

**SIIA / Financial Information Services Division**  
**Executive Committee – New York City**  
**June 12 2008 – Meeting Notes**

**Participants:** Jacobi (Citi, Chair), Banerjee (Telekurs, Vice-Chair), Pritchard (Rights Management), Burch (Interactive Data), Flynn (Fidelity), Hoer (Australian Securities Exchange), Trempe (TMX Group), Gross (Deutsche Boerse), Sudol (Jordan & Jordan), Gordon (Standard & Poors), Killeen (Thomson Reuters), White (State Street), Merritt (NASDAQ OMX), Williams (Credit Suisse), Anderson (Atradia), Wasch (SIIA), Davin (FISD/SIIA), Cummings (FISD/SIIA), Nichols (FISD/SIIA), Merritt (FISD/SIIA), Sawney (FISD/SIIA)

**Governance and Operations Advisory Committee:**

- Notes and report from May 20 meeting of the GOAC follow in this document (pages 2 and 3)
- FISD Financials (see attached Excel spreadsheet):
  - Update to FY 2008 forecast
  - FY 2009 Budget – Approved by GOAC/EC
- Events
  - 2009 World Financial Information Conference – The staff reported that Athens had been selected as the site for the 2009 WFIC and discussed the negotiations that are ongoing with several hotels in Athens.
  - Report on April Asia Tour – The staff noted that the tour was considered a success, attracting approximately 200 attendees over the three events and receiving favorable post-event survey responses. It was noted that FISD allows non-members to attend these events without charge but that at some point in the future would likely adopt an approach similar to that for general meetings and issue briefs in the U.S. and Europe – members attend for free while non-members pay a significant admission fee.
  - Asia-Pacific Financial Information Conference – Sponsorships are almost sold out and preliminary program has been announced. It was noted that the expected net revenue from the event, plus the dues associated with members in the region, should roughly cover FISD's expenses related to its Asia-Pac Rim activities.
  - CY 2008 Event Calendar – During a discussion of the CY 2008 schedule, a number of members suggested possible improvements for future general membership meetings, namely:
    - (1) Move constituent group meetings to the morning for U.S.-based meetings. This will allow more Europeans to join and will permit the meetings to be longer.
    - (2) Add more interactive panel discussions to the program – more like an Issue Brief
    - (3) Conduct sessions for potential new members with members of the Executive Committee
    - (4) As a result of (1) above, Exec Committee meetings will likely be moved to the morning of the following day.
- Executive Committee Elections
  - Selection of New Chair – The Executive Committee selected Richard Jacobi (Citi) to serve as EC Chair.
  - Open Exec Committee positions representing Vendor and Exchange constituencies – The staff received at least one nomination for both open slots on the EC and will advise the EC if there is a need to conduct an election among nominated candidates.
- Certification Research Project – David Anderson of Atradia presented the preliminary results of survey. Overall, the results seemed to favor the development of a certification program although there have been notable minority responses that question the desirability of a program. David will be doing more detailed analysis of the results and the potential market

for a certification program and preparing an in-depth report for the Certification Steering Group and the EC.

- Membership Development (pages 4 to 6) – The significant growth in membership, despite major dues losses as a result of member consolidation, was noted. The EC suggested that non-exchange trading facilities – BATS, Chi-X etc. – might be a promising new class of members to try to attract.

**Business Issues Advisory Committee:**

- Staff report for BIAC follow in this document (page 7). The staff reported on the status and activities of FISD’s current working groups and initiatives in the Business Issues space:
- Audit Working Group
- BIPPS
- Derived Data and Non-Display Usage Group
- Service Level and Communications Working

**Securities Processing Automation Advisory Committee:**

- Notes and report from May 28 meeting of the SPA\_AC follow in this document (page 8)
- ISO Working Groups
  - WG 8 – International Business Entity Identifier – The staff reported on the latest developments within the ISO initiative and FISD’s BEI Working Group. The EC agreed that FISD should participate in the reconstituted WG 8 but did not feel that FISD staff should volunteer to be the Convenor (Chair) of the ISO group.
  - WG 1 – ISIN – Latest status was reviewed
- Operational/Organizational
  - Data Model Wiki – The staff briefed the EC on the new Wiki facility and its support of the development of a “thesaurus” for industry data models. The EC indicated their support and enthusiasm for this new FISD-sponsored resource.

**SIIA / Financial Information Services Division  
Governance and Operations Advisory Committee  
Meeting Notes and Report to Executive Committee  
May 20, 2008**

**Participants:** Burch (Interactive Data), Gross (Deutsche Boerse), Mangan (Lehman Brothers), Flynn (Fidelity), Merritt (NASDAQ OMX), Sivilica (Telekurs), Davin (FISD/SIIA), Cummings (FISD/SIIA)

**Financials:**

***FY 2008:***

[The year-to-date financials and FY 2008 forecast are laid out in the attached Excel workbook.] The main changes since the last forecast are significant increases in revenues from Membership, Training, and Sponsorships. We expect to add [about \$270,000] to the FISD's reserve in FY 2008. We have seen the expected losses in membership dues from member consolidations but they have been more than offset by growth of revenue from new and existing members.

***FY 2009 Budget:***

[The attached spreadsheet also shows the proposed FISD budget for FY 2009.] The FY 2009 budget projects a small amount of net revenue and is based on estimates for membership, training, and sponsorship revenue that are below FY 2008 levels. (Also, obviously, there is no WFIC revenue in FY 2009.) While the current run-rate for membership dues is [about \$90,000] above the FY 2009 budget, that amount is roughly equivalent to the amount of revenue still to be lost from known member consolidations in FY 2009. Note that the FY 2009 budget does not include any spending on the development of a certification program.

**Events:**

***2009 World Financial Information Conference:***

FISD manager and SIIA conference manager visited a total of six hotels and six off-site venue locations in Athens in early May. Four of the hotels offer ample space for the WFIC and favorable pricing. Staff will complete negotiations and secure a contract by the end of this month for the hotel. Off-site locations and other activities will be confirmed as we work with the host and other sponsors. We will officially announce the 2009 WFIC dates/location at the FISD General Meeting in New York on June 12.

***Asia Tour – April 21 – 28:***

Approximately 200 people attended the three Local Industry Meetings in Seoul, Tokyo, and Sydney. From the post-event surveys, it seems that the events were valuable and well-regarded by the attendees.

***CY 2008 Event Calendar***

June 2:	Issue Brief - London
June 12	General Meeting & Reception (in conjunction with SIFMA) - New York
September 10	General Meeting - London
Oct 20-22	Asia-Pacific Financial Information Summit (partner with Incisive Media)
November 12	Issue Brief – Chicago
December 2	Issue Brief & Market Data Holiday Party - London
December 16	General Meeting & Market Data Holiday Party - New York City

### **Open Executive Committee Seats:**

#### *Chair:*

Niel Siekerka, the current Exec Committee Chair, has left Reuters and therefore must step down as Chair. Per the FISC By-Laws: (1) Sara Banerjee – the Vice-Chair – will take on the responsibilities of the Chair until a replacement can be chosen and (2) Sara cannot be chosen as the permanent Chair because she recently completed two one-year terms as Chair. Current Executive Committee members from the exchange and consumer constituencies are invited to nominate themselves for the Chair position. If more than one nomination is made, the Exec Committee will vote to choose the new Chair whose term will run through December 2008.

#### *Vacant Reuters Seat:*

Now that the Thomson Reuters merger has been completed, Reuters must give up its seat on the Executive Committee because Thomson also has a seat. The FISC By-Laws provide for the replacement of an EC member company who is acquired by another EC member company:

- 1) The general membership is given the opportunity to nominate candidates for the vacant EC position. We plan to notify the membership of the vacancy via the May newsletter and will give them until June 13 to nominate candidates.
- 2) The existing EC members of the Vendor Constituency Group shall provide recommendation(s) to the rest of the EC from among the candidates nominated by the general membership.
- 3) The EC shall then vote to choose from among all the nominated candidates.

The staff will advise the entire Exec Committee of these issues in an e-mail during the week of May 19.

### **Certification Facility:**

On May 11, FISC e-mailed the survey on certification and training to approximately 4,000 contacts in its industry database. As of May 14, 133 people had responded to the survey. On June 12, FISC and Atradia Consulting plan to give a preliminary analysis of the survey results to the Executive Committee, and subsequently the general membership. A complete analysis and recommendation will be completed by the end of June. This material will be reviewed first by the Training & Certification Steering Group which will decide whether to seek further funding for this project from the Executive Committee (via the GOAC).

### **Membership Development:**

The membership development report follows on pages 3 through 5. FY 2008 membership revenue is expected to be [approximately \$130,000] larger than FY 2007 despite FISC losing [approximately \$125,000 in] revenue to member consolidations that have already occurred. We still expect some significant revenue loss from further member consolidation.

# **FISD MEMBER REPORT**

## **NEW MEMBERS**

**FEBRUARY 7, 2008-MAY 13, 2008**

### **PriceMetrix Inc.**

Joined: 2/22/2008

Member Type: Vendor

Toronto, ON, Canada. PriceMetrix focuses exclusively on improving the overall business of investment firms. PriceMetrix Value Program combines personalized intelligence reports, practice management tools, and expert services to enable advisors and managers, to proactively identify and close client, product and pricing opportunities.

### **CodeStreet LLC**

Joined: 3/20/2008

Member Type: Vendor

New York, NY, USA. CodeStreet is the market data tools company. Our software is used across the broad spectrum of market data users to a) dramatically lower costs through improved development and QA efficiency; b) perform capacity planning and latency monitoring; and c) simplify the capture of historical market data. Our agenda is to make working with market data simple by providing sophisticated, low-cost enabling tools.

### **Hong Kong Exchanges & Clearing Limited**

Joined: 3/21/2008

Member Type: Exchange

Hong Kong, China.

### **KBC Group NV**

Joined: 3/13/2008

Member Type: Consumer

Brussels, Belgium. KBC Global Services provides a number of group wide services to KBC Group entities, including financial and market data related services.

### **BNP Paribas**

Joined: 4/15/2008

Member Type: Consumer

Paris, France. BNP Paribas is one of the largest international banking networks, with strong positions in Asia and a significant presence in the United States. #6 in the banking industry, and #1 in France, BNP Paribas operates in over 85 countries and has 162,700 employees.

**Canada Pension Plan Investment Board (CPPIB)**

Joined: 4/18/2008

Member Type: Consumer

Toronto, Ontario, Canada. The CPP Investment Board is a professional investment management organization based in Toronto. Our purpose is to invest the assets of the Canada Pension Plan in a way that maximizes returns without undue risk of loss.

**FY 2008 Non-Renewing Members:**

Solutions Foundry, Inc	Q1 2008
SECCAS LLC	Q1 2008
Navatar Group	Q1 2008
Risk Talent Associates	Q1 2008
Tap Solutions (ACQUIRED Asset Control)	Q1 2008
Financial IT Limited	Q2 2008
Barclays Capital (combined with Barclay's Global)	Q2 2008
Gissing Software (acquired by Reuters)	Q2 2008
Markit Group	Q2 2008
Securities Technology Analysis Center (STAC)	Q2 2008
Knowledge Technology Solutions	Q2 2008
ABN Amro	Q2 2008
Bank of New York (now BONY Mellon)	Q2 2008
OMX (now NASDAQ)	Q3 2008
Chicago Board of Trade (now CME Group)	Q3 2008
Orion Advisors, LLC	Q3 2008
Wiener Borse AG	Q3 2008
Borsa Italiana (now LSE)	Q3 2008
Harco Technology (now NYSE)	Q3 2008
Korea Exchange (renewal pending)	Q3 2008
Reuters America	Q4 2008
Miley Watts LLP	Q4 2008
Nomura Research Institute Europe	Q4 2008
CIT	Q4 2008

FY2006 (1 July 2005-30 June 2006) Renewal Percentage (\$): 95%

FY2007 (1 July 2006-30 June 2007) Renewal Percentage (\$): 100%

**FY2008 Q1-Q3 (1 July 2007-31 March 2008) Renewal Percentage (\$): 91%****Upcoming Major Renewals:**

Tokyo Stock Exchange	5/31/2008
Bloomberg L.P.	5/31/2008
EXFEED (SWX Swiss Exchange)	8/31/2008
Credit Suisse	8/31/2008
JPMorgan Chase	8/31/2008
TSX Group	8/31/2008
Global Insight, Inc. - Financial Markets Division	9/30/2008
Australian Securities Exchange	9/30/2008
UBS Investment Bank	10/31/2008
Tullett Prebon Information	10/31/2008

Barclays Global Investors/Barclays Capital	11/30/2008
Moody's Investors Service	11/30/2008
American Stock Exchange	11/30/2008
NYSE Euronext	11/30/2008
McGraw-Hill Companies, Inc.	12/31/2008
FTSE International, Inc.	12/31/2008
Thomson Corporation	12/31/2008

**Top "Ten" Prospects:**

29 West  
 BMO  
 Chicago Trading Company  
 CMA  
 Fruition Partners  
 ICAP  
 Istanbul Stock Exchange (ISE)  
 JSE  
 MSCI/Barra  
 Sybase

**FISD Business Issues Advisory Committee**  
**Report to Executive Committee**  
**May 30, 2008**

**Audit Working Group:**

The 60+ members of the Audit WG have met frequently and worked diligently over the past several months primarily focused on creating a Best Practice Recommendations document to improve effectiveness and increase efficiency in the audit process. The WG has utilized historical FISD documents (the Audit Code of Practice, the CCG Outline for Audit Concept Paper, and the Exchange Audit Checklist Comparison) along with current documents (MicroRose's Letter of Engagement and the LSE's standard Audit Report outline) to guide them on this issue. In addition to creating this BPR, the group is also discussing topics such as the desirability and impact of internal audits and self audits and the possible recognized certification for independent third-party audit firms. The next meeting is scheduled for June 4 at the London Stock Exchange.

**BIPPS Working Group:**

The BIPPS WG is focused on policies of data providers for usage of data in internal administrative functions such as sales and marketing, customer support, training, systems development, and disaster/back-up sites. Approximately 15 exchanges have completed and returned the Questionnaire detailing information for their usage policies. FISD Staff plans to post these policies in a matrix on the website to create increased transparency regarding the various usage policies for data users and promote greater uniformity in these policies among data distributors. In addition, the WG is drafting a Best Practice Recommendation for policy regarding internal data usage. The BIPPS WG will meet on June 11 in New York.

**Derived Data and Non Display Working Group:**

This newest FISD WG was formed in follow up to the ad hoc group comprised of the Data Vendor Sub Group and the Consumer Constituent Group. The WG currently boasts 88 members that have all "opted-in" to participate in discussion on this subject. The WG is completing a document of Best Practice Recommendations on usage of Derived Data and Non Display applications. The WG has been communicating with the London Investment Bankers Association (LIBA) as there is an overlap of membership and we're seeking greater uniformity and consistency in this issue. The WG's next meeting is June 3 at EuroMTS in London.

**Service Level and Communications Working Group:**

The SL&C Working Group is focusing on the new updated BPRs which were approved in December 2007. The WG is determining the most effective means to communicate these recommendations and updates to as many industry participants as possible. Several WG members have expressed dismay at what they see as a failure of data providers to meet the minimum level of standards for communication that are spelled out in the BPR. Several data providers (both exchanges and vendors) have been identified in these incidents involving situations such as fee increases, delayed rollouts, data outages. The WG's next meeting is scheduled for June 13 at the Nasdaq Market Site.

**FISD Securities Processing Automation Advisory Committee**  
**Meeting Notes and Report to Executive Committee**  
**May 28, 2008**

**Participants:** Burch (Interactive Data), Sutton (Citi), White (State Street), Banerjee (Telekurs)

**Standards Activities**

**WG8 – IBEI – Entity Identifiers** The new Call for experts has resulted in a new WG being formed. The first meeting is June 19<sup>th</sup> in Zurich. FISD staff is represented on the WG. A convenor will be selected at the first meeting. There are multiple industry conversations going on related to whether or not Consumer firms will act collectively to address the issue (not likely, according to recent interviews with Consumer firms and the EDM Council survey, which we have shared with them) and the actions of some European vendors to issue IBEIs in the absence of a standard. SPA-AC confirms Staff participation in the WG and recommends continued FISD Shadow Group activities to explore avenues and approaches beyond what the ISO processes are considering.

**WG1 – ISIN/CUSIP/ANNA** The current version of the Draft Standard has been submitted for a vote. A new Call for Experts has been issued to add expertise in Structured Instruments to the WG. After being solicited by current participants, FISD staff have volunteered to act as Convenor for the WG. Currently, discussions between ISO and ANNA related to creating a formal RA agreement are stuck on the topic of transferring data should ISO remove ANNA as the RA. ISO is insisting on a clause stating that ANNA would provide a royalty-free, license-free copy of the data to the new RA, ANNA is pointing out that they cannot contractually do so, based on their agreements with their members. This is the same sticking point that was raised last year. SPA-AC confirms work of Staff and endorses a role for Staff as Convenor of the WG, with the aim of keeping the WG focused on completion of the technical standard and ensuring that the discussion does not get bogged down in commercial issues.

**WG11 – 19312 – Data Model** As noted previously, the work product of this WG is to be incorporated within the ISO 20022 efforts. The most recent version has been posted to the FISD wiki.

**Operational/Organizational**

FISD Data Model Wiki – up and running, working on member access/editing policies and content organization for initial release. Initial work on categorization and cross-referencing has begun. FIX dictionaries will be going up over the next couple of weeks. SPA-AC endorses initial release and will observe adoption and encourage discussion about the best way to utilize the platform – not looking for another “tech toy”.