

In case of discrepancies between the French and the English text,
the French text shall prevail

Compendium of verification rules for the security by security reporting of securitisation vehicles

Banque centrale du Luxembourg

Contents

1	Introduction	3
2	Verification rules.....	4
2.1	Permanent verification rules.....	4
	2.1.1 Internal verification rules for the security by security reporting on balance sheet data	4
	2.1.2 Verification rules between the security by security reporting and statistical report S2.14	13
2.2	Temporary verification rules.....	14
	2.2.1 Internal verification rules for the security by security reporting on balance sheet data	14

1 Introduction

This compendium groups all the verification rules that apply to the security by security reporting of securitisation vehicles. Instructions concerning data collection are detailed in the document «Security by security reporting of securitisation vehicles».

The aim of the present document is to describe the various internal consistency checks executed by the BCL on the security by security reporting (SBS) as well as the consistency checks between the security by security reporting and the report S2.14.

We would like to insist on the importance of data quality for the data transmitted to the BCL as well as the necessity of prior data submission to the verification rules detailed in the technical documentation. Only rigorous control during the entire data production cycle will enable respecting the quality requirements as well as reporting delays. This point is all the more important that the collected data will be double-checked by the ECB before aggregation with the data of other Member states. Any error or important negligence will have harmful repercussions on the reputation of the whole financial community in Luxembourg.

November 2013

Page 3

Compendium of verification rules for the security by security reporting of

securitisation vehicles

Deleted: June

2 Verification rules

The verification rules are split into two groups, namely those that have a permanent character and those that have a temporary character. Concerning the verification rules that have a permanent character, we invite software providers to directly implement these rules whereas the temporary verification rules are more specifically addressed to the reporting agents. These latter are invited to take these rules into account when preparing the data.

2.1 Permanent verification rules

The security by security reporting is subject to internal verification rules and consistency checks with the statistical report S2.14.

2.1.1 Internal verification rules for the security by security reporting on balance sheet data

The following internal verification rules are applicable.

1 The following items are authorised:

- 1-003000 Debt securities held
- 1-005000 Equity and investment fund shares/units held
- 2-002500 Short sales of securities
- 2-003000 Debt securities issued
- 2-005000 Equity, shares and units issued

Deleted: June

2 The following lines are authorised:

Item 1-003000	Item 1-005000
1-003000-XX-XXX-90000	1-005000-XX-XXX-90000

Item 2-002500	Item 2-003000	Item 2-005000
2-002500-XX-XXX-90000	2-003000-XX-XXX-90000	2-005000-XX-XXX-90000

- 3 For each security, the reported amount (*reportedAmount*) must be greater than or equal to zero.
- 4 For each security quoted in percentage points, if the reported amount (*reportedAmount*) is greater than zero, the nominal capital (*nominalAmount*) must also be greater than zero.
- 5 For each security quoted in monetary units, if the reported amount (*reportedAmount*) is greater than zero, the number of units (*numberOfUnits*) must also be greater than zero.
- 6 Securities reported with an ISIN number (*code*) must satisfy the ISO 6166 norm, notably:
- the two first digits must correspond to a valid country code (ISO 3166) at the date of issue of the security or to EU, XA, XB, XC, XD and XS. In particular, a code whose the two first digits are DU, EV, HF, HS, QS, QT, QU, QY, TE, XF, XX, ZZ is not considered as a valid ISIN code.
 - the checking by the key.

Deleted: June

- 7 For securities without an ISIN code, the country of the issuer (*country*) must be in line with the ISO codification (ISO 3166), completed by the specific codes allocated by the BCL to supranational institutions. The latter are listed in the document ««Definitions and concepts for the statistical reporting of securitisation vehicles»».

The following values must not be used:

- X1
- X2
- X3
- X4
- XX

November 2013

Page 6

Compendium of verification rules for the security by security reporting of

securitisation vehicles

Deleted: June

- 8 For securities without an ISIN code, the sector of the issuer (*sector*) must be in line with the list established under point 5.3 of the document «Definitions and concepts for the statistical reporting of securitisation vehicles».

The authorised values are:

Code	Sector
11100	Central banks
11200	Other credit institutions
12100	Other MFIs / Money market funds
12200	Other MFIs / Other than Money market funds
31000	Central government
32100	State government
32200	Local government
32300	Social security funds
39000	International institutions except ECB
41111	Holdings / Soparvis (Sociétés de participations financières)
41112	Investment funds (IFs)
41113	Securitisation vehicles
41114	Central counterparties
41119	Other financial intermediaries
41120	Financial and insurance auxiliaries
41210	Insurance corporations
41220	Pension funds
42100	Non financial corporations
42211	Households – sole proprietors
42212	Households – physical persons
42220	Non profit institutions serving households

Deleted: June

- 9 The sector code «12200» Other MFIs / Other than MMF must only be used in combination with the country code of a European Union Member State that reports such entities on the official list of MFIs published by the European Central Bank.
- 10 The issuer sector code «39000» International institutions except ECB must only be used in combination with a country code of a supranational institution: (XB, XC, XD, XE, XG) and vice versa.
- 11 The type of security holding (*holdSecurityType*) may take the following values:

Item	Authorised values
1-003000	01, 02, 03
1-005000	01, 02, 03
2-002500	05
2-003000	04
2-005000	04

- 12 The currency of the nominal (*currency*) must be in line with the ISO 4217 codification.

The following values must not be used:

- XX1
- XX2
- XX5
- XXX

Deleted: June

13 The type of security (*securityType*) may take the following values:

Item	Authorised values
1-003000	F.33
1-005000	F.511, F.512, F.52
2-002500	F.33, F.511, F.512, F.52
2-003000	F.33
2-005000	F.511, F.512

14 For securities without an ISIN code, issued by resident securitisation vehicles, the following combination must be used:

Element	Authorised values
Country of issuer	LU
Sector of issuer	41113
Type of holding	04
Type of security	F.33 (item 2-003000) F.511, F.512 (item 2-005000)

15 The issue date (*issueDate*) must be lower than or equal to the closing date (*closingDate*).

16 The value of the pool factor (*poolFactor*) must be greater than 0.

It must not be equal to 0.

In exceptional cases, the value of the pool factor may exceed 1.

If the pool factor is not applicable to securities other than shares, the default value «1» must be reported.

Deleted: June

17 The coupon type (*couponType*) must take one of the following values:

Code	Coupon type
01	fixed
02	progressive
03	floating
04	zero coupon
05	index linked
99	other

18 The coupon frequency (*couponFrequency*) must take one of the following values:

Code	Coupon frequency
00	zero coupon
01	annual
02	semi annual
04	quarterly
06	bi-monthly
12	monthly
24	fortnightly
99	other

19 The coupon type «zero coupon» (*couponType* = 04) may only be used in combination with the coupon frequency «zero coupon» (*couponFrequency* = 00) and vice versa.

Deleted: June

- 20 The payment date of the last coupon (*couponLastPaymentDate*):
- if no coupon payment has been done, the date of the last coupon payment (*couponLastPaymentDate*) is the issue date of the security
 - the payment date of the last coupon must be greater than or equal to the issue date (*issueDate*)
 - the payment date of the last coupon must be lower than or equal to the final maturity issue date (*finalMaturityDate*)

- 21 The coupon rate (*couponRate*) is the annualised rate applicable at the date of the report expressed in percentage. For example, the value to be reported for an annualised coupon rate of 5.5% is 5.5.

- 22 The difference between the *closing date* and the payment date of the last coupon (*closingDate* – *couponLastPaymentDate*) must be coherent with the coupon frequency.

Deleted: date of the end of the month

Deleted: endMonthdate

Code	Coupon frequency	<i>closingDate</i> – <i>couponLastPaymentDate</i>
00	zero coupon	≥ 0
01	annual	≥ 0 and < 720 days
02	semi annual	≥ 0 and < 360 days
04	quarterly	≥ 0 and < 180 days
06	bi-monthly	≥ 0 and < 124 days
12	monthly	≥ 0 and < 62 days
24	fortnightly	≥ 0 and < 31 days
99	other	≥ 0

Deleted: endMonthdate

Remark

The criteria are twice the number of days of the coupon frequency in order to allow exceptions for the first coupon payment.

Deleted: June

- 23 If the payment date of the last coupon (*couponLastPaymentDate*) is strictly greater than the issue date (*issueDate*) and strictly lower than the final maturity date (*finalMaturityDate*), then the coupon rate must be greater than zero (*couponRate* >0).
- 24 If the frequency of the coupon is not zero coupon (*couponFrequency* <> 00) and the coupon type is fixed (*couponType* = 01) then the coupon rate must be greater than zero (*couponRate* >0).
- 25 The dividend (*dividendAmount*) is equal by default to 0. The dividend is expressed in percentage of the *reportedAmount*.
- 26 The payment date of the last dividend (*dividendLastPaymentDate*) is by default the first reference period for the security by security reporting: 31.12.2013. If a payment has occurred during the reference period, the date is the day of the month during which the operation took place.
- 27 The date of a split or a reverse split of shares/units (*splitdate*) is by default the date of the period of the first statistical reporting: 31.12.2013. If a split or a reverse split has occurred during the reference period, the date is the day of the month during which the operation took place.
- 28 The default value for the split ratio (*splitRatio*) is 1. If a split or a reverse split has occurred during the reference period, the ratio (*splitRatio*) equals to the number of new shares/units for an existing share/unit. If a split has occurred, the ratio is higher than 1. If a reverse split has occurred, the ratio is between 0 and 1.

Deleted: June

2.1.2 Verification rules between the security by security reporting and statistical report S2.14

The following verification rules are applicable:

- 1 The sum of the amounts reported in the following lines of report S2.14
1-030-LU-XXX-10000, 1-030-LU-XXX-20000, 1-030-X3-XXX-10000,
1-030-X3-XXX-20000, 1-030-X4-XXX-90000
must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-003000-XX-XXX-90000.
- 2 The sum of the amounts reported in the following lines of report S2.14
1-C01-LU-XXX-10000, 1- C01-LU-XXX-20000, 1- C01-X3-XXX-10000,
1- C01-X3-XXX-20000, 1- C01-X4-XXX-90000
must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-005000-XX-XXX-90000.
- 3 The amount reported in line 2-030-XX-XXX-90000 of report S2.14 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 2-003000-XX-XXX-90000.

Deleted: June

2.2 Temporary verification rules

2.2.1 Internal verification rules for the security by security reporting on balance sheet data

The following temporary verification rules must be applied.

- 1 The sector code «32100» State government may only be used in combination with a country code of a country that has adopted the structure of a federal state.

The following countries have a federal structure:

- AE United Arab Emirates
- AR Argentina
- AT Austria
- AU Australia
- BA Bosnia-Herzegovina
- BE Belgium
- BR Brazil
- CA Canada
- CH Switzerland
- DE Germany
- ES Spain
- ET Ethiopia
- FM Micronesia
- IN India
- KM Camorras
- KN Saint-Kitts-et-Nevis
- MY Malaysia
- MX Mexico
- NG Nigeria
- PK Pakistan
- RS Serbia
- RU Russia
- US United States of America
- VE Venezuela

Deleted: June