BANQUE CENTRALE DU LUXEMBOURG
EUROSYSTÈME

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

Compendium of verification rules for the monthly security by security reporting of issuing companies

Banque centrale du Luxembourg

1   Introduction

This compendium groups all the verification rules that apply to the security by security reporting of issuing companies. The instructions relating to data collection are described in the document "Monthly security by security reporting of issuing companies".

The aim of the present document is to describe the various internal consistency checks on the security by security reporting (SBS) as well as the consistency checks between the security by security reporting and the report S 2.16 for issuing companies, that the BCL undertakes after receiving the data.

We should like to insist on the importance of data quality for data transmitted to the BCL and the necessity to submit the data to the verification rules detailed in the technical documentation. Only rigorous control during the entire data production cycle will enable us to respect the quality requirements as well as reporting delays. This point is all the more important since collected data will be double-checked by the ECB before aggregating it 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. Concerning 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 respondents. The 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 2.16 "Quarterly statistical balance sheet of issuing companies".

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:
- 1-030 Securities other than shares
- 1-06A Participating interests and shares - affiliated entities
- 1-06N Participating interests and shares – non affiliated entities
- 2-025 Borrowings / Short sales of securities
- 2-030 Debt securities issued

2   2 the following lines are authorised:

Item1-030	Item 1-06A	Item 1-06N
1-030-XX-XXX-90000	1-06A-XX-XXX-90000	1-06N-XX-XXX-90000

Item 2-025	Item 2-030
2-025-XX-XXX-90000	2-030-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 number of 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 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 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.

7   for securities without an 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 issuing companies".
    The following values must not be used:
   - X1
   - X2
   - X3
   - X4
   - XX

8   the type of holding of a security may take the following values:

Item	Authorised values
1-030	01, 02, 03
1-06A	01, 02, 03

1-06N	01, 02, 03
2-025	05
2-030	04

9   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

10   10 the type of security may take the following values :

Item	Authorised values
1-030	F.33
1-06A	F.511, F.512, F.52
1-06N	F.511, F.512, F.52
2-025	F.33, F.511, F.512, F.52
2-030	F.33

11   for securities without an ISIN code, issued by resident issuing companies, the following combination must be used:

Element	Authorised values
Country of issuer	LU
Type of holding	04
Type of security	F.33 (item 2-030)
Sector of issuer	41119 (other financial intermediary) or another relevant economic described under item 5 of the document " Definitions and concepts for the statistical reporting of issuing companies"

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

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

It must not be equal to zero.

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.

14 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

15 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

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

17   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.

18   the coupon rate *(couponRate)* is the annualised rate applicable at the date of the report and expressed in percentage. For example, the value to be reported for an annualised coupon rate of 5,5% is 5,5.

19   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	*endofMonthdate – couponLastPaymentDate*
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

<u>Remark</u>

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

20   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).

21   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).

22   as a rule, the date of a split or a reverse split of shares/units (*splitdate*) must be the date of the period of the first statistical reporting: 30.06.2011. 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

23   the default value for the split ratio (*splitRatio*) is 1 If a split has occurred during the reference period, the ratio (*splitRatio*) equals 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 report S 2.16

The following verification rules are applicable:

- the amount reported in line 1-030-XX-XXX-90000 of the report S 2.16 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-030

- the amount reported in line 1-06A-XX-XXX-90000 of the report S 2.16 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-06A

- the amount reported in line 1-06N-XX-XXX-90000 of the report S 2.16 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 1-06N

- the amount reported in line 2-025-XX-XXX-90000 of the report S 2.16 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 the report S 2.16 must correspond to the total amount reported (*totalReportedAmount*) for the identifier of the balance sheet line 2-030