

DSB PRODUCT COMMITTEE MEETING MINUTES

Meeting: The 215th DSB Product Committee Meeting

Date: 05-Sep-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	Yes
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	Absent
Uwe Hillnhuetter	Product Committee Member	Tradeweb	Yes
Nicholas Moger	Product Committee Member	J.P Morgan	Yes
David Nowell	Product Committee Member	KOR Financial	Yes
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 O Bray	Regulatory Observer	FCA	Yes
Grzegorz Skrzypczynski	Regulatory Observer	ECB	Absent
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	Yes
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

None

Announcements

N/A

7 DSB-139 : Mandatory Optional Type/Style

The DSB presented the PC an update related to DSB-139, a previously approved change but that is yet to be released as it was not considered high priority.

Since the introduction of the ISIN > UPI hierarchy validation (DSB-1574) users now received rejection when requests are submitted without an Option Type & Style.

The DSB will look to prioritize the release of DSB-139 at the next appropriate opportunity to improve the user experience and realign the templates.

8 Single Name CDS – Best Practice Guidance

The DSB previously asked members of the PC their views regarding best practice guidance relating to the following user questions raised in relation to the support for CDS products.

Use Case 1

Many underliers which fall under this template, trade without a specific obligation ISIN – examples include Examples are SRO trades and No Ref Ob trades.

Q1: Given this situation, members of the PC are asked to propose best practice guidance for the identification of the underlier for a Single Name CDS.

PC Response: As a best practice, DSB users are advised to define the underlying asset for these products by entering an LEI. If the Legal Entity in question has not been assigned an LEI, the underlier's ISIN should be employed. In the event of there being no assigned LEI and in the absence of a defined underlying security (eg: SRO trades and No Ref Ob trades), the user is advised to enter an LEI of "OTHER".

The PC were not able to agree this best practice after it was acknowledged it should be per a user's regulatory reporting obligation of the transaction involved and that these can differ per regime.

In the medium and long term, the DSB will explore the possibility of enhancing the validation where underlying ISINs are used to look up the security name. **>Action594.**

8 Credit Index : Issuer Type – Best Practice Guidance

The DSB previously asked members of the PC their views regarding best practice guidance relating to the following user questions raised in relation Underlying Issuer Types.

Use Case

The Credit Index OTC ISIN and UPI product definitions require the specification of Underlier Issuer – ie: Corporate, Local or Sovereign, as defined in ISO 10962 (CFI). There are examples of products that include components from all three categories (eg: iTraxxAsiaExJapan) which do not fit into a single category.

Proposed Best Practice: *As a best practice, under these circumstances, users are advised to set Underlying Issuer Type to “Corporate” in all cases where at least one entity within the index can be categorized in this way. Where no constituent entity can be classified as Corporate, the user is advised to enter a value of “Local” for this data element.*

The PC **APPROVED** the proposed best practice.

AOB

Respectfully submitted,

DSB Secretariat

Minutes Approved on: 03/10/2023

Summary of Open Actions

Owner

**Target
Date**
