

SIIA / Financial Information Services Division
Executive Committee - June 21, 2007
Meeting Notes

Participants: Banerjee (Telekurs – Chair), Siekerka (Reuters – Vice-Chair), Alvarez (Asset Control), Hoer (ASX), Bartashus (Bloomberg), Michaud (Capital Group), Dickey (CBOT), McElligott (CME), Gross (Deutsche Boerse), Flynn (Fidelity), Burch (Interactive Data), Vozel (Jordan & Jordan), Brookfield (Jordan & Jordan), Mangan (Lehman Brothers), Jones (Merrill Lynch), Trempe (Montreal Exchange), Merritt (Nasdaq), Gordon (Standard & Poors), Killeen (Thomson Financial), McCrea (TSX), Wasch, Davin, Cummings, Nichols, Merritt, Fredell (FISD/SIIA)

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

- FISD Financials – The EC reviewed the revised 2007 Forecast and the approved FY 2008 budget.
- The newest member of Exec Committee was introduced – Samantha Gordon of Standard & Poors
- Training and Certification – Interested members of the EC will meet with Tee Williams to discuss options and ideas for increasing FISD's role in training and certification.
- Events
 - 2007 World Financial Information Conference – The staff briefed the EC on the progress program development, sponsorship, and registration. There was a discussion regarding insuring events like WFIC against natural disasters especially a hurricane. The staff will research.
 - Asia Tour – The staff reported on the results from the Tokyo and Hong Kong local meetings
- Membership Development – The staff reported on the latest developments. EC members suggested a number of potential candidates for membership including DTN, Morningstar, Zack's, and BM&F (Brazil).

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

- BIPPS – The EC determined that there are a number of pressing issues that should be addressed in the next BIPPS meeting.
 - Unit-of-Count
 - Derived Data and Non-display Usage
 - Internal usage of data by distributors to support product development, technical support, sales, etc.
- Billing and Invoice Working Group – Staff reported that the recommendations have been completed and are now being communicated and promoted to the industry.
- Service Level and Communications Working Group – The group has been re-formed (and will meet for the first time on June 22).
- Market Data Piracy – Steve Dickey reported on the group's first meeting.

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

- Standards Steering Committee – Per the EC's direction, this group was formed and met for the first time on June 20. Among the group's initial recommendations is that FISD develop a high-level "map" of the financial information standards world. The group had a number of other recommendations related to FISD's ISO activities which are reflected below.
- ISO Working Groups

- WG 1: ISIN – The general sense of the EC was that the “shadow group” activity was successful and potential model for future FISD standards involvement.
 - WG 11: Securities Data Model
 - WG 8: International Business Entity Identifier – The sense of the SPA-AC, Standards Steering Committee, and the EC is that FISD should create a shadow group for the this ISO initiative to see if members are interested in engaging on this issue through FISD.
 - WG 4: ISO 20022 – The EC agreed with the Standards Steering Committee that these activities while interesting and potentially important were so complex and technical that it was unclear that major involvement by FISD added any appreciable value for its members. The staff will continue to monitor this subject, especially the SEG for Securities, to identify any future opportunities for valuable participation.
- MDDL
 - The staff reported that MDDL 3.0 and its documentation have been completed. This milestone was the subject of an FISD press release in May.
 - The staff has received numerous inquiries from industry participants and is working to encourage implementation and assess any gaps between their needs and MDDL’s capabilities.
 - Recent discussions have made it clear that guidelines or structures for “packaging” MDDL instance documents would increase industry adoption rates. Staff is investigating the level of effort required and available resources.
 - The staff has had several discussions with Edgar Online regarding possible interplay between XBRL and MDDL and initiated conversations with FpML regarding possible integration. The EC agreed that recent conversations with XBRL have been promising and will be pursued.
 - SPA-AC recommended that staff investigate what would be required to release MDDL under an open source license arrangement.

**SIIA / Financial Information Services Division
Operations and Governance Advisory Committees
Report to Executive Committee
May 11, 2007**

Participants: Pons (Thomson Financial, Chair), Banerjee (Telekurs), Burch (Interactive Data), Wasch, Davin, Cummings (FISD/SIIA)

Financials/FY 2008 Budget:

The FISD's budget for FY 2008 (July 2007 through June 2008) is in the attached. This budget was approved by the Operations Advisory Committee on May 11 (and subsequently by the full Executive Committee on June 6, 2007). Key things to note:

- We project to add over \$60,000 to the operating reserve, in no small part because of WFIC in September 2007
- Travel and meetings costs are up significantly, consistent with our experience in FY 2007 and our anticipated incremental costs of the two "Asia Tours".
- We are planning to add an entry-level position - a Communications Coordinator to assist with a variety of communication, database management, and event support activities. The cost of this position (approximately \$40,000) is included in the attached budget. An overview of the job is also attached on page 4.

New Vendor Member of Executive Committee:

Samatha Gordon of S&P joins the EC.

Jack Sabo's Continued Participation in the Executive Committee:

Jack Sabo recently retired from NYBOT. He remains, however, a member of the SIIA Board. He has volunteered to continue to participate in FISD Exec Committee activities ex officio so that he can continue to represent its interests in the SIIA Board. *The OAC/GAC recommends that Jack be permitted to participate in FISD Exec Committee activities.*

Training and Certification:

FISD has been discussing with members the role that FISD might play with regard to industry training and certification. There seems to be some preliminary interest and support for more and better training, and the development of some sort of process that creates a meaningful credential for industry employees. FISD has already partnered with Tee Williams to facilitate the offering of two of his classes in NYC during SIFMA week.

Tee and the staff have been discussing a number of other promising concepts related to training and certification. The staff will set up a meeting/call during July with Tee to explore these issues in more depth. This meeting will be open to all interested members of the FISD Exec Committee.

Events:

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

1) Program Content – The Program Committee has been meeting semi-monthly to develop content. Keynote speakers: Rick Lazio, JPMorgan Chase and Jeff Sprecher, ICE have been confirmed. Speaker recruitment for panels is in full swing and the goal is to have 75 percent confirmed by June.

2) Marketing – We have negotiated several marketing partnerships with our industry peers to gain exposure through print media and industry conferences. A letter from the Program Chairs was mailed to 3,000 contacts globally. Another mailing is scheduled for early June. We are also promoting the WFIC at the FISD events including the May meetings in Tokyo and Hong Kong.

3) Sponsorships – All 18 sponsorships have been purchased.

4) Market Data Lifetime Achievement Award - The nominating committee has been formed and met twice. A schedule is in place to identify candidates so that the membership can begin voting in July.

5). Registrants: - We currently have 84 registrants which is ahead of where we were for the 2005 WFIC.

Membership Development:

The membership development sheet shows the new members, upcoming renewals, non-renewing members, and Top 10 targets.

FISD Business Issues Advisory Committee
Meeting Notes and Report to Exec Committee
May 24, 2007

Participants: Vozel (Jordan & Jordan, Co-Chair), Merritt (Nasdaq, Co-Chair), Dickey (CBOT), Michaud (Capital Group Research), Davin, Merritt (FISD/SIIA)

BIPPS Working Group:

Unit of Count – At least two exchange members are interested in implementing “per-user pricing” for their customers. To calculate pricing and implement this structure correctly, the exchanges will need detailed user information from the consumers (e.g., MISU type reports). The exchanges have indicated difficulty in receiving this necessary information.

Audits – Outstanding audit issues still remain including compensation incentives paid to outside auditors and clarity and consistency for “back” payments owed by consumers. Committee members expressed interest in seeing audit guidelines from several years ago updated to reflect changes in current technology and processes. The sense was that this would be an appropriate activity for the BIPPS working group.

Billing and Invoice Working Group:

The B&I Working Group produced Best Practice Recommendations which were approved by the Executive Committee on March 13. FISD issued a press release on May 14 and a B&IWG meeting is scheduled for May 31 in NYC. The focus of the group’s next meeting will be determining the most effective means of marketing and communicating this message to the entities involved to foster implementation of the recommendations.

Service Level and Communications Working Group:

At the request of members, the Executive Committee has approved the revival of the Service Level and Communications Working Group to focus on service levels, response times and communication procedures. The first meeting will be held in NY on June 22.

Anti-Piracy Working Group

At the request of members, the Executive Committee has approved creation of a new working group for Anti-Piracy. Three Co-Chairs representing different sectors of the industry (CBOT, Standard&Poors and eSignal) have volunteered. This group is open to all members and the inaugural meeting will be held in NY on June 20.

New Issues:

There was a discussion of derived data and specifically how the use of data to create real-time price alerts is being, and should be handled. It was agreed that this would be an appropriate issue for the BIPPS Committee to consider.

Securities Processing Automation

Report for Executive Committee

June 11, 2007

Standards

The FISD staff has been active on the Standards front:

1. Created the Standards Steering Group. Initial members are Marc Alvarez of Asset Control, Mike Bennett of Hypercube, Phil Burch of Interactive Data, and Tony Coates and Adrian Miley of Miley Watts. The first meeting is set for June 20 in New York in conjunction with the quarterly FISD meeting. The groups “mission” is overseeing the financial information standards landscape and determining the appropriate and desirable role for FISD in that landscape – consistent with FISD’s Standards Philosophy.

Our first agenda items will include:

- a) Discussion of the creation of a “map” of Standards, how they impact the Financial Services community, and guidelines for using the information to determine trends. We are actively soliciting other members to join.
 - b) Proper role, if any, in ISO 20022 (WG 4) discussions – see below.
 - c) Current market interest in MDDL related to the release of 3.0.
2. Participating in ISO Working Groups:
 - a. For WG1 (which is focused on the re-certification of the ISIN standard), staff has attended meetings and been active in ongoing discussions related to the licensing terms around ISINs based on CUSIPs. We drafted a second Briefing Paper for members interested in the issue and distributed this to the “Shadow Group” of interested members that is monitoring ongoing developments. Members participating in the Shadow Group include Reuters, Interactive Data, Thomson, Telekurs, and others. The Shadow Group has led to development of interesting consensus opinions related to both document structure and the appropriateness of trying to settle licensing related issues in an ISO forum. Based on input from the June 11 SPA-AC meeting, staff will continue to track this WG and related issues, but expects that the level of effort required will decrease substantially as the non-technical issues are removed from the venue.
 - b. For WG11, we have been actively working with the Group to “harmonize” MDDL with the Securities Data Model the Group is developing. Staff participated in the most recent WG11 meeting in Zurich the week of March 5, and has been very active in preparing the draft documents being sent to ISO for comments in June 2007.
 - c. WG8 – WG8 had been quiescent but recently distributed documents for comment. Comments are due in September. SPA-AC members are concerned that the ISO and the industry are missing an important opportunity here. Entity identification and relationships cut across multiple organizational and operational boundaries industry-wide, from compliance to counter-party risk. Staff will review this situation to identify concerns and opportunities to make meaningful contributions to this effort.

- d. WG4 – Staff has begun active participation in ISO 20022 WG4. This WG has a very complex task centered on four goals:
- i. Create a centralized repository for technical information about messaging systems used in the financial services space;
 - ii. Provide standard modeling guidelines for creating UML models of the messages used in the financial services arena;
 - iii. Create a standard for developing XML Schemas from the UML models created for ii; and
 - iv. Create standards for “reverse engineering” existing messaging systems into the approved “Standard models”.

While there is an excellent chance that the ISO 20022 Standard will noticeably impact most if not all FISD members in the future, staff has not yet determined if there is enough “bang for the buck” to justify full-time involvement in this WG. SPA-AC recommends that staff concentrate on tracking the evolution of the repository, and let the activities related to developing standards for modeling messages proceed without active FISD input.

MDDL

The new version of MDDL 3.0 has been published and is available at v3-beta.mddl.org.

Staff is currently working in a number of areas:

- We have issued a press release notifying the industry and other XML-related constituencies of the release. We are responding to inquiries on a regular basis from interested parties.
- Work with industry participants to encourage implementation and assess any gaps between their needs and MDDL’s capabilities.
 - o Recent discussions have made it clear that guidelines or structures for “packaging” MDDL instance documents would increase industry adoption rates. Staff is investigating the level of effort required and available resources.
- Identify opportunities for harmonization and/or partnership with other industry standards. We have had several discussions with Edgar Online regarding possible interplay between XBRL and MDDL and initiated conversations with FpML regarding possible integration.
 - o Recent conversations with XBRL have been promising and will be pursued.
- There has been some discussion within the industry about the need for a “Data Dictionary” for reference data. MDDL contains the core components of a reasonably complete data dictionary or data model. We are looking into possible ways to extract this information and publish it.
- Discussions regarding the ECB and MDDL are under way.
- SPA-AC recommends that staff investigate what would be required to release MDDL under an open source license arrangement.