

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
credit institutions
Balance sheet data - BBS**

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 on balance sheet data of credit institutions. Instructions concerning data collection are detailed in the document «Instructions for the security by security reporting of credit institutions - Balance sheet data ».

The aim of the present document is to describe the various internal consistency checks executed by the BCL on the security by security reporting on balance sheet data of credit institutions as well as consistency checks between the security by security reporting and the S 1.1 report.

We should like to insist on the importance of data quality for 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 set reporting delays. This point is all the more important since collected data will be double-checked by the ECB before aggregation with the data of the other Member states. Any error or important negligence will have harmful repercussions on the reputation of the whole community of the Luxembourg financial institutions.

2 Verification rules

The verification rules are split into 2 groups, namely those that have a permanent character and those that having a temporary character. As far as concerns the verification rules having a permanent character, we invite software providers to implement these rules whereas the temporary verification rules are more specifically addressed to the reporting agents. The latter are invited to take these rules into account when preparing the data.

2.1 Permanent verification rules

The security by security reporting on balance sheet date of credit institutions is subject to internal verification rules and consistency checks with the statistical report S 1.1.

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:

| Assets | Liabilities |
|--------------------|--------------------|
| 1-030-XX-XXX-90000 | 2-025-XX-XXX-90000 |
| 1-051-XX-XXX-90000 | 2-030-XX-XXX-90000 |
| 1-052-XX-XXX-90000 | |
| 1-061-XX-XXX-90000 | |
| 1-062-XX-XXX-90000 | |

- 2 For each security, the reported amount (*reportedAmount*) must be greater than or equal to zero.

- 3 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.

- 4 For each security quoted in number of units, if the reported amount (*reportedAmount*) is greater than zero, the number of units (*numberOfUnits*) must also be greater than zero.
- 5 Securities reported with an ISIN number 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 XA, XB, XC, XD and XS. In particular, a code whose 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.
- 6 For securities without ISIN number, the country of the issuer must be in line with the ISO codification (ISO 3166), completed by specific codes that the BCL allocated to supranational institutions. The latter are listed in the document «Definitions and concepts for the statistical reporting of credit institutions».
- The following values must not be used:
- X1
 - X2
 - X3
 - X4
 - XX

- 7 For securities without ISIN number, the sector of the issuer must be in line with the list on page 50 of the document «Definitions and concepts for the statistical reporting of credit institutions».

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 / Soparfis (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 |

- 8 the sector code «12200» Other MFI / Other than MMF must only be used in combination with the country code of European Union Member State that reports such entities on the list of MFIs published by the European Central Bank

9 The issuer sector code «39000» International institutions except ECB may only be used in combination with a country code of an international institution: (XB, XC, XD, XE, XG) and vice versa.

10 The type of holding of a security may take the following values:

| Item | Authorised values |
|-------|-------------------|
| 1-030 | 01, 02, 03 |
| 1-051 | 01, 02, 03 |
| 1-052 | 01, 02, 03 |
| 1-061 | 01, 02, 03 |
| 1-062 | 01, 02, 03 |
| 2-025 | 05 |
| 2-030 | 04 |

11 The type of portfolio of a security may take the following values:

| Item | Authorised values |
|-------|--------------------|
| 1-030 | 01, 02, 03, 04, 05 |
| 1-051 | 01, 02, 03 |
| 1-052 | 01, 02, 03 |
| 1-061 | 02, 03 |
| 1-062 | 02, 03 |

4112 The currency of the nominal must be in line with the ISO codification (ISO 4217)

The following values must not be used:

- XX1
- XX2
- XX5
- XXX

~~42~~13 For securities without ISIN number the type of security may take the following values:

| Item | Authorised values |
|-------|--------------------------|
| 1-030 | F.33 |
| 1-051 | F.511, F.52 |
| 1-052 | F.512, F.52 |
| 1-061 | F.511, F.52 |
| 1-062 | F.512, F.52 |
| 2-025 | F.33, F.511, F.512, F.52 |
| 2-030 | F.33 |

~~43~~14 For type of security F.52 only economic sector codes 12100 and 41112 are allowed

~~44~~15 For type of security F.33, F.511 and F.512 economic sectors 12100 and 41112 must not be used

~~45~~16 For securities without ISIN number, issued by resident credit institutions, the following combination must be used:

| Element | Authorised values |
|-------------------|-------------------|
| Country of issuer | LU |
| Sector of issuer | 11200 |
| Type of holding | 04 |
| Type of security | F.33 |

~~46~~17 The issue date (*issueDate*) must be lower than or equal to the closing date (*closingDate*).

4718 The value of the *Pool factor* must be greater than 0.

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

4819 The coupon type must take one of the following values:

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

4920 The coupon frequency 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 |

2021 The coupon type «zero coupon» (*couponType* = 04) may only be used in combination with the coupon frequency «zero coupon» (*couponFrequency* = 00) and vice versa.

|

2122 The payment date of the last coupon (*couponLastPaymentDate*)

- 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 date (*finalMaturityDate*).
- If no coupon payment was made, the date of the last coupon payment (*couponLastPaymentDate*) is the issue date of the security.

2223 The difference between the date of the end of the month and the payment date of the last coupon (*endofMonthdate* – *couponLastPaymentDate*) must be coherent with the coupon frequency.

| Code | Coupon frequency | <i>endofMonthdate</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.

2324 The coupon rate (*couponRate*) is the annualised rate expressed in percentage. For instance, the value to be reported for an annualised coupon rate of 5,5% is 5,5

2425 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).

2526 If the frequency of 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).

2.1.2 Verification rules between the security by security reporting on balance sheet data and report S 1.1

The following verification rules are applicable:

- the amount reported in line 1-030-XX-XXX-90000 of report S 1.1 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-030
- the amount reported in line 1-051-XX-XXX-90000 of report S 1.1 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-051
- the amount reported in line 1-052-XX-XXX-90000 of report S 1.1 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-052
- the amount reported in line 1-061-XX-XXX-90000 of report S 1.1 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-061
- the amount reported in line 1-062-XX-XXX-90000 of report S 1.1 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-062
- the amount reported in line 2-025-XX-XXX-90000 of report S 1.1 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 2-025

- the amount reported in line 2-030-XX-XXX-90000 of report S 1.1 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 2-030

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 sector code «12200» Other MFI / Other than MMF must not be used in combination with country code «LU»~~

~~21~~ The sector code «32100» State administration 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