



IHS Markit®

ISDA Amend Working Group

Session 3 Minutes

August 4, 2021 at 11:00am

- **Overview**

- > Third session of the ISDA Amend Working Group, second substantive session (1st session was introductory)
- > Asset manager conflicts on behalf of principals
 - Different asset managers making conflicting submissions on behalf of the same entity
 - When the same asset manager makes opposing representations on behalf of a single entity
 - Tracking of Agency Relationships Across ISDA Amend
- > Took data from ISDA Amend to see the potential size of the problem

- **Summary of Overlaps**

- > Over 24,000 companies on the ISDA Amend Platform
- > Over 4,000 principals with duplicate records where the entry came from the Principal
- > 46 unique principals that appear 10 times under unique asset managers
- > Ideally, where there is a single outlier, we can reach out to the asset manager and ask.
 - Will need to agree on a threshold of what constitutes an outlier (a submission that conflicts with 70% of other submissions has been proposed)
- > Where there are multiple differences, we may need to go directly to the principal

- **Outcome for Discussion**

- > What are the main modules that matter? What conflicts can we prioritize?
 - Within specific modules and data points within those modules are important?
- > Where there are more than 5 records (>1000 Principals), we will look for the outlier and contact the asset manager directly (we will not disclose how the others have answered)
 - If they choose not to change the conflicting representation, we will flag the data
- > When there are less than 5 records (>12,000 Principals), we will reach out directly to the Principal
 - Challenge here is finding contacts for the principal
 - IHS Markit likely does not have contacts for 2/3 of these entities
 - We will need to collaborate with principals to get these contacts
- > If we have the data from the Principal directly, can we tell the asset manager that this is how they answered?
- > Long Term Technology solution: During onboarding, IHS Markit can let the Asset Manager know there is another record with conflicting information on the platform
 - From the second responder onward, flags will show that questions were answered differently
- > Dealers advocated in favour of the approach, but stated they do not think they can provide many contacts

- Conflicts don't take too much time to resolve (they're not actively trying to resolve them)
- Precedent rules : Dealers prefer principal submissions over Agent submissions. Prefer using the first over the most recent. Having looked at data, they feel the first is more accurate than recent. Not refreshing data periodically, but do reach out when they see conflicts
- > Should there be a 70% threshold for what is determined an outlier in terms of submission?
 - Dealers agree but are interested in seeing the data
- > Now that new SDL is submitted, will we be working with firms to move information over?
 - The data is linked on ISDA Amend but the process does need to be initiated by the user
 - Section 2 Part C maps directly with other letter
 - Will we be facilitating moves over to the new module? Supporting them to see if things can be done in bulk?
 - We have been running outreaches and we have plans to do one outreach a month from now until the end of the year