does not trigger the creation of an OTC ISIN however, a new OTC ISIN will always be associated with a Parent UPI and will inherit its values.

ALTERNATIVE IDENTIFIERS



UPI PRIMARY AND ALTERNATIVE UNDERLIER IDENTIFIERS

- The UPI defines a single Primary ID for each type of underlier to ensure unique generation of a UPI.
 - Eg: Ref. rates use an FpML Name, legal entities use an LEI and securities (Equities / Bonds) use an ISIN.
- Security Underliers can also be input using an Alternative ID (Alt-ID): CUSIP/CINS, FIGI or SEDOL.
 - Additional Alternative Underlier IDs may be introduced in the future based on demand and Third Party Providers approval.
- The use of Alt-IDs is available via the GUI and API subject to user permission, via the COSP.



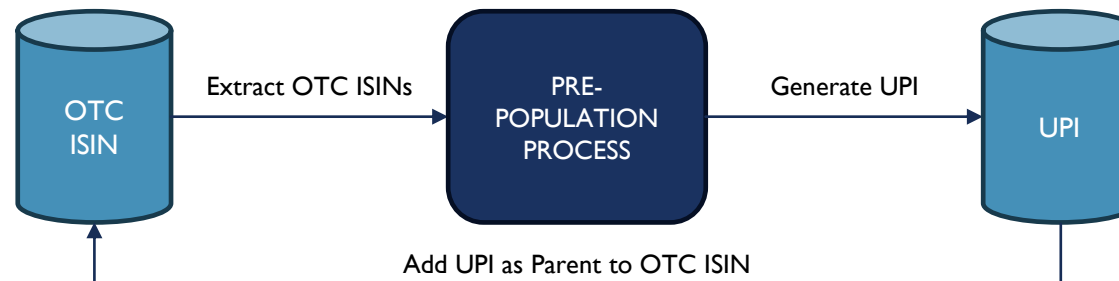
- The Alt-ID is not stored against the UPI record – it is simply made available for convenient underlier input.
- The service can return Alt-IDs if the user is permissioned and if the request did not use a different Alt-ID.
- The service also makes the Alt-ID available for each UPI record stored in the File Download (FDL) - subject to permission.

PRE-POPULATION



HOW WILL THE UPI UNIVERSE BE POPULATED?

- UPI Users can generate, retrieve and search for UPIs from 16 October 2023 when the UPI Service is released into Production.
- In parallel to user generation of UPIs, the DSB Technology Advisory Strategy Subcommittee (TAC SSC) recommended that the existing DSB database, OTC ISIN universe, should be used to “seed” the UPI database, generating UPIs from the attributes of over 112m OTC ISINs.
- This activity is expected to add approximately 700,000 UPIs to the UPI database.
- The DSB pre-population process* will add a Parent UPI to the majority of OTC ISIN records, maintaining the identification hierarchy between UPI and OTC ISIN. Where UPI Parent generation is not possible, due to new validation rules, some OTC ISINs will have a status set to “deprecated”.



- The pre-population process will start when the UPI Service is released into the Production environment and is expected to be completed before the first regulatory mandate (29 January 2024).

PRE-POPULATION SCHEDULE

- **15/10/2023 UPI & First OTC ISIN "Swap" Template Releases applied - Pre-Population commences**
- 27/10/2023 Active "Swap" OTC ISIN's complete
- 01/11/2023 Expired "Swap" OTC ISIN's complete
- **05/11/2023 Second OTC ISIN "Non-Swap" Release applied & Pre-Population continues**
- 02/12/2023 Active "Non-Swap" OTC ISIN's complete (note – all active OTC ISIN's now processed)
- **23/01/2024** Expired "Non-Swap" OTC ISIN's complete & Pre-Population ends

- *Note: The above phased release is an OTC ISIN feature only, UPI users may create any UPI for any asset class as soon as the UPI Service is available after the release on the 15 October 2023.*
- *Weekly updates on the progress of the pre-population process will be maintained on the DSB website:
<https://www.anna-dsb.com/otc-isin-pre-population/>*

Please note: The pre-population timeline is an estimate based on UAT processing along with a forecast of the anticipated production volumes and may change.

FILE DOWNLOAD



FILE DOWNLOAD & WEEKLY SNAPSHOTS

- To align UPI with the OTC ISIN the DSB will deliver weekly snapshots of the full UPI population
- These files will be produced weekly at 16:00 UTC every:
 - Sunday for fee-paying users
 - Monday for non-fee-paying users
- UPI users will be able to access these files:
 - In UAT and UPIUAT from Sunday 29th October 2023
 - In Production from Sunday 19th November 2023
- Further information on the daily and weekly file download process, including how users can automate the downloading of files, can be found in the following document: <https://www.anna-dsb.com/download/dsb-file-download/>

ONBOARDING & USER TYPES



CLIENT ONBOARDING AND SUPPORT PLATFORM (COSP)

Sign up for the UPI Service

The Client Onboarding & Support Platform (COSP)

The COSP is an online, self-service platform that allows Users to onboard to the UPI service and manage their UPI subscription

- Free access to UPI (Registered User) **SIGN UP**
- Fee-paying / Intermediary access to UPI **SIGN UP**

- Utilisation of a scalable online self-service platform for onboarding to the UPI Service and for ongoing subscription management
- Onboarding requires -
 - Provision of an active LEI
 - Specify User Type
 - Specify Organisation Type
 - Category 1 e.g. Venues, TRs, or
 - Category 2 e.g. Bank, Asset Manager (eligible for Affiliates)
 - Reviewing the terms in the UPI Subscription Form
 - Common Agreement

UPI USER TYPE OVERVIEW

Registered User

Manual search using a web-front end, with a limit on the number of search results returned and an unlimited number of searches, no creation possible.

Daily Files T+1

*Free to use

Infrequent User

Manual creation + limited search using a web-front end, for low volume users, with a limit on the number of search results returned and an unlimited number of searches

Daily Files T+0

*Paid usage

Standard User

Manual creation and search for lower volume users, using a web-front end

Daily Files T+0

*Paid usage

Search-only API User

Programmatic connectivity for lower volume systematic search

Daily Files T+0

*Paid usage

Power User

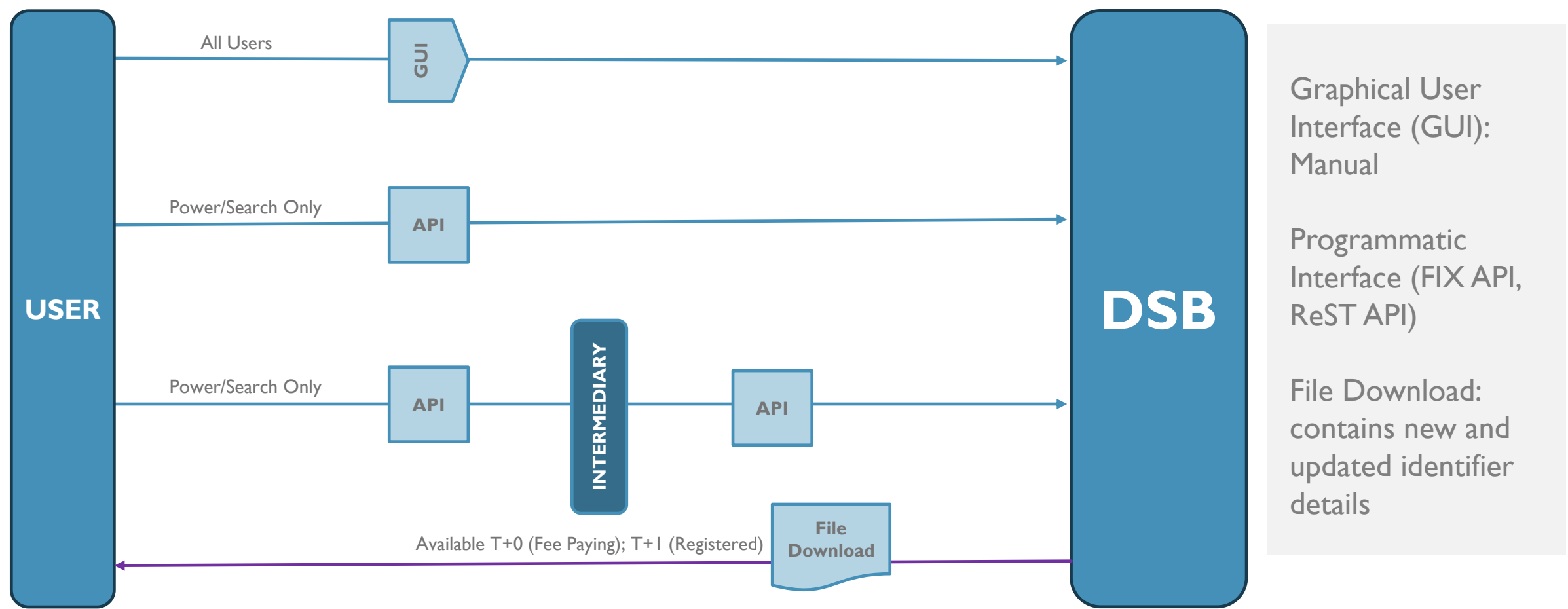
Programmatic connectivity for high volume systematic creation + search

Daily Files T+0

*Paid usage

- Prior to signature of subscription form, a User is able to amend User Type in the COSP
- Once the subscription form is signed, a Support Case should be raised to upgrade User Type
- A Registered User can be upgraded to a GUI user of a fee-paying entity at any time
- A combination of User Types is possible

DSB ACCESS METHODS



Graphical User Interface (GUI): Manual

Programmatic Interface (FIX API, ReST API)

File Download: contains new and updated identifier details

INTERMEDIARIES

- Search-only API Users and Power Users – programmatic / API Users - can access the DSB Services through a DSB-defined Intermediary:
 - DSB definition of Intermediary: *‘Users acting as data aggregators or otherwise as a pass-through for API Data for End Users, including software vendors’*
- Overview of process:
 - The End User acquires a UPI Subscription from the DSB as a Power User or Search-Only API User.
 - The End User requests (and manages ‘in-life’) their API accounts themselves via the COSP and shares the credentials with their Intermediary.
 - The Intermediary ensures the End User has obtained the correct UPI subscription.
 - The Intermediary must also onboard as Intermediary User Type before connections are activated, including completion of API certification.
- The DSB User Policy (Section 7) outlines the terms related to Intermediaries.

INTERMEDIARIES (CONT'D)

- Infrequent and Standard Users - manual / GUI Users - are required to come to the DSB directly for real time search and create requirements.
- Once a manual User has obtained the required information from the DSB, the User can share the information with a third party, provided it is for reporting purposes in line the DSB User Policy.
- UPI files are available on an End of Day T+1 basis for free and with no restrictions on usage.
 - These files can be accessed via third parties or directly by any User type, including Registered Users.
- The DSB will conduct an industry consultation, including on the role of Intermediaries, within 2 years of the UPI Production launch.

IN-LIFE SUBSCRIPTION MANAGEMENT

- Once the UPI Subscription Form has been signed in the COSP, the following key ‘in life subscription’ steps are anticipated – changes to:
 - User entity details e.g. registered address or LEI
 - Subscription notice contacts
 - Eligible affiliates (for ‘Category 2’ organization types, as defined in the DSB User Policy)
- As per the DSB Charges Policy:
 - Users are able to Upgrade at any time in the Invoicing Period, subject to the applicable fee increase for the remainder of the invoicing period
 - The User may request a Downgrade to take effect partway through an invoicing period, but the User remains liable for the payment of fees for the original user type for the remainder of that invoicing period
 - Following the 6 month period in UAT at no charge, those users who wish to remain in UAT only, are subject to the applicable fees
- Users should raise a Support Case via the COSP to manage these ‘in-life subscription’ events

ANNUAL USER FEES



FEE MODEL VARIABLES AND ANNUAL USER FEES

- The DSB operates on a cost recovery basis where annual user fees recover the UPI Forecast Total DSB Cost.
- UPI user fees are derived using Fee Model Variables which comprises this UPI Forecast Total DSB Cost (with the latest forecast being €9.3m) and projected number of UPI Users, split by User Type
- The DSB has undertaken a market sizing exercise which concluded that 300 users remains a reasonable estimate for the determination of the UPI fees for 2023 and 2024.
- The table below provides the 2023 and 2024 User Fees for each User Type:

Estimated User numbers	User Type	Annual User Fees	
		1 Jan 2024 – 31 Dec 2024	User Fees for period 16 Oct 2023 – 31 Dec 2024
120	Power	€ 63,491	€ 79,363
60	Standard	€ 21,164	€ 26,454
102	Infrequent	€ 1,000	€ 1,000
3	UAT only	€ 21,164	€ 26,454
15	Search only	€ 15,873	€ 19,841
300	Total cost (Incl. FSM)	€ 9,292,265	€ 11,615,331

PRODUCTION READINESS



PRODUCTION READINESS CHECKLIST

	Sign Subscription Form Visit COSP page	Provide Billing Details Visit COSP page	Pay Invoice Visit COSP page	FIX/REST Certify Visit COSP page
INFREQUENT	✓	✓	✓	—
STANDARD	✓	✓	—	—
SEARCH ONLY API	✓	✓	—	✓
POWER	✓	✓	—	✓
POWER & INTERMEDIARY	✓	✓	—	✓
INTERMEDIARY	✓	—	—	✓
SOFTWARE VENDOR	No access to Production			
UAT ONLY	No access to Production			

SUPPORT FROM THE DSB

- The DSB has created an array of self-help materials which can be found on the DSB website. These include [FAQ documents](#)¹, [UPI guide](#)², [product definitions](#)³ and [technical information](#)⁴.
- The DSB will also provide support to users via the [Client Onboarding and Support Platform \(COSP\)](#)⁵ which allows users to raise Support Cases for the DSB to respond to. If users require support before onboarding to the COSP, a Support Case can be raised via the [Contact Us page](#)⁶.
- If a higher level of support is required, the DSB offers [ancillary services](#)⁷ such as [Premium Support](#)⁸.

1. <https://www.anna-dsb.com/upi-service-and-alternative-identifiers-faqs/>

2. <https://www.anna-dsb.com/download/upi-guide/>

3. <https://www.anna-dsb.com/product-definitions/>

4. <https://www.anna-dsb.com/technical-information/>

5. <https://cosp.anna-dsb.com/support-case-form>

6. <https://www.anna-dsb.com/contact-us/>

7. <https://www.anna-dsb.com/ancillary-services/>

8. <https://www.anna-dsb.com/dsb-premium-support/>

FURTHER INFORMATION

- DSB UPI webpage: <https://www.anna-dsb.com/upi/>
- COSP: <https://www.anna-dsb.com/home#cosp-login>
- UPI FAQ: <https://www.anna-dsb.com/download/upi-faq/>
- Product Documentation: <https://www.anna-dsb.com/upi-product-definitions/>
- Technical documentation: <https://github.com/ANNA-DSB/Product-Definitions/tree/uat3>
- DSB Product Committee: www.anna-dsb.com/product-committee/
- DSB Technology Advisory Committee: www.anna-dsb.com/technology-advisory-committee/
- DSB Financial Accounts: <https://www.anna-dsb.com/financial-accounts/>
- DSB UPI Fee Model Variables: <https://www.anna-dsb.com/upi-fee-model-variables/>
- DSB UPI User Fees: <https://www.anna-dsb.com/upi-fees-rules-2023>
- DSB OTC ISIN Fee Model Variables: <https://www.anna-dsb.com/otc-isin-fee-model-variables/>
- DSB OTC ISIN User Fees: <https://www.anna-dsb.com/otc-isin-fees-rules/>
- Third Party Assurance Audit: <https://www.anna-dsb.com/third-party-assurance-audit/>
- Industry consultation reports and feedback: <https://www.anna-dsb.com/industry-consultation/>
- Contact us: <https://www.anna-dsb.com/contact-us/>

ISO Standards: The Global Market Language

Recognized and used around the world. Harmonizing the full lifecycle of investments for investors and financial firms. Created and maintained by the industry they serve. ISO financial standards are visible proof of the power of group commitment.

One global language opens a world of possibilities.



Thank you!