

DERIVATIVES SERVICE BUREAU

INDUSTRY CONSULTATION - 2026 DSB SERVICE PROVISION

Emma Kalliomaki, DSB MD
Ben Lloyd, DSB Management Team
Alison Barger, DSB Head of PMO

15 MAY 2025

AREAS OF FOCUS

1. DSB Overview
2. Governance
3. Key Principles of the DSB
4. DSB Utilisation
5. Format for Industry Response
6. Consultation Overview
7. Update on Activities from Prior Consultations
8. Consultation Questions
 - a) Q1 – Fair Allocation of Cost Recovery
 - b) Q2 – Extension of Intermediary Model to All User Types
 - c) Q3 – Cost Allocation Policy between UPI and OTC ISIN Services
 - d) Q4 – Acceptable Usage Policy breaches
 - e) Additional feedback
9. Further Information

I. DSB OVERVIEW

What is the DSB?

- A technology **platform** which generates an identification hierarchy for OTC derivatives
- Within its scope of OTC derivatives, it provides an archive of International Security Identifier Numbers (**ISINs**) and Unique Product Identifiers (**UPIs**) and their associated **instrument reference data**
- It is **global** in design and operation, operated under the ISO principles including on a **cost recovery** basis

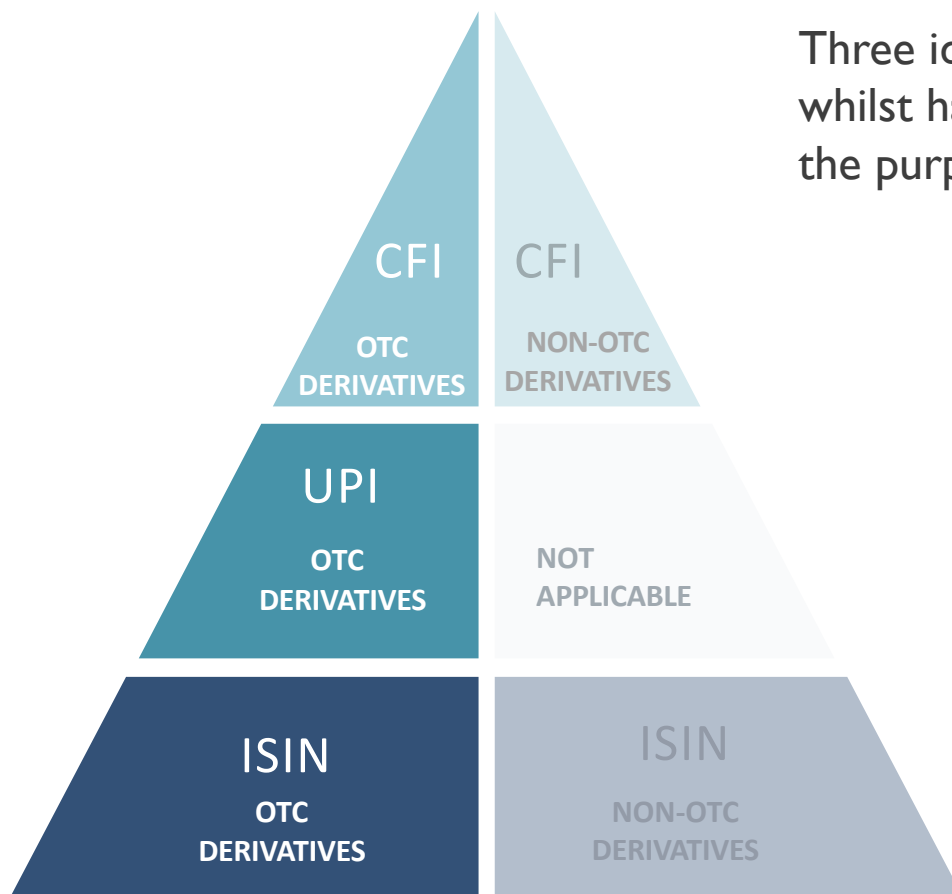
What does the DSB do?

- **ISIN, UPI, CFI and FISN generation and retrieval** for OTC derivative products, as required by market participants
- **Distribution of OTC ISINs and UPIs** and their associated reference data to market participants
- Access methods include a **web interface, programmatic connectivity** and **file download**

Drivers

- **EU and UK regulators** have **mandated** that ISINs are used to identify some **OTC derivatives** for regulatory reporting
- **EU, US, UK, AU, SG and JP mandates** require firms to include the reporting of UPI to trade repositories. **CA, HK** and **MX** mandates are coming into effect H2 2025
- The **DSB** is the sole source of **ISINs and UPIs for OTC derivatives** and was engineered to serve the needs of authorities and industry participants, to enable fulfilment of supervisory responsibilities and regulatory obligations

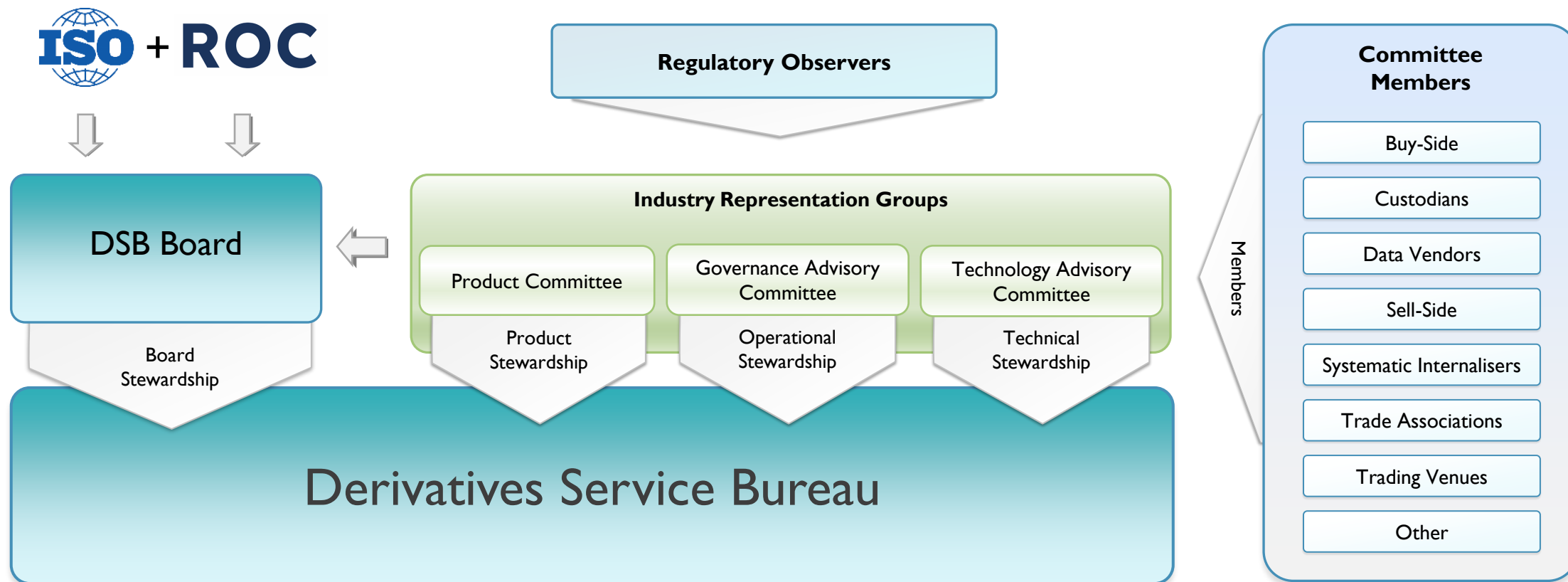
I. DSB OVERVIEW - CFI, UPI & OTS ISIN ALIGNMENT



Three identifiers, each an ISO standard, are designed to be complementary whilst having different levels of granularity. The level of granularity depends on the purpose for which the identifier has been created -

- ISO 10962 CFI - Classification of Financial Instruments
 - Provides a standardised way of classifying financial instruments for the purposes of reporting and categorisation.
- ISO 4914 UPI – Unique Product Identifier
 - Allows for aggregation of OTC derivatives transaction reports to help identify the build-up of systemic risks at a global level, identifying the OTC derivative at underlying product level.
- ISO 6166 ISIN – International Securities Identification Number
 - Used in transaction reporting to assist with the detection and investigation of market abuse.

2. GOVERNANCE



3. KEY PRINCIPLES OF THE DSB

Cost Recovery

- The DSB provides all numbering agency services on a cost recovery basis, with costs allocated fairly among stakeholders. This means that the revenues must be sufficient to ensure the financial viability to meet its continuing obligation to provide these services.

Unrestricted Data

- The DSB aims for unrestricted usage and distribution of data linked to OTC ISIN or UPI definitions, without licensing constraints. However, if licensed or restricted data is deemed necessary by the [DSB Product Committee](#), a review will be conducted to assess its impact on the Unrestricted Data policy, considering affected products and attributes.

Open Access

- Access to the DSB archive for consumption of OTC ISINs, UPIs and associated reference data will be available to all stakeholders.

3. KEY PRINCIPLES OF THE DSB

Economic Sustainability

- To the extent possible, the DSB will levy fees through annual contracts that require payment in advance.
- This advance yearly commitment offers the DSB more clarity in aligning fee levels with cost recovery and helps ensure economic sustainability over time.

Equal Treatment

- As an industry utility, the DSB aims to ensure parity and efficiency in delivery of our service. This includes following standardised processes and procedures for all users of the DSB operating under the cost recovery framework-based service.
- The DSB has a common agreement in place ensuring equal treatment across all users. Any exceptions to the terms are only introduced on the basis that they can be consistently applied across all users without imposing a risk on the service.

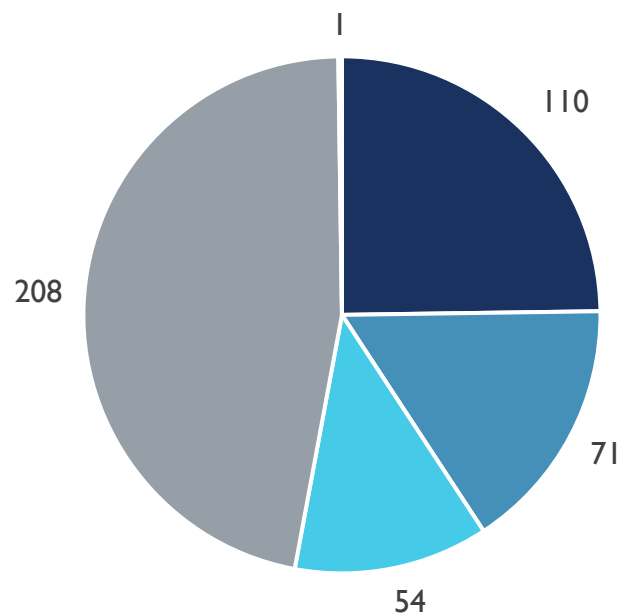
Separate Service Provision

- Access to DSB Services should not be tied or bundled with any other service offered by the DSB. Services can only be offered under the condition and to the extent that separate Services are offered and that it is not a condition for users to buy such other services.

4. DSB UTILISATION

UPI Fee Paying Users

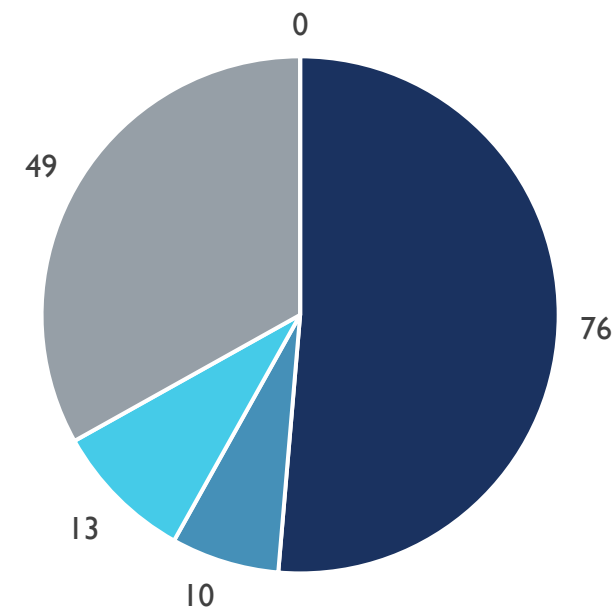
Total: 444



■ Power ■ Standard ■ Search Only ■ Infrequent ■ UAT Only

OTC ISIN Fee Paying Users

Total: 148



■ Power ■ Standard ■ Search Only ■ Infrequent ■ UAT Only

UPI Registered 'Free' Users: 1,652

OTC ISIN Registered 'Free' Users: 450

5. CONSULTATION OVERVIEW

- Incorporates queries and feedback received from industry, including the Product Committee, Governance Advisory Committee and the Technology Advisory Committees, since the DSB's consultation in 2024.
- To streamline the consultation process, the DSB publishes a single consultation containing comprehensive information for users to consider. This approach allows user fees to be published in October, rather than December of each year, as requested by stakeholders to bring the annual fee publication date forward.
- The DSB utilises targeted consultations and engages with the Industry Representation Groups throughout the year to address any regulatory changes or industry requirements that fall outside the larger annual consultation process.
- The [2025 Industry Consultation paper](#) related to the 2026 UPI, OTC ISIN and CFI service provision presents detailed information for market participants' review and feedback. The consultation questions this year seek to obtain industry views focusing on the DSB principles of fair allocation of costs and data access as well as the cost allocation policy between the UPI and OTC ISIN Services.

6. UPDATE ON ACTIVITIES FROM PRIOR CONSULTATIONS



Completed:

1. ISO 27001
2. Security Controls: Security Operations Centre
3. Global Agile Architecture (GAA) Programme

Work being undertaken in 2025:

1. Global Agile Architecture (GAA) Programme
2. Data Leakage Prevention (DLP), Data Classification and Data Labelling
3. Governance, Risk and Compliance (GRC) Tool
4. DSB ToTV/uToTV Function

7. SUMMARY OF PROPOSALS AND COST IMPACT

| Questions | PROPOSED COST IMPACT – UPI | PROPOSED COST IMPACT – OTC ISIN |
|---|---|---|
| Q1 – Fair Allocation of Cost Recovery | <ul style="list-style-type: none"> 2026: €48k (€64k if Q3 proposal is taken forward) 2027+: €0k p.a. | <ul style="list-style-type: none"> 2026: €48k (€32k if Q3 proposal is taken forward) 2027+: €0k p.a. |
| Q2 – Extension of Intermediary Model to All User Types | <ul style="list-style-type: none"> 2026: €0k 2027+: €0k p.a. | <ul style="list-style-type: none"> 2026: €0k 2027+: €0k p.a. |
| Q3 – Cost Allocation Policy between UPI and OTC ISIN Services | <ul style="list-style-type: none"> Procedural change, no implementation costs. Indicative fee impact is included in Section 6.5. | <ul style="list-style-type: none"> Procedural change, no implementation costs. Indicative fee impact is included in Section 6.5. |
| Q4 – Acceptable Usage Policy breaches | <ul style="list-style-type: none"> 2026: €0k 2027+: €0k p.a. | <ul style="list-style-type: none"> 2026: €0k 2027+: €0k p.a. |

8. PRINCIPLES AND CONSIDERATIONS FOR PROPOSALS

Key Principles

- Fair allocation of cost across all stakeholders who use DSB Services.
- Unrestricted and open access to the data archive should be maintained although neither the UPI nor OTC ISIN governance arrangements preclude the DSB from restricting access to free data in terms of content, timing and format.

Key Considerations

- 75% of the user base currently access DSB free data as Registered Users, not contributing to cost recovery.
- User Types are based on functionality and timeliness of access to data – fee model aims to ensure there is no advantage whether direct and indirect access is used and fair contribution to cost recovery is maintained.
- Third Party Service Providers (TPSPs) are offering commercial services through utilisation and distribution of DSB free-to-use data, where no contribution is made to the cost-recovery model.
- If Intermediaries and TPSPs should contribute to cost recovery, it should not create an unreasonable barrier to entry nor stifle competition.

8. CONSULTATION QUESTION I

Fair Allocation of Cost Recovery - Proposal for Direct consumers of UPI and OTC ISIN data

| User Type | NEW: Lite File T+0 | Daily Delta File | NEW: Weekly Delta File (every Sat) | Weekly 'Snapshot' (Full FDL) (every Sat) | Automated FDL Access | Number of ISIN Creates | Number of UPI Creates |
|----------------------|---------------------------|------------------|---|--|----------------------|---------------------------|--------------------------|
| Registered | Y | N | Y | N | N | N/A | N/A |
| NEW: Full FDL | Y | Y on T+0 | Y | Y | Y | N/A | N/A |
| Infrequent | Y | N | Y | N | Y | 100 per invoicing period | 12 per invoicing period |
| Standard | Y | Y on T+0 | Y | Y | Y | 5000 per invoicing period | 600 per invoicing period |
| Search-Only | Y | Y on T+0 | Y | Y | Y | N/A | N/A |
| Power | Y | Y on T+0 | Y | Y | Y | Cap subject to AUP | 6000 per week |

The use of the DSB's GUI remains available to all user types including Registered Users

Key:

Green:

New features / additions

Red:

Amended features

8. CONSULTATION QUESTION I

Fair Allocation of Cost Recovery - Proposal for Distributors of free data by Third Party Service Providers

- Organisations who distribute DSB data must subscribe to the new user type of 'Distributor', with comparable onboarding and quarterly reporting obligations to Intermediaries.
- Tiered fee model for Distributors based on client volume (a self-certification model is proposed, with audit rights, and annual review of suitability of client volume thresholds by the GAC).
- Intermediaries who also distribute data must also subscribe as a 'Distributor' and pay the associated fee. The terms for Intermediaries who solely act as 'pass through' of paid-for data on behalf of an end user will be unchanged.

Financial Impact on Users

DSB analysis indicates that the new contribution to cost recovery triggered by the proposed changes could lead to approx. 10% reduction for existing fee-paying users.

All changes would take effect from 1 January 2026.

Implementation Costs in 2026

- **UPI** - €48k (€64k if Q3 proposal is taken forward)*
- **OTC ISIN** - €48k (€32k if Q3 proposal is taken forward)* *No further costs for 2027+

8. CONSULTATION QUESTION I

Fair Allocation of Cost Recovery contd.

Questions

Q1.1: Do you agree with the DSB proposals to amend the DSB User Types and associated features relating to direct consumers of DSB data for the UPI and OTC ISIN Services to broaden the user contributions for a fair allocation of cost?

- ***Q1.1.1: As part of your considerations, please comment specifically on the introduction of the Full FDL User Type to assist in broadening the allocation of cost?***
- ***Q1.1.2: Are there other new user types, or proposals to amend existing user types, that should be considered to enhance a fair allocation of cost across DSB stakeholders?***

Q1.2: Do you agree with the DSB proposals to introduce a new DSB user type relating to distribution of DSB data for the UPI and OTC ISIN Services to broaden the allocation of cost across stakeholders?

- ***Q1.2.1: As part of your considerations, please comment on whether you think the proposed client volume thresholds are appropriate or alternate approaches that could be considered?***

8. CONSULTATION QUESTION 2

Extension of Intermediary Model to All User Types

Introduction

- Current terms enable Intermediaries to pass through data only to end users who are Power or Search-Only users.
- Following the UPI launch, there has been interest from 3rd party service providers to support Infrequent and Standard users.

Proposal

- The GAC has recommended that the intermediary model to be extended to encompass all DSB fee-paying User Types.

Implementation Costs

- There are no build costs, and additional subscription form management and quarterly reporting for any new Intermediaries would be sufficiently low volume to handle through existing BAU budget.

Question

Q2: Do you agree with the DSB proposal to extend the DSB Intermediary model to all fee-paying user types of the UPI and OTC ISIN Services?

8. CONSULTATION QUESTION 3

Cost Allocation Policy between UPI and OTC ISIN Services

Introduction

- The CPMI and IOSCO Technical Guidance on UPI details that the UPI can be leveraged as the basis for more granular identifiers.
- The OTC ISIN Service currently covers a greater proportion of shared costs as it was agreed that the incremental uplift for UPI costs, including the COSP, would be the initial focus of UPI cost recovery upon service launch.
- The total DSB cost is currently weighted 58% to OTC ISIN and 42% to UPI.

Proposal

- Cost Allocation proportion of Direct Costs - allocating shared costs in the proportion of the Direct Costs of each service.
- This results in 33% of the DSBs shared costs being allocated to the OTC ISIN Service and 67% allocated to the UPI Service (given that UPI direct costs are twice as much as OTC ISIN direct costs).
- Note: The GAC also considered Cost Allocation in proportion to User Numbers but concluded this was a less relevant approach.

Financial Impact

- The tables on the next slide show the indicative impact of the proposed Cost Allocation Policy based on Direct Costs.

8. CONSULTATION QUESTION 3



Cost Allocation Policy between UPI and OTC ISIN Services contd.

Financial Impact contd. - Cost Allocation Policy change with proposed DSB Fee Model changes overlaid (from Question 1):

UPI:

| UPI User Type | Remodelled User Types | Total Revenue per User Type | Current 2025 Fees | Remodelled Fees | Predicted % increase |
|------------------------|-----------------------|-----------------------------|-------------------|-----------------|----------------------|
| Power (incl FDL) | 108 | € 11,555,817 | € 82,176 | € 106,998 | 30.2% |
| Standard (incl FDL) | 69 | € 2,460,961 | € 27,392 | € 35,666 | 30.2% |
| Infrequent | 195 | € 317,460 | € 1,250 | € 1,628 | 30.2% |
| Search Only (incl FDL) | 52 | € 1,854,637 | € 27,392 | € 35,666 | 30.2% |
| UAT-Only | 1 | € 35,666 | € 27,392 | € 35,666 | 30.2% |
| Distributor (large) | 1 | € 95,110 | | € 95,110 | |
| Distributor (small) | 7 | € 166,442 | | € 23,777 | |
| Full FDL | 46 | € 546,880 | | € 11,889 | |
| Total | 479 | € 17,032,973 | | | |

Given the shift in cost allocation from OTC ISIN to UPI, the UPI fees increase and the OTC ISIN fees decrease

OTC ISIN:

| OTC ISIN User Type | Remodelled User Types | Total Revenue per User Type | Current 2025 Fees | Remodelled Fees | Predicted % decrease |
|------------------------|-----------------------|-----------------------------|-------------------|-----------------|----------------------|
| Power (incl FDL) | 76 | € 5,839,935 | € 157,226 | € 76,841 | -51.1% |
| Standard (incl FDL) | 10 | € 256,138 | € 52,409 | € 25,614 | -51.1% |
| Infrequent | 48 | € 101,664 | € 4,330 | € 2,118 | -51.1% |
| Search Only (incl FDL) | 12 | € 307,365 | € 52,409 | € 25,614 | -51.1% |
| UAT-Only | 0 | € 0 | € 52,409 | € 25,614 | -51.1% |
| Distributor (large) | 1 | € 68,303 | | € 68,303 | |
| Distributor (small) | 4 | € 68,303 | | € 17,076 | |
| Full FDL | 19 | € 162,220 | | € 8,538 | |
| Total | 170 | € 6,803,929 | | | |

8. CONSULTATION QUESTION 3

Cost Allocation Policy between UPI and OTC ISIN Services contd.

Implementation Costs

This is a procedural change for the DSB Finance team.

There are no implementation costs.

Question

Q3.1: Do you agree with the DSB proposal to adjust the Cost Allocation Policy between the UPI and OTC ISIN Services (67% UPI / 33% OTC ISIN)?

Q3.2: Do you have a view on how the adjustment to the Cost Allocation Policy should be implemented e.g. potential phasing of the fee level changes?

8. CONSULTATION QUESTION 4

Acceptable Usage Policy breaches

Introduction

- API users who repeatably breach require extra monitoring and support and incur additional processing costs.
- Proposal ensures fair contribution to Cost Recovery.

Proposal

- API users who breach an Acceptable Usage limits (creates, searches or invalid messages) more than 3 times in a quarter will receive an additional user fee.

Implementation Costs

- Expectation is this proposal incentivises users to stay with the API user types' Acceptable Use thresholds.
- Cost for additional invoicing would be covered by a reduction in monitoring and support.
- User behaviour will be reviewed and an update provided in next year's consultation.

Q4: Do you agree with the DSB's proposal to invoice API users who breach an Acceptable Usage limit more than three times in a quarter?

9. ANY OTHER COMMENTS

This section is an opportunity for respondents to provide feedback and commentary on any other aspects they believe should be considered.

I0. INDUSTRY CONSULTATION TIMELINE

| Milestone | Date |
|--|------------------------------|
| Publication of DSB OTC ISIN, UPI and CFI Consultation Paper (CP) | Wed 30 Apr 2025 |
| Webinar | Thu 15 May 2025 |
| Industry feedback on the CP | Wed 30 Apr – Fri 30 May 2025 |
| TAC meeting on industry feedback | Mon 16 Jun 2025 |
| Final Consultation Report publication | Thu 17 Jul 2025 |
| 2026 Draft User Agreement (UA) publication | Fri 1 Aug 2025 |
| Deadline for industry feedback on proposed UA changes | Wed 27 Aug 2025 |
| 2026 Final User Agreement (UA) publication | Wed 24 Sep 2025 |
| User termination deadline | Thu 2 Oct 2025 |
| Annual User fees for 2026 calculated | Fri 3 Oct 2025 |
| 2026 User fees published | Tues 7 Oct 2025 |

II. FORMAT FOR INDUSTRY RESPONSE

- Designed to consolidate industry feedback in a scalable manner
- Consultation responses to be completed using the form available [here](#) and emailed to industry_consultation@anna-dsb.com
- Stipulate whether the respondent wishes the response to be treated as anonymous. Note that all responses are published on the DSB website and are not anonymized unless specific requests are made
- Where applicable, responses should include specific and actionable alternative solution(s) that would be acceptable to the respondent in order to ensure that the DSB can work to reflect the best target solution sought by industry as a whole (within the governance framework of the utility)
- **Responses must be received by 5pm UTC on Friday 30 May 2025**
- Consultation related queries can be directed to industry_consultation@anna-dsb.com

I 2. FURTHER INFORMATION

- DSB Main Terms and Policies: <https://www.anna-dsb.com/dsb-policies/>
- Product documents, user notifications, FAQs & operational status: <https://www.anna-dsb.com/>
- Industry consultation reports and feedback: <https://www.anna-dsb.com/industry-consultation/>
- Third Party Assurance Audit: <https://www.anna-dsb.com/third-party-assurance-audit/>
- Fee Model Variables: <https://www.anna-dsb.com/fee-model-variables/>
- OTC ISIN Fees & Rules: <https://www.anna-dsb.com/fees-rules-2025/>
- UPI Fees & Rules: <https://www.anna-dsb.com/upi-fees-rules-2025/>
- Best Practice Guidelines: <https://www.anna-dsb.com/download/upi-and-isin-best-practice-faqs/>
- Technical documentation: <https://github.com/anna-dsb>
- Unique Product Identifier (UPI) latest information: <https://cosp.anna-dsb.com/home>
- Details here for OTC ISIN registration: <https://www.anna-dsb.com/ISIN>
- General questions: <https://www.anna-dsb.com/contact-us/>

Thank you!