
Previous Meeting Notes: May 27, 2014 – Reviewed & Approved

Next Meeting Planned: June 17, 2014 Noon- 1:00 pm ET

6/10/2014 Meeting Notes

The Cost Basis Steering Group topics included

A. The new fields on the Tax Lot input record layout for CBRS.

1. Last Adjustment Date
2. Carryover offset
3. Disallowed Carryover offset

Discussion focused on the need for the Carryover offset field. It was decided that the topic would be brought up in the Financial Information Forum (FIF) Cost Basis working group and a final decision would be made. The conclusion of the FIF Cost Basis WG was that the Carryover offset field will be needed to properly report the cost basis for fixed income covered assets.

B. Review of Open items

1. The best practices for the reporting of bond premium and discounts will be determined and distributed by the industry groups of FIF and SIFMA. CBRS will add to the best practices in the CBRS User Guide to assist in providing guidance.
2. 1256 options questions will remain on the Open items list to be discussed at a future date.
3. The topic of non-US options transferred outside of the OCC that do not follow Options Symbology standards, requires more knowledge of the settlement location of the options to be able to better understand the issues with reporting. It was noted that foreign issues currently only have a reporting requirement when transferred via ACATS.
4. Rejects caused by a CUSIP associated with internal TA number and therefore TA numbers are left blank, should new reject codes be created? The reason for a reject is not that the TA number is blank. It usually has an underlying cause. The reject by the contra should specify the underlying root cause. One example would be a corporate action is in progress, the reject would be due to REORG.
5. Some desire has been expressed by the CBRS group to obtain statistical firm data relative to the industry. DTCC will research and determine what might be available.