

SIIA / Financial Information Services Division
Executive Committee
September 23, 2007 – Meeting Notes
Newport, Rhode Island

Participants: Banerjee (Telekurs – Chair), Siekerka (Reuters – Vice-Chair), Hoer (ASX), Dickey (CBOT), Gross (Deutsche Boerse), Flynn (Fidelity), McLean (Interactive Data), White (State Street), Bartashus (Bloomberg), D’Angelo, Morgan, (J.P. Morgan Chase), Vozel (Jordan & Jordan), Mangan (Lehman Brothers), Jones (Merrill Lynch), Trempe (Montreal Exchange), Wadhwani (Intercontinental Exchange), Merritt (Nasdaq), Carlin (Standard & Poors), Killeen (Thomson Financial), Pickles (BT), Sabo (SIIA Board), Wasch, Davin, Cummings, Nichols, Merritt, Fredell (FISD/SIIA)

Operations and Governance Advisory Committees (Chairs: Claire Pons):

- Notes and report from September 7 meeting of OAC/GAC follow in this document (pages 3-4)
- FISD Financials – The EC discussed FISD’s Final FY 2007 results and FY 2008 forecast.
- Events – The EC discussed the results or status of several key FISD events:
 - 2007 World Financial Information Conference
 - Asia Tour – results from Tokyo and Hong Kong
 - CY 2008 event schedule
 - 2008 Asia Pacific Financial Industry Summit – The staff announced that it had reached an agreement with Incisive Media to jointly conduct the Fall 2008 two-day conference in Hong Kong.
- Training and Certification – Update on options and ideas. The EC was generally supportive of the preliminary activities that were underway. It was decided that the staff communicate to the entire FISD membership regarding the existence of the Training & Certification Study Group and seek additional non-EC members for that group.
- Membership Development – The EC discussed membership development issues with a particular focus on the impact of merger and acquisition activity among members.

Business Issues Advisory Committee (Co-chairs: Jeannie Merritt and Leo Vozel):

- The EC discussed the notes and report from August 21 meeting of BIAC meeting which follows in this document (page 6)
- BIPPS
 - Derived Data and Non-display Usage – draft recommendations from ad hoc consumer/data vendor group
 - Other Issues for upcoming meeting (October 9)
 - Unit-of-Count
 - Service facilitation - "white labeling" and third-party vendors
 - Internal Data Usage by Vendors/Consumers for product support, development, customer service, etc.
- Billing and Invoice Working Group - Next meeting October 9
- Service Level and Communications Working Group
- Market Data Piracy – The staff noted the following developments:
 - Next meeting October 10
 - Web forum created for information sharing
 - Education programs for “inadvertent pirates” being contemplated

Securities Processing Automation Advisory Committee (Co-chairs: John Bottega and John White):

- The EC discussed the notes from the September 18 meeting of SPA-AC which follow in this document (pages 7-8)
- ISO Working Groups
 - WG 1 – ISIN
 - WG 8 – International Business Entity Identifier
 - WG 4 – ISO 20022
 - WG 11 – Securities Data Model
- MDDL
 - Open Source licensing – After discussing the issue, the EC was generally supportive of the concept but asked that a more detailed analysis (i.e., SWOT) be produced for their review.
 - ECB
 - Controlled Vocabularies – There was some interest among EC members in FISD playing a role in hosting a definitive group of lists. The staff will prepare further analysis
 - XBRL

**SIIA / Financial Information Services Division
Operations and Governance Advisory Committees
Agenda and Report
September 7, 2007, 10:00 – 11:30 AM EST**

Participants: Pons (Thomson Financial – Chair), Burch (Interactive Data), Vozel (Jordan & Jordan), Banerjee (Telekurs), Dickey (Chicago Mercantile Exchange), Siekerka (Reuters), Wasch, Davin, Cummings (FISD/SIIA)

Financials:

Discussion of financial issues is supported by the attached Excel spreadsheet.

Final FY 2007 Results: SIIA's FY2007 closed on June 30 allowing FISD to identify its final financial figures for the fiscal year. Dues and sponsorship revenues were higher than our last forecast. Final expenses were very close to our last forecast. As a result, FISD will add to its operating reserve.

FY 2008 Forecast: Only three changes have been made to the FY 2008 forecast relative to the approved budget: (1) \$20,000 in revenue has been forecast for training activities; (2) staff expense has been reduced to reflect the fact that the new Communications Coordinator position will not be hired any earlier than January 2008 and (3) the travel budget has been increased by \$10,000 to reflect travel for two staff to the upcoming round of local meetings in Asia.

Events:

World Financial Information Conference (Newport, RI - September 23-26):

As of August 23 we have a total of 294 registrants including speakers, sponsors, members and non members and are on track to meet the forecast for registration revenue. We expect to pick up quite a few additional attendees between now and the start of the conference. The sponsorship goals have also been exceeded.

The program features a variety of topics including unique information on Middle East and African markets, Latin American Markets and emerging markets in the Pacific Rim; new issues and technologies including Dark Pools and Direct Feeds; a focus on the customers with a session on Hedge Funds and another discussing what traders want/need; and a look at the industry's challenges with panels on MiFID, business issues, reference data and outsourcing and off shoring.

The election is complete for the Market Data Lifetime Achievement Award. The winner and the nominees will be attending the Award Banquet at the Rose Cliff Mansion on September 24.

The extra curricular activities (Market Data Cup Golf Tournament & Tour of Newport) are both sold out.

Fall Asia Local Meetings:

In follow-up to our successful Spring Local Meetings in Tokyo and Hong Kong, FISD with the support from local members, have scheduled meetings in Shanghai, October 18, Singapore, October 29 and Sydney, November 5. Staff is working with members on developing the agendas for these meetings.

CY 2008 Event Calendar

In order to continue the practice of complimenting and not conflicting with other industry events staff is securing dates and locations for 2008 events and will distribute it accordingly. The draft calendar is listed below:

February:	Issue Brief - New York
March:	General Meeting - Europe
April:	Local Meetings - Asia
May:	Issue Brief - London
June 12	General Meeting & Reception (in conjunction with SIFMA) - New York
September	General Meeting - London
October	Asia Conference - Asia
November	Issue Brief – Chicago/Boston
December	Issue Brief & Market Data Holiday Party - London
December	General Meeting & Market Data Holiday Party - New York City

The staff is working with a number of potential partners to co-host another two-day Asia conference.

Training and Certification:

On August 9, the members of the newly formed Training & Certification Study Group met for the first time. There seemed to be consensus among the group members in the following areas:

- There is potentially a great deal of value for FISD members in improving/increasing the training and certification opportunities offered to the industry.
- FISD's position as a neutral forum for the industry is compatible with it taking a role in activities like testing and certification for which integrity, neutrality, centrality and confidentiality are required.
- Any significant FISD training/certification activities must, in the long run, be revenue-generating and self-funding. The types of activities contemplated – class registration, testing, databasing of individuals' credentials - lend themselves to revenue generation. Before taking on any of these activities, FISD should have a detailed business plan with revenue generation explicitly addressed.
- FISD's non-exclusive arrangement to support Tee Williams Associates' training efforts may be used by FISD as a model for supporting other trainers in the future. FISD provides registration and communications support; Tee provides the training content and staff. The initial offering in June was successful.

The group agreed to the following next-steps:

- 1) Development of the first draft of the knowledge base for a base-level credential.
- 2) Development, based on (1), of a draft test that could be administered to a handful of members, possibly at WFIC.
- 3) Development of a broad "strawman" that shows the range of knowledge sets and competencies, beyond the base level, that could be subject to training, testing and certification.
- 4) Once the Strawman is validated, it can be used as the basis for a member survey that seeks members' opinions and priorities related to training, testing, and certification.

Membership Development:

The group discussed the likely impact of upcoming acquisitions and mergers among members. The staff described its preliminary analysis and contact with the members in question. The staff's current assessment is that these activities should not result in FY 2008 revenue being under budget. The longer-term impact is less certain.

FISD Business Issues Advisory Committee
Meeting Notes and Report to Executive Committee
August 21, 2007

Participants: Vozel (Jordan & Jordan, Co-Chair), Merritt (Nasdaq, Co-Chair) Dickey (CBOT), Flynn (Fidelity), Hillman (London Stock Exchange), Killeen (Thomson), Davin (FISD/SIIA), Merritt (FISD/SIIA)

BIPPS Working Group:

Non-Display and Derived Data – An ad-hoc group comprised of the Consumer Constituent Group and the Data Vendor Sub-Group is creating a set of recommendations regarding usage of non-display and derived data. These recommendations used the BIPPS Working Group white paper as a starting point. BIAC members discussed the issue of scope and whether to include non-display usage only or to include usage of derived data as well. Consensus of participants was this would be a good issue to be addressed by BIPPS Working Group.

Other Issues – FISD Staff solicited participants for additional issues and topics that BIPPS Group might address. Unit of count issue was discussed and suggested as a prime topic. Jeannie Merritt indicated Nasdaq might have an announcement on this topic in the near future. FISD Staff will continue to reach out to other BIPPS members for feedback and suggestions regarding topics.

Billing and Invoice Working Group:

As was agreed following the May 31 meeting in NYC, B&IWG members have been communicating with their invoice providers primarily in “one-on-one” meetings. FISD Staff is soliciting additional participation from FISD member firms in the consumer sector that have not been participating in this group.

Service Level and Communications Working Group:

The SL&C WG is updating the Recommendations that were approved in March 2005. Suggested updates include adding a new core section dealing with Administrative and Policy Changes, creating an Executive Summary section and additional guidance on implementing change.

Anti-Piracy Working Group:

This newly created WG had its inaugural meeting in NYC on June 20. Good turnout and participation indicates this will be an active group. Initial focus for the WG will focus on education and communication as well as distinguishing the different types of “piracy”.

New Issues:

A BIAC member suggested discussing communication with data providers for conforming to feed protocols that maintain standard sequencing. FISD Staff has suggested this be included in the revised version of the Service Level and Communications Recommendations.

Securities Processing Automation – Advisory Committee Meeting Notes – September 18, 2007

Discussion on ISO Participation, particular working groups:

- WG1 – While the update of the 6166 ISIN standard has been released from the Working Group for a vote, there have been significant cases of “acting out” by WG members, particularly the Chair. The result has been a fair amount of wasted time and effort for most members of the WG.
- WG8 – this WG remains essentially inactive while press and other accounts of IBEI-related activity, or, in at least one case, “issuance” of IBEIs by a major vendor (this is being tracked down by an FISD member who was not aware that their company was, at least according to a press account, doing this.) At least one firm has joined FISD recently specifically to be involved in IBEI-related issues.
- WG4 – ISO 20022. This working group continues to “grind away”. Staff is in discussions with ISO about ways other than WG4 participation that may yield more value to members.
- WG11 – 19312 Data Model – ISO has issued this for a vote. ANSI X9D meeting to review was held on 9/20/07.
 - ISO general issues – Staff has become concerned that the ISO process itself has not been adequate to efficiently manage issues that are even slightly contentious.
 - WG8 (IBEI) has been silent, with the exception of the “Draft Specification” provided earlier that the US ANSI X9D committee voted against in August. This specification clearly did not reflect an attempt to deal with issues related to creating a new identifier. It frankly looked to be “cut and paste” from the 6166 ISIN standard, even including the same logic for a checksum. Since SWIFT declined to be the RA two years ago, this entire WG has apparently been in limbo. SWIFT is proposing a limited extension of BIC codes that will clearly not address the issue in the way that the IBEI originally was conceived and proposed. Additionally, the SC4 Chair weighed in with a note suggesting that the proposed draft standard be approved, apparently to “show progress”.
 - Given the above and the general lack of responsiveness of the ISO process, SPA-AC has given FISD staff support for registering concerns with ISO. In particular, staff will support a measure being drafted by other members of WG1 requesting that communication protocols and administrative procedures for SC4 be a topic for discussion at the upcoming TC68 plenum in November.

MDDL

- Staff has researched issues related to Open Source licensing (see attached), and will create a draft version of an MDDL Open Source License for circulation and review. SPA-AC has endorsed this approach, along with creating a centralized repository for extensions developed by third parties under this license. General concept for the repository is along the lines of a “wiki” and will involve minimal costs to implement or maintain.
- Conversations with the ECB have “re-started” in the past two weeks.

- One of the authors of MDDL (Tony Coates of Miley Watts) has designed and created an extension of the concept of “Controlled Vocabularies” (look-up tables) from MDDL and this has officially been designated as an OASIS standard. A topic of discussion at the moment is whether or if FISD should play a role in encouraging the adoption of this standard, in part by hosting a definitive group of lists.
- Talks with XBRL have paused completely as new management comes up to speed at XBRL International.