

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

Compendium of verification rules for report TPTTBS «Security by security reporting of securitisation vehicles»

Banque centrale du Luxembourg

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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 S 2.14.

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.

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 S 2.14.

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
- 2-002050 Short sales of securities
- 2-003000 Debt securities issued
- 2-005000 Equity, shares and units issued

2 The following lines are authorised:

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

Item 2-002050	Item 2-003000	Item 2-005000
2-002050-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.
- 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».Country code «XX» No breakdown must not be used.

- 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	Economic sector
11000	Central government
12100	State government
12200	Local government
12300	Social security funds
21000	Non-financial corporations
22110	Households – Sole proprietors
22120	Households – Physical persons
22200	Non-profit institutions serving households
31000	Central banks
32100	Deposit taking corporations – Credit institutions
32200	Deposit taking corporations – Other
33000	Money market funds
41000	Non-monetary investment funds
42100	Securitisation vehicles
42200	Central counterparties
42900	Other financial intermediaries
43000	Financial auxiliaries
44000	Captive financial institutions and money lenders
45000	Insurance corporations
46000	Pension funds

- 9 The type of security holding (*holdSecurityType*) may take the following values:

Item	Authorised values
1-003000	01, 02, 03
1-005000	01, 02, 03
2-002050	05
2-003000	04
2-005000	04

- 10 The currency of the nominal (*currency*) must be in line with the ISO 4217 codification.
Currency code «XXX» No breakdown must not be used.

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

Item	Authorised values
1-003000	F.3
1-005000	F.511, F.512, F.519, F.52
2-002050	F.3, F.511, F.512, F.519, F.52
2-003000	F.3
2-005000	F.511, F.512, F.519

- 12 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	42100
Type of holding	04
Type of security	F.3 (item 2-003000) F.511, F.512, F.519 (item 2-005000)

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

14 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.

15 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

16 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

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

- 18 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*)

- 19 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.

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

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

Remark:

- The criteria are twice the number of days of the coupon frequency in order to allow exceptions for the first coupon payment.
- 21 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 different from zero (*couponRate* $\neq 0$).
- 22 If the frequency of the coupon is not zero coupon (*couponFrequency* $\neq 00$) and the coupon type is fixed (*couponType* = 01) then the coupon rate must be different from zero (*couponRate* $\neq 0$).
- 23 The dividend (*dividendAmount*) is equal by default to 0. The dividend is expressed in percentage of the *reportedAmount*.
- 24 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.
- 25 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.

- 26 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.

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

The following verification rules are applicable:

- 1 The amount reported in line 1-003000-XX-XXX-90000 of reports S 2.14 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-003000-XX-XXX-90000 of SBS report.
- 2 The amount reported in line 1-005000-XX-XXX-90000 of reports S 2.14 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-005000-XX-XXX-90000 of SBS report.
- 3 The amount reported in line 2-002050-XX-XXX-90000 of reports S 2.14 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 2-002050-XX-XXX-90000 of SBS report.
- 4 The amount reported in line 2-003000-XX-XXX-90000 of reports S 2.14 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 2-003000-XX-XXX-90000 of SBS report
- 5 The amount reported in line 2-005000-XX-XXX-90000 of reports S 2.14 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 2-005000-XX-XXX-90000 of SBS report

2.2 Temporary verification rules

The temporary verification rules are rules that verify certain quality characteristics of the data that may vary over time. Hence, software providers are not requested to implement these rules in order to avoid too frequent adaptations of the reporting software.

2.2.1 Internal verification rules for the SBS report

The following internal verification rules must be applied:

- The sector code «12100» State government may only be used in combination with a country code of a country that has adopted the structure of a federal state (cf. below list).

The list of countries that have adopted a federal structure is available in the document «List of countries for the purpose of statistical reporting».