DSB PRODUCT COMMITTEE MEETING MINUTES

Meeting:	The 210th DSB Product Committee Meeting				
Date:	13-Jun-2023	**Time:**	15.00 – 16.30 UTC	**Location:**	DSB Offices / Teleconference

Name	PC Role	Institution	Attendance
Harry McAllister	Co-Chair	BNP Paribas	Yes
Joseph Berardo	Co-Chair	Intercontinental Exchange	Yes
Markus Buehler	Product Committee Member	OTC Service AG	Apologies
Michael Burg	Product Committee Member	State Street Financial	Apologies
Martyn Cole	Product Committee Member	Refinitiv	Yes
Jourik De Lange	Product Committee Member	Smartstream RDU	Yes
Dawd Haque	Product Committee Member	Deutsche Bank	Absent
Uwe Hillnhuetter	Product Committee Member	Tradeweb	Yes
Nicholas Moger	Product Committee Member	J.P Morgan	Yes
David Nowell	Product Committee Member	KOR Financial	Absent
Navraj Panesar	Product Committee Member	Citigroup	Absent
Warren Rubin	Product Committee Member	DTCC	Yes
Kirston Winters	Product Committee Member	OSTTRA	Yes
Mari Asakura	Regulatory Observer	JSDA	Absent
Davide Panadori Cino	Regulatory Observer	ESMA	Absent
Giulia Ferraris	Regulatory Observer	ESMA	Absent
Eiichiro Fukase	Regulatory Observer	JSDA	Absent
Dr Olaf Kurpiers	Regulatory Observer	BaFin	Absent
Frank Lasry	Regulatory Observer	AMF	Absent
Michael Naughton	Regulatory Observer	FCA	Absent
Jean Obray	Regulatory Observer	FCA	Yes
Grzegorz Skrzypczynski	Regulatory Observer	ECB	Yes
Robert Stowsky	Regulatory Observer	CFTC	Yes
Dominik Zeitz	Regulatory Observer	BaFin	Absent
Andrew Bayley	Observer	ISDA	Yes
Que-Phong Dufournet	Observer	AMAFI	Yes
Rav Saidha	Observer	Retail Derivative Forum	Yes
Lisa Taikitsadaporn	Observer	FIX Trading Community	Yes
Emma Kalliomaki	DSB Board Sponsor	DSB Board	Apologies
Simon Wiltshire	Alternate DDO	DSB	Yes
Adam Grace	Alternate DDO	DSB	Apologies

No	Topics

1   Introduction & Agenda

2   Competition Law Reminder

Presented.

3   Review Minutes from Previous Meeting

The prior meeting's minutes were approved and are now considered final.

5   Open Actions

None

Announcements

None

7   DSB BAU Task-List

The DSB presented the current OTC ISIN / UPI book of work with each item categorized as follows:

Priority 1 & 2 : To be addressed as high priority.
                      Inc.: DSB-2583; DSB-2619; DSB-2626; DSB-2678.
Priority 3 & 4 : To be added to the BAU development queue.
                      Inc.: DSB-2410; DSB-2646; DSB-2687; DSB-2140; DSB-2409; DSB-2395.
Project : Significant analysis and development required : may require additional funding.
                      Inc.: ETD Underliers; Complex Products; Non-Ccy FX; FISN Review.
No change : Not yet specified or to be managed without system change.
                      Inc.: ISO 10962 (CFI) recommendations; Non-Standard template guidance; Single Name
                      CDS Issuer/Guarantor; DAS-SC recommendations

It was explained to the meeting that resource constraints meant that items in the first two groups (Priority 1,2,3 & 4) would be managed under BAU in priority order. In addition, Project items were too large to manage under BAU and so it would be necessary to request additional funding for such tasks.

The items categorized as "No Change" may result in changes at some time in the future but the requirements have not yet been sufficiently determined.

No objection to the above approach was raised in the above meeting.

Additional Template

The DSB presented a proposal for addressing the issue of products where no UPI template has been defined. This situation may occur where there are:
- Non-Supported Underlier Types (eg: ETDs)
- Non-Supported Structures (eg: "Best of")

…and the proposal would aim to allow the user to report transactions for such unsupported products.

The meeting reiterated the principle that the DSB will not support the derivation of invalid CFI codes – including the avoidance of using "X" as an undefined attribute within the CFI code. The DSB also noted that such products would be included in the Notification Report covering "Other" products and attributes.

The suggested approach presented to the PC included the possible definition of a simple product template that would allow the user to define the key attributes of the product (eg: CFI attributes) but without the need to define an underlier. This would need to be implemented in OTC ISIN and UPI services in order to maintain the hierarchy.

The meeting agreed the principle of providing an additional "catch all" template but asked the DSB to return with possible approaches to the issue. **> Action 690.**

9 DSB-2678 : Multi-Exotic Products

The DSB presented the issue identified with Commodity Multi-Exotic templates whereby products with multiple Commodity Index underliers derive different CFI codes within the OTC SIN and UPI services.

The presentation included the following requirements for these templates:
- Allow the generation of OTC ISINs for Commodity Derivatives with multiple Commodity Index underliers – and derive the correct CFI Code.
- Prevent the generation of OTC ISINs for Commodity Derivatives with a single Proprietary or Commodity Index.
- Ensure the derivation of consistent CFI Codes between OTC ISIN and UPIs.

The presentation also included a proposal to amend the OTC ISIN Multi-Exotic templates to support an array of Underlying Index entries (inc. "OTHER", "OTHER").

In order to be able to make a decision, the meeting asked the DSB to return with a more detailed breakdown of support for Commodity derivatives and the ways in which the CFI Code is derived. **> Action 691.**

AOB

None

Respectfully submitted,

DSB Secretariat

Minutes Approved on: 27/06/2023

Summary of Open Actions	Owner	Target Date

689	DSB/PC to agree the scope of the best practice guidance needed for non-standard templates.		
690	DSB to present possible approaches to support for a "catch all" template for non-supported products/underliers.	DSB	27-Jun-23
691	DSB to provide a detailed breakdown of support for Commodity derivatives and the ways in which the CFI Code is derived.	DSB	27-Jun-23

Summary of New or Updated DSB Tasks	**Status**	**Priority**