

DSB PRODUCT COMMITTEE MEETING MINUTES

Meeting: The 162th DSB Product Committee Meeting

Date: 01-June-2021 **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 |
| Michael Burg | Product Committee Member | State Street Financial | Absent |
| Martyn Cole | Product Committee Member | Refinitiv | Yes |
| Jourik De Lange | Product Committee Member | Smartstream RDU | Apologies |
| Dawd Haque | Product Committee Member | Deutsche Bank | Yes |
| Dominic Harth | Product Committee Member | Union Investment Privatfonds GmbH. | Yes |
| Uwe Hillnhuetter | Product Committee Member | Tradeweb | Yes |
| Nicholas Moger | Product Committee Member | J.P Morgan | Yes |
| Navraj Panesar | Product Committee Member | Citigroup | Absent |
| Gregg Rapaport | Product Committee Member | DTCC | Yes |
| Kirston Winters | Product Committee Member | IHS Markit | Yes |
| Mari Asakura | Regulatory Observer | JSDA | Absent |
| Davide Panadori Cino | Regulatory Observer | ESMA | Absent |
| Ayo Fashina | Regulatory Observer | FCA | Absent |
| Giulia Ferraris | Regulatory Observer | ESMA | Apologies |
| Eiichiro Fukase | Regulatory Observer | JSDA | Yes |
| Dr Olaf Kurpiers | Regulatory Observer | BaFin | Apologies |
| Frank Lasry | Regulatory Observer | AMF | Apologies |
| Robert Stowsky | Regulatory Observer | CFTC | Yes |
| Dominik Zeitz | Regulatory Observer | BaFin | Apologies |
| Andrew Bayley | Observer | ISDA | Apologies |
| Lisa Taikitsadaporn | Observer | FIX Trading Community | Yes |
| Fiona Willis | Observer | GFMA | Yes |
| Emma Kalliomaki | DSB Board Sponsor | DSB Board | Yes |
| Malavika Solanki | DDO | DSB | Yes |
| Simon Wiltshire | Alternate DDO | DSB | Yes |
| Adam Grace | Alternate DDO | DSB | Yes |
| Andrew Milligan | SDA | ISDA | Yes |
| Ian Sloyan | SDA | ISDA | Yes |

No Topics

1 Introduction & Agenda

2 Competition Law Reminder

Presented

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| 3 | Review Minutes from Previous Meeting | | |
| | | The prior meeting's minutes were updated as requested and are now considered final. | |
| 4 | Announcements | | |
| | DSB Current Technical Status | | |
| | The DSB (TAC) have extending the current heightened awareness period through to the 30 th September, 2021. | | |
| | UPI Fee Model Consultation | | |
| | PC Members were reminded that the 2nd Industry Consultation is ongoing, closing at 5pm UTC on 9 July 2021. | | |
| 5 | Open Actions | | |
| 412 | DSB to provide an update to regulators on CFI 2019 adoption following any updated approach being shared with the DSB PC once TAC feedback has been received. | DDO | OPEN |
| 413 | The DSB to obtain regulatory feedback on CFI 2019 adoption after the initial outreach by the DSB, following completion of action 412. | DDO | OPEN |
| 432 | The DDO to work with the CDIDE Chairs and PC Members to identify, address and document the industry's information needs. | DDO | OPEN |
| 435 | CFTC to present agreed UPI masking requirement for less liquid underliers to the PC. | CFTC | OPEN |
| 438 | ISDA to provide an update to the PC once FRO related changes have been finalized. | ISDA | OPEN |
| 465 | AG1 to present details of the proposed ISO 20022 changes. | AG1 | OPEN |
| 471 | ISDA to revert to the PC if industry's expectation that all required reference rate information will be available in FpML cannot be met in a manner that enables access to a single authoritative data source. | ISDA | OPEN |
| 472 | The DSB to confirm the value to be returned for Contract Specification on legacy ISINs. | DSB | OPEN |
| 474 | CDIDE to respond to the PC's concerns regarding the current ISO 4914 conditional attributes. | CIDIE | CLOSED |
| 477 | The DSB to share the agreed proposal for the treatment of Portfolio Swaps when determining the CFI code with regulators. | DDO | OPEN |
| 482 | DDO to liaise with PC Members regarding additional questions about the UPI service and revert to the PC. | DDO | OPEN |
| 483 | The DSB are to seek confirmation from the CDIDE for the exclusion of "Long Name" from the UPI requirements. | DSB | CLOSED |

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| 484 | The DSB are to collate a list of cross-asset products for presentation to the CDIDE. | DDO | OPEN |
| 485 | The DSB are to work with the PC to produce best practice guidance on the treatment of the funding leg in the generation of UPIs. | DDO | OPEN |
| 486 | The DSB to forward to the CDIDE the concerns of the PC over the inclusion of Underlying Contract Tenor Period / Multiplier in ISO 4914 (UPI). | DDO | CLOSED |
| 487 | DDO to provide key extracts from the draft ISO 4914 standard. | DDO | OPEN |
| 488 | DSB to present a proposal for the introduction of streamlined product templates for Swaptions and FX Swaps. <i>Update: A DSB task (DSB-1135) has been created for this work and will be tracked in the task list.</i> | DSB | CLOSED |
| 489 | DSB to present the views of the PC on Other Instrument Type to the CDIDE | DSB | CLOSED |
| 490 | DSB to present the views of the PC on Other Asset class to the CDIDE | DSB | CLOSED |

| 6-8 | Current DSB Tasks | Status | Priority |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------|
| DSB-8 | Review Source of Commodity Index DSB to continue discussion with Commodity index providers with the aim of having an agreed design and an agreement in principle by end of Q3 2020. | In Prog | Med |
| DSB-53 | Set Maximum Number of Items in Arrays The system needs to impose a maximum number of input values against each array to protect the system from unvalidated input. | Tech | Low |
| DSB-62 | CFI Code Service DSB-managed service that will return CFI codes for any OTC derivative products without the associated generation of an ISIN (Analysis Only). | Tech | Med |
| DSB-63 | RTS 2 Sub-Asset Class Mapping To provide a mapping of DSB products to MiFID II (RTS 2) Sub-Asset Class and publication in machine-and human-readable formats (Analysis Only). | In Prog | High |
| DSB-67 | GUI Search Utility Improvements To examine how the GUI-based search utility may be improved to allow users to perform searches without search semantic knowledge (Analysis Only). | Tech | Low |
| DSB-90 | Price Multiplier Validation | Tech | Med |

The Price Multiplier is subject to inconsistent rounding when very large numbers are input (eg: greater than 18 digits).

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|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|------|
| DSB-133 | Prop Index Process Analysis Analyse the Proprietary Index management provision to identify efficiency and service improvements. | Tech | Low |
| DSB-370 | CFI 2019 Support Support the updated 2019 ISO Standard for CFI (10962) throughout the DSB product suite. | Tech | High |
| DSB-972 | Update FpML Reference Rates Update FpML Reference Rates following ISDA 2021 Definitions Review. | In Prog | High |
| DSB-974 | New Attribute: Standard Contract Type Add Standard Contract Type to Single Name CDS templates. | In Prog | Med |
| DSB-1002 | ISDA 2021: New FROs The DSB will need to support all the new FROs as new entries in the enumerated list used across Rates and Non-Standard templates that include FROs as an underlier. | In Prog | High |
| DSB-1076 | Structured Email Messages To allow users to specify the types of DSB notification that they receive. | In Prog | Low |
| DSB-1120 | ISDA 2021 New GUI Titles To provide solution options in implementing ISDA 2021 changes in the GUI to enhance user-experience. | In Prog | High |
| DSB-1132 | Search Only User Type To provide a cost-effective solution for DSB API users who wish to perform searches against the OTC ISIN database in real-time without the ability to create ISINs. | Tech | Low |
| DSB-1266 | New Reference Rate : USD-AMERIBOR (x3) Add three new USD-AMERIBOR to the enumerated list of Reference Rates for RATES and Non-Standard templates. <i>Scheduled for August Release.</i> | Sched | Med |

8 2021 ISDA Definitions – Update

The DSB presented the PC with the status of the ISDA 2021 Definitions release including the impact on the DSB's technical implementation timelines. The PC were informed by ISDA that the finalised 2021 FRO list and the associated data points required by the DSB are expected to be made available shortly.

The DSB confirmed that if the finalised FRO list and the associated data points required to support the product templates were received in the coming week the release schedule would be adversely impacted. The PC discussed the consequences and considered the actions or measures that could be taken by the DSB to alleviate the pressures the delay will cause deployment. Whilst it was agreed that some functionality could be reduced (DSB-1120) if required, the DSB requires the finalised FRO list and

associated supporting information from ISDA before being in a position to make any further determinations. The PC were notified of a meeting taking place before the end of the week involving relevant parties and noted that the DSB will share the outcome with PC members. >**Action490**.

The PC also acknowledged the impact this delay would have on currently 'held' reference rates releases.

9 UPI : CDIDE Review

The DSB presented the CDIDE's response to the PC's feedback of the ISO 4914 requirements and proposals, previously discussed and shared.

The CDIDE accepted the of the PC's feedback – summarized below:

- **Settlement Currency**
Proposal accepted: Settlement Currency is a Conditional attribute within the Forex asset class.
 - **Underlying Debt Issuance Tenor Period / Multiplier**
Proposal accepted: These attributes are not required for UPI product definitions.
 - **Underlying Contract Tenor Period / Multiplier**
Proposal accepted: These attributes are not required for UPI product definitions.
 - **Single and Interpolated Reference Rate**
Proposal accepted: These attributes are not required for UPI product definitions.
 - **FISN / Long Name**
Proposal accepted: FISN is sufficient (if the UPI can be determined from the FISN). This is subject to review (DSB/ISO).
 - **Other Instrument Type**
Proposal accepted: This will be supported through a single product definition - supported by significant number of attributes.
 - **Other Asset Class**
Proposal accepted: This will not be supported through a specific product definition. PC to provide best practice guidelines.
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10 UPI : Product Documentation

The DSB confirmed that the UPI Product Definitions are to be published at the end of June 2021 with the CRF's for each product being made public through the DSB website.

11 UPI : Workflows to support primary and alternate identifiers

The DSB have been asked to consider how it could satisfy the scenario where users in certain jurisdictions may not wish to utilize or store the PC's designated primary identifier for IP reasons. The UPI Technical Guidance document and CDIDE have requested that the DSB support UPI creation, search and download activities using both primary and alternate identifiers. This would be required across all the methods and user types (for the DSB's UPI only service).

The DSB presented various scenarios, across the user types as well as the methods of access (GUI, API & File Download). The PC requested confirmation if UPI will be created and populated in the OTC ISIN record when OTC ISIN-only users create an OTC ISIN. >**Action491**

The PC did not have sufficient time to review all materials and the discussion is to be continued at the next meeting.

12 UPI Persistence – Impact of Corporate Actions.

Held over.

AOB

The PC discussed the impact of the recent ESMA publication regarding the reporting of fall-back reference rates. It was agreed that the industry first needed an opportunity to review the impact of changes, and make a determination if additional reference rates would need to be introduced to facilitate the required reporting needs.

Respectfully submitted,

DSB Secretariat

Minutes Approved on:

| Summary of Open Actions | | Owner | Target Date |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------------|
| 412 | DSB to provide an update to regulators on CFI 2019 adoption following any updated approach being shared with the DSB PC once TAC feedback has been received. | DDO | TBC |
| 413 | The DSB to obtain regulatory feedback on the CFI 2019 approach after the initial outreach by the DSB, following completion of action 412. | DDO | TBC |
| 432 | The DDO to work with the CDIDE Chairs and PC Members to identify, address and document the industry's information needs regarding the UPI timeline and key implementation related matters. | DDO | Q4-21 |
| 435 | CFTC to present agreed UPI masking requirement for less liquid underliers to the PC. | CFTC | TBC |
| 438 | ISDA to provide an update to the PC once FRO related changes have been finalized | ISDA | 19-Feb-21 |
| 465 | AG1 to present details of the proposed ISO 20022 changes. | AG1 | 04-May-21 |
| 471 | ISDA to revert to the PC if industry's expectation that all required reference rate information will be available in FpML cannot be met in a manner that enables access to a single authoritative data source. | ISDA | TBC |
| 472 | The DSB to confirm the value to be returned for Contract Specification on legacy ISINs. | DSB | 20-Apr-21 |
| 477 | DSB to ensure that regulators are made aware of the proposed timelines shared with the PC and the PC's views as set out above, to aid readiness. | DDO | 18-May-21 |
| 482 | DDO to liaise with PC Members regarding additional questions about the UPI service and revert to the PC | DDO | 01-Jun-21 |
| 484 | The DSB are to collate a list of cross-asset products for presentation to the CDIDE. | DDO | 01-Jun-21 |
| 485 | The DSB are to work with the PC to produce best practice guidance on the treatment of the funding leg in the generation of UPIs | DDO | TBC |
| 487 | DDO to provide key extracts from the draft ISO 4914 standard. | DDO | 01-Jun-21 |
| 490 | DSB to share the results of the FRO discussion with ISDA with the members of the PC. | DDO | 15-Jun-21 |
| 491 | DSB to update PC members regarding the ISDA FRO Update at w/e | DDO | 15-Jun-21 |
| 492 | DSB to confirm if a UPI will be created when ISIN only users create an ISIN. If so, what is the basis of this decision? | DDO | 15-Jun-21 |

Summary of New or Updated DSB Tasks**Stat
us****Priority**
