DSB PRODUCT COMMITTEE MEETING MINUTES

Meeting:	The 185th DSB Product Committee Meeting				
Date:	31-May-2022	**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	Apologies
Michael Burg	Product Committee Member	State Street Financial	Yes
Martyn Cole	Product Committee Member	Refinitiv	Yes
Jourik De Lange	Product Committee Member	Smartstream RDU	Yes
Dawd Haque	Product Committee Member	Deutsche Bank	Yes
Uwe Hillnhuetter	Product Committee Member	Tradeweb	Apologies
Nicholas Moger	Product Committee Member	J.P Morgan	Absent
David Nowell	Product Committee Member	KOR Financial	Yes
Navraj Panesar	Product Committee Member	Citigroup	Absent
Gregg Rapaport	Product Committee Member	DTCC	Yes
Kirston Winters	Product Committee Member	OSTTRA	Apologies
Mari Asakura	Regulatory Observer	JSDA	Absent
Davide Panadori Cino	Regulatory Observer	ESMA	Absent
Giulia Ferraris	Regulatory Observer	ESMA	Absent
Eiichiro Fukase	Regulatory Observer	JSDA	Yes
Dr Olaf Kurpiers	Regulatory Observer	BaFin	Absent
Frank Lasry	Regulatory Observer	AMF	Absent
Jean Obray	Regulatory Observer	FCA	Absent
Tom Soden	Regulatory Observer	FCA	Absent
Robert Stowsky	Regulatory Observer	CFTC	Absent
Dominik Zeitz	Regulatory Observer	BaFin	Absent
Andrew Bayley	Observer	ISDA	Apologies
Lisa Taikitsadaporn	Observer	FIX Trading Community	Yes
Fiona Willis	Observer	GFMA	Apologies
Emma Kalliomaki	DSB Board Sponsor	DSB Board	Apologies
Simon Wiltshire	Alternate DDO	DSB	Yes
Adam Grace	Alternate DDO	DSB	Yes

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		
517	The DSB to ask responsible institutions for information concerning the creation of Non-Standard Options without Option Type / Exercise Style. *Update: A request for information concerning the creation of Non-Standard Options without Option Type / Exercise Style is being drafted. Responses will be collated and provided to the PC at a future date. There is decision pending as a result of the responses. Propose new Target Date (TBC).*	**DDO**	**OPEN**
519	The DSB provide data confirming what underlying asset values were currently being referenced – for each of FX Forwards and FX Options - in the creation of OTC ISINs when using the CFI 2015 standard.	**DSB**	**OPEN**
546	The PC are going to investigate the possibility of joining the ISO20022 discussions that will impact UPI.	**DSB Chairs**	**OPEN**
552	DSB to provide clarity over the UPI go-live timelines and an update from the DSB Board	**DSB**	**OPEN**
553	DSB to share a link to the Australian mandate statement from ASIC with PC members.	**DSB**	**CLOSED**
554	DSB to request Equity Index ISIN transaction data from the CDIDE. *DSB is awaiting a response.*	**DSB**	**CLOSED**
555	DSB to request links to the new (post-2006) Commodity Reference Price filings from the CFTC. *DSB is awaiting a response.*	**DSB**	**CLOSED**

5	Announcements		

N/A

6-7	**Current DSB Tasks**	**Status**	**Priority**	Med
	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	Low
	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-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	Low

DSB-90	**Price Multiplier Validation** The Price Multiplier is subject to inconsistent rounding when very large numbers are input (eg: greater than 18 digits).	Tech	Low
DSB-133	**Prop Index Process Analysis** Analyse the Proprietary Index management provision to identify efficiency and service improvements.	Tech	High
DSB-370	**CFI 2019 Support** Support the updated 2019 ISO Standard for CFI (10962) throughout the DSB product suite.	In Prog	Low
DSB-1076	**Structured Email Messages** To allow users to specify the types of DSB notification that they receive.	Sched	Med
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	Med
DSB-1135	**Streamline two-step OTC ISIN** Streamline process of two-step OTC ISIN generation.(Swaption/FX Swap)	Queue	High
DSB-1410	**Evaluate ISO 3166 (2 char) Validation** 2-char prefix validation for the entry of underlier instrument ISIN.	Sched	Med
DSB-1440	**ISIN : OTHER : OTHER : Non Standard** Update ISIN Request and Record Template Definition for Other Other Non Standard to align with the UPI requirement.	Tech	Med
DSB-1441	**ISIN : OTHER : OPTION : Non Standard** Update ISIN Request and Record Template Definition for Other Option Non Standard to align with the UPI requirement.	Tech	Med
DSB-1442	**ISIN : OTHER : SWAP : Non Standard** Update ISIN Request and Record Template Definition for Other Swap Non Standard to align with the UPI requirement.	Tech	Med
DSB-1566	**ISO 20022 Mappings** Update ISO 20022 Code Mapping for Rates and Non-Standard products in-line with FpML CS.	In-Prog	TBC
DSB-1571	**New Currency Codes** Add VED and UYW to the ISO Currency Code Codeset. (all templates)	Sched	Low
DSB-1574	**Header Attributes** Add hierarchy attributes to OTC ISIN Header in preparation for UPI go-live.	Tech	High
DSB-1696	**Reference Rate "OTHER" Enumeration** Rates - Add "OTHER" as an enumeration for Reference Rate attribute.	Sched	Med

DSB-1697	**LEI "OTHER" Value** Credit - Add "OTHER" as a valid value for Underlier Instrument LEI attribute.	Sched	Med
DSB-1717	**New Credit Index** CREDIT – New Credit Index – CDX.EM (Restricted)	In Prog	Med
DSB-1727	**Index Identifier Service** Develop a service for the provision of Ids for underlying Indices	In Prog	High
DSB-1732	**Digital Asset Underlier Support** DSB to lead the discussion on how the industry should support digital assets as underliers for the UPI.	In Prog	Low

8   Digital Asset Strategy

The PC had previously been asked how the industry should support digital assets as underliers for the UPI. Members proposed that the PC should examine support for digital assets within the scope of the DSB product suite. Prior to the discussion, the DSB sent an email to PC members requesting input and received responses that focused on the following subjects;

1. Role of the DSB PC
2. Definition of Terms and Scope
3. Digital Asset Classification
4. UPI Implementation
5. Regulatory Harmony

During a lengthy and wide-ranging discussion, the members of the PC arrived at the following conclusions:

1. It was agreed that the DSB PC was a suitable body to provide coordination of an industry digital asset strategy.

2. As a result, members of the PC agreed that the DSB should set up a dedicated PC Sub-Committee (ie: taskforce) – that would invite SMEs (from other bodies) to provide expert input to the discussion. This Sub-Committee would report to the PC in an advisory capacity and its primary aims would be:
   • Provide guidance to the industry (regulators and institutions) on the treatment of digital assets.
   • Propose changes to the ISO 10962 (CFI) standard to accommodate digital assets.
   • Ensure that any proposal would allow the UPI / OTC ISIN to accept digital asset underliers.

3. It was agreed that the scope of the PC Sub-Committee would focus on digital assets that are currently being traded by institutions or were in the immediate pipeline for institutional activity. Once principles have been established, then it is expected that a similar approach can be applied to more complex / less traded assets. **>Action 556**

4. The DSB will attempt to obtain and collate supporting material before the PC Sub-Committee is initiated.

5. It was agreed that OTC Derivatives with digital asset underlier will generate a FISN – as is done for currently supported products.

AOB

N/A

Respectfully submitted,

DSB Secretariat

Minutes Approved on: 14/06/2022

Summary of Open Actions		Owner	Target Date
517	The DSB to ask responsible institutions for information concerning the creation of Non-Standard Options without Option Type / Exercise Style.	DDO	19-Oct-21
519	The DSB provide data confirming what underlying asset values were currently being referenced – for each of FX Forwards and FX Options - in the creation of OTC ISINs when using the CFI 2015 standard.	DSB	02-Nov-21
546	The PC are going to investigate the possibility of joining the ISO20022 discussions that will impact UPI.	DSB Chairs	TBC
552	DSB to provide clarity over the UPI go-live timelines and an update from the DSB Board.	DSB	28-Jun-22
556	DSB to request Digital Asset transaction data from the CDIDE	DSB	14-Jun-22

Summary of New or Updated DSB Tasks	Status	Priority