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Inhoud

General comments

The RRE report has a quarterly reporting frequency. This means that all entities and data attributes should be reported on a quarterly basis. In addition, information on the format and data type for each data attribute, can be found in the Data Delivery Agreement and will not be mentioned in this Manual.

1. Internal identifiers

1.1 Overview internal identifiers

In addition to the data attributes, each entity includes a number of internal identifiers. These identifiers are a key part of the RRE data model since they ensure that each entry can be (uniquely) identified by one or a combination of identifiers in the dataset. In this way they help to maintain data integrity and identify the relationship between the data entities.

1.2 Description

1.2.1 Reporting agent identifier (AnaCredit 2.1.2.1)

Definition: Counterparty identifier for the reporting agent.
See also section 2.1.2.1 in the AnaCredit Manual Part II.

The reporting agent identifier is the counterparty identifier of the reporting agent which reports the data.

1.2.2 Observed agent identifier (AnaCredit 2.1.2.2)

Definition: Counterparty identifier for the observed agent.
See section 2.1.2.2 in the AnaCredit Manual Part II.

The observed agent identifier is the counterparty identifier of the observed agent (i.e. an institutional unit of the reporting agent) whose data are reported by the reporting agent.

1.2.3 Instrument identifier (AnaCredit 2.1.2.5)

Definition: An identifier applied by the reporting agent to uniquely identify each instrument under a single contract. Each instrument must have one instrument identifier. This value will not change over time and cannot be used as the instrument identifier for any other instrument under the same contract.
See section 2.1.2.5 in the AnaCredit Manual Part II.

The instrument identifier refers to an instrument created under a contract with a given contract identifier. The instrument identifier together with the contract identifier uniquely identifies an instrument reported in RRE within the scope of a reporting agent as the instrument identifier cannot refer to more than one instrument within the same contract.

For additional information, see section 2.1.2.5 in the AnaCredit Manual Part II.

1.2.4 Contract identifier (AnaCredit 2.1.2.4)

Definition: An identifier applied by the reporting agent to uniquely identify each contract. Each contract must have one contract identifier. This value will not change over time and cannot be used as the contract identifier for any other contract.
See section 2.1.2.4 in the AnaCredit Manual Part II.

The contract identifier refers to the credit agreement between two or more parties under which the instrument is created. In particular, the contract identifier refers to the legal contract under which instruments are extended by the creditor to the debtor and conditions of the instruments are specified. In accordance with the definition, the contract identifier uniquely identifies a contract within the scope of a reporting agent. This means that each contract identifier is unique for each contract reported by the same reporting agent and, conversely, that a reporting agent always consistently identifies a given contract by the same contract identifier, irrespective of observed agents in relation to which the data are reported.
In essence, the contract identifier makes it possible to record one or more instruments arising in relation to the same credit contract.

1.2.5 Counterparty identifier (AnaCredit 2.1.2.3)

Definition: An identifier applied by the reporting agent to uniquely identify each counterparty. Each counterparty has a unique and exclusive counterparty identifier. This means that this value will not change over time and can never be used as the counterparty identifier for any other counterparty.
See section 2.1.2.3 in the AnaCredit Manual Part II.

Instruments that are exclusively linked to natural persons and/or partnerships (sector households S.14 in ESA 2010) are in scope for RRE reporting.

Reporting agents use the counterparty identifier consistently across all data transmissions and always use the unique code for the same counterparty (principle of uniqueness).

1.2.6 Protection identifier (AnaCredit 2.1.2.6)

Definition: An identifier applied by the reporting agent to uniquely identify each protection used to secure the instrument. Each protection must have one protection identifier. This value will not change over time and cannot be used as the protection identifier for any other protection.
See section 2.1.2.6 in the AnaCredit Manual Part II.

Each record in the protection received dataset represents an individual protection item and is uniquely identified by a protection identifier at the level of the reporting agent. This means that each protection identifier is unique for each protection item reported by the same reporting agent and, conversely, that a reporting agent always consistently identifies a given protection item by the same protection identifier, irrespective of observed agents in relation to which the data are reported. This protection identifier is not reused by the same reporting agent at any point in time to identify a different protection item, including when it relates to a different observed agent.

1.2.7 Reporting reference date

Definition: Reporting reference date is a date that indicates the date the entity type delivery corresponds to.

1.2.8 Counterparty role (AnaCredit 6.4.1)

Definition: See section 6.4.1 in the AnaCredit Manual Part II.

1.3 Illustrative scenarios

In this sub-chapter different illustrative cases are used to clarify how a to some identifiers are to be reported when certain events occur. The identifiers covered are the following: *Contract identifier, Instrument identifier, Counterparty identifier and Protection identifier*. Table 1 below shows an overview of what happens to these identifiers when one of the scenarios occurs.

1.3.1 Scenario 1: "Doorstromer"

A debtor has an outstanding debt of 100 euro towards the bank. In particular, he has 50 euro outstanding debt in instrument 1 and 50 euro outstanding debt in instrument 2. The only protection pledged to both instruments is a residential real estate protection (RRE 1).

The debtor moves to another house (RRE 2). First, he sells the house he is currently living in (selling price = 350). Then, he makes a 100 euro prepayment to pay back the existing instruments and, at the same time, asks the bank for a new mortgage of 250 to buy a new house (purchase price = 500).

The new residential real estate is offered as the only protection for the new mortgage. The 250 mortgage is granted to the debtor as a linear mortgage, with a unique instrument having 250 outstanding amount at inception (new instrument ID is created) and the new property worth 500 euro is pledged to it (new protection ID is created).

Table 1 below explains how the new mortgage is registered compared to the old one.

1.3.2 Scenario 2: "Additional lending for construction"

A debtor has an outstanding debt of 100 euro towards the bank. In particular, he has 50 euro outstanding debt in instrument 1 and 50 euro outstanding debt in instrument 2. The only protection pledged to both instruments is a residential real estate protection (RRE 1). The original protection value of the protection was 200 euro.

The debtor wants to build a garage and asks for a top up loan of 70 euro to the bank. The bank grants the debtor a new loan (with a new instrument ID) having an outstanding amount of 70 euro.

Table 1 below explains how the new loan part is registered compared to the existing loan parts.

1.3.3 Scenario 3: "Divorce"

A couple (counterparties 1 and 2) has a mortgage with the bank. The mortgage consists of a unique instrument with 100 euro outstanding nominal amount. The two debtors are equally liable to this instrument, and RRE 1 is the only protection associated to it. The couple divorces. After divorce, counterparty 1 purchases the 50% ownership of the RRE from counterparty 2 who, in turn, uses part of the money received to prepay its debt to the bank (50% of the outstanding amount of instrument 1). After divorce, counterparty 1 is the only owner of the RRE property and the only debtor/counterparty in the contract with the bank.

Table 1 below explains how the mortgage is registered compared to the old situation.

1.3.4 Scenario 4: "Bridge loan"

A debtor has an outstanding debt of 100 euro towards the bank. In particular, he has 50 euro outstanding debt in instrument 1 and 50 euro outstanding debt in instrument 2. The only protection pledged to both instruments is a residential real estate protection (RRE 1).

The debtor moves to another house (RRE 2). He asks the bank for a bridge loan of 100 euro (instrument 3), pledged both to the old and the new RRE. Furthermore, upon request of the debtor, the bank originates a new loan of 200 euro (instrument 4) pledged to RRE 2. After a few months, the debtor manages to sell the old house (RRE 1) and, correspondingly, prepays in full both instruments 1, 2 and 3.

Table 1 below explains how instruments 3 and 4 are to be registered compared to instruments 1 and 2.

1.3.5 Scenario 5: "Renegotiator"

A debtor has an outstanding debt of 100 euro towards the bank. In particular, he has 50 euro interest-only instrument with 50 euro outstanding debt.

The debtor renegotiates the mortgage with the bank, and asks the bank to change from interest-only to annuity.

Table 1 below explains how the mortgage is registered compared to the old situation.

Table 1. Practical cases and the registration of identifiers in the RRE report

	Contract ID	**Instrument ID**	**Counterparty ID**	**Protection ID**
Scenario 1: doorstromer	New	New	Same*	New
Scenario 2: bijlenen verbouwing	Same**	New	Same	Same
Scenario 3: divorce	Same	Same	CP1: same CP2: removed	Same
Scenario 4: overbrugger	I3: new or same I4: new	New	Same*	I3: RRE1&2/RRE1 I4: RRE2
Scenario 5: renegotiator	Same	Same or new	Same	Same

*It is very important that in the case of scenario 1 and 4, the counterparty remains registered under the same counterparty identifier.
**The contract ID associated with the new instrument might also be a new one, though this is not what we would expect here.

2. Natural person

2.1 General aspects

The Natural person entity is a subtype of the entity Household. The natural person could be either a natural person resident in the Netherlands or resident in a foreign country. The Natural person entity therefore consists of two subtypes called Dutch natural person and Foreign natural person.
In case a natural person dies and the heirs accept the legacy, the counterparty usually changes to "erven van" (or in English: estate of) without any changes in the instrument. In such cases, the reporting agent should keep reporting the information of the

deceased natural person for the attributes in the Natural person entity by the reporting agent.

2.2 Level of granularity

The Natural person entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) reporting reference date and (c) counterparty identifier. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting). Every single and unique natural person at the level of the reporting agent which is involved in instruments which are in scope of RRE reporting should be included in the Natural person entity.

2.3 Data attributes

2.3.1 Year of birth

Definition: Year of birth is the year in which the natural person was born according to the Gregorian calendar (i.e. the internationally most widely used civil calendar).

The attribute Year of birth is a mandatory attribute. The attribute should be regarded as a static variable, i.e. the Year of birth for one specific natural person is not supposed to change over time. In addition, granting instruments to natural persons which are under or above a certain age, will be less plausible. In general, the minimum age of granting instruments to natural persons is 18 years. The maximum age is less clear and might differ per observed agent. The age at which the instrument is granted to the natural person can be calculated by relating the Year of birth to the Inception date of the Instrument.

2.3.2 Dutch natural person indicator

Definition: Dutch natural person indicator distinguishes natural persons into natural persons that are Dutch and natural persons that are not Dutch. A natural person is considered to be Dutch in case it is resident in the Netherlands. A resident of the Netherlands is someone who is registered in the Basisregistratie Personen (BRP) and therefore has been assigned a Burgerservicenummer (BSN). In case the natural person is not registered in the Basisregistratie Personen and has therefore no Burgerservicenummer, it is not a Dutch natural person. In that case, the natural person is a foreign natural person and is registered in the Foreign natural person entity.

The attribute Dutch natural person indicator is a mandatory attribute. The attribute can be regarded as a dynamic attribute, as it could be possible that a foreign natural person will be registered in the BRP and will be assigned a BSN and therefore becomes a Dutch natural person. The other way around is also possible: a Dutch natural person that is deregistered from the BRP and its BSN is revoked.

The attribute Dutch natural person indicator can have two values either “Dutch natural person” or “Foreign natural person”.

3. Debtor

3.1 General aspects

The Debtor entity is a subtype of the Counterparty role entity. The debtor could be either a debtor which is past due or a debtor which is not past due. The debtor can be defined as the counterparty which has the unconditional obligation to make repayments arising under the instrument. The debtor is the counterparty that generated the credit risk of an instrument. For more details on the debtor, please refer to RRE Manual Part I.

3.2 Level of granularity

The Debtor entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) reporting reference date, (c) counterparty role and (d) counterparty identifier. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting). Every single and unique debtor at the level of the reporting agent which is involved in instruments which are in scope of RRE reporting should be included in the Debtor entity.

3.3 Data attributes

3.3.1 Inception date of first instrument for investing in RRE

Definition: Inception date of first instrument for investing in RRE is the date on which the first instrument for the purpose of investing in residential real estate was originated by the reporting agent to the debtor.

The attribute Inception date of first instrument for investing in RRE is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The possibility might arise that an observed agent has granted instruments to the debtor which are in scope of RRE reporting, but are not used for the purpose of investing in residential real estate. So in some situations the attribute Inception date of first instrument for investing in RRE might not be applicable, i.e. in such cases the value “non-applicable” should be reported. However, it could be possible that the attribute becomes applicable once a debtor, which has instruments in scope of RRE but for other purposes than investing in residential real estate, could be granted an instrument which is used for investing in residential real estate. In that case, the value filled out for the attribute will change from “non-applicable” to the actual date of inception of the first instrument for investing in residential real estate. So, the attribute could change from “non-applicable” to an actual date and in that sense the attribute is a dynamic attribute. However, once a date has been filled out, it should not change over time and the attribute is then considered as static.

For so-called first time buyers - i.e. households that for the first time finance the investment in residential real estate at the observed agent - the value of the attribute Inception date of first instrument for investing in RRE should equal the value of the attribute Inception date in the Instrument entity when reporting the respective instrument for the investment in residential real estate in the Instrument entity.

However, it is not necessary that the inception date of first instrument for investing in residential real estate equals the inception date of the current outstanding instrument for investing in residential real estate. After all, it might be possible that the first instrument was granted in the past and is already fully redeemed by the debtor. In that case, the value of the attribute Inception date of first instrument for investing in RRE does not change and still represents the inception date of the instrument that has already been redeemed.

For more guidance, please refer to the following example. Debtor #XYZ has the following business with reporting agent (and observed agent) #ABC.

1. An overdraft #111 (under contract #11) with an inception date of 01-01-2000. The overdraft is not protected by residential real estate and is used for other purposes than investing in residential real estate.
2. A mortgage loan #222 (under contract #22) of EUR 350.000 with an inception date of 01-01-2015. The mortgage loan is protected by and used for investing in residential real estate.
3. A revolving credit #333 (under contract #33) of EUR 25.000 with an inception date of 01-01-2017. The revolving credit is protected by residential real estate, but used for other purposes than investing in residential real estate.
4. A mortgage loan #444 (under contract #44) of EUR 400.000 with an inception date of 01-01-2020. The mortgage loan is protected by and used for investing in residential real estate. The previous mortgage loan #222 is fully redeemed.

Debtor entity

	Reporting agent ID	Reporting reference date	Counterparty role	Counterparty ID	Inception date of first instrument for investing in RRE
1.	Not reported, out of scope of RRE reporting				
2.	#ABC	31-01-2015	Debtor	#XYZ	01-01-2015
3.	#ABC	31-01-2017	Debtor	#XYZ	01-01-2015
4.	#ABC	31-01-2020	Debtor	#XYZ	01-01-2015

Instrument entity

	Reporting agent ID	Observed agent ID	Reporting reference date	Contract ID	Instrument ID	Inception date
1.	Not reported, out of scope of RRE reporting					
2.	#ABC	#ABC	31-01-2015	#22	#222	01-01-2015
3.	#ABC	#ABC	31-01-2017	#22	#222	01-01-2015
	#ABC	#ABC	31-01-2017	#33	#333	01-01-2017
4.	#ABC	#ABC	31-01-2020	#22	#222	01-01-2015
	#ABC	#ABC	31-01-2020	#33	#333	01-01-2017
	#ABC	#ABC	31-01-2020	#44	#444	01-01-2020

Please note that in the instrument entity above, also the redeemed mortgage loan #222 is still included in the report. The details on how to report redeemed loans will be presented in RRE Manual Part I.

Please be aware that this attribute should only be filled out in case the instrument has been granted on 01-01-2012 or later, i.e. the instrument has an inception date of 2012-01-01 or later. In case the instrument was granted prior to 01-01-2012, the attribute should only be reported on a best effort basis when the information is available.

3.3.2 Debtor past due indicator

Definition: Debtor past due indicator distinguishes debtors in debtors that are past due and debtors that are not past due. According to ITS Regulation (EU) No 680/2014 Annex V paragraph 2.48 assets qualify as past due when counterparties have failed to make a payment when contractually due. To be clear, please note that past due occurs as soon as the debtor is already one day past due.

The attribute Debtor past due indicator is a mandatory attribute. The attribute can be regarded as a dynamic attribute, i.e. the Debtor past due indicator is allowed to change over time. The point of reference in order to assess whether a debtor is past due, is the reporting reference date. In the event, the debtor has failed to make a payment when contractually due, and this situation is still present on the reporting reference date, the debtor is considered to be past due. In the situation where the debtor during the reporting reference period was past due, but at the reporting reference date has made up for the arrears and runs on schedule, the debtor is considered to be not past due.

The attribute Debtor past due indicator can have two values either “Debtor past due” or “Debtor not past due”.

Please note that the debtor is considered to be past due if the debtor is already one day past due, even if the instrument for which the debtor is past due is not in scope of RRE reporting. So, in case a debtor has two instruments - one which is in scope of RRE and one which is not - and he is past due for the instrument which is not in scope of RRE, the debtor is still being reported as past due even though the debtor is not past due for the instrument which is in scope of RRE.

3.3.3 Current toetsinkomen

Definition: The current toetsinkomen is the most recent value of the toetsinkomen of the debtor or as an alternative a close proxy of the toetsinkomen (e.g. the gross annual income of the debtor) which is available to the reporting agent.

The attribute Current toetsinkomen is an optional attribute. The attribute Current toetsinkomen should be considered as a dynamic attribute i.e. the value reported for the attribute Current toetsinkomen is allowed to change over time, because the current toetsinkomen can change over the life cycle of the debtor. The current toetsinkomen should be reported as an annualized income (i.e. no monthly income).

The attribute Current toetsinkomen is an optional attribute, because the attribute should be filled out for those debtors for which the information is received from the debtor as part of the efforts of the reporting agents to provide the debtor with information about its financial situation. If available to the reporting agent, the information should be reported under the attribute Current toetsinkomen. The reporting of the attribute Current toetsinkomen for these debtors allows DNB/SSM to better assess the potential riskiness of the instruments related to these debtors.

The attribute Current toetsinkomen should correspond to the toetsinkomen mentioned in the HDN Generiek Bericht (Generieke Specificatie AX bericht)” from the 26th of May 2018. In the case the precise toetsinkomen is not available to the reporting agent, but the income can be estimated with a proxy please provide a close proxy for the toetsinkomen, e.g. the gross annual income of the debtor to the extent this is available to the reporting agent or can be estimated with an acceptable margin of error. Additional information on how to calculate toetsinkomen can be found under attribute 12.3.2. In case a proxy is also not available to the reporting agent the attribute does not need to be provided.

In case the information for filling out the attribute Current toetsinkomen is provided by the debtor, the information does not necessarily need to be validated with income documentation as this may weaken incentives for clients to voluntarily provide the information. As part of the DNB/SSM approach to interest only mortgages reporting agents should provide debtors with insight in the risks associated with their (partly) interest only mortgages. In this context, reporting agents are expected to enrich the residential real estate data inter alia with data on the current income of the debtors. In this process, reporting agents are expected to approach high risk debtors first and subsequently lower risk debtors, as also mentioned above. To the extent income information is obtained as part of this process, the data should be reported under the data attribute Current toetsinkomen.

The reporting agent should report under attribute Current toetsinkomen, the income information that is of the most recent date and currently available to the reporting agent.

The attribute Current toetsinkomen refers to the income of the debtor. In the context of RRE reporting, the debtor should be considered as being part of the sector Households (S.14). This means the debtor could either be a natural person or a partnership. The attribute Current toetsinkomen should be filled out in case the debtor is a natural person.

In case several natural persons are involved in one and the same instrument falling within the relevant categories of the mortgage portfolio segmentation framework as described above (i.e. joint liability), the current income of each single debtor should be reported.

3.3.4 Date of current toetsinkomen

Definition: The date of current toetsinkomen is the date to which the current toetsinkomen refers.

The attribute Date of current toetsinkomen is an optional attribute, analogous to the attribute Current toetsinkomen. In case the attribute Current toetsinkomen is filled out, a value for the attribute Date of current toetsinkomen is also expected. The attribute Date of current toetsinkomen refers to the date on which the reported current toetsinkomen or a proxy thereof was measured or obtained. The attribute Date of current toetsinkomen should be considered as a dynamic attribute i.e. the value reported for the attribute Date of current toetsinkomen is allowed to change over time, because the current toetsinkomen as well as the corresponding date could change over the life cycle of the debtor.

3.3.5 Total assets

Definition: The total assets is the value of all assets (pledged and unpledged) of the debtor or as an alternative a close proxy of the total assets.

The attribute Total assets is an optional attribute. The attribute Total assets should be considered as a dynamic attribute i.e. the value reported for the attribute Total assets is allowed to change over time, because the total assets can change over the life cycle of the debtor.

The attribute Total assets is an optional attribute, because the attribute should be filled out for those debtors for which the information is received from the debtor as part of efforts from the reporting agents to provide the debtor with information about its financial situation. If available to the reporting agent, the information should be reported under the attribute Total assets. Because the information is not always received from the debtor by the reporting agent, the attribute Total assets is optional. The reporting of the attribute Total assets for these debtors allows DNB/SSM to better assess the potential riskiness of the instruments related to these debtors.

The attribute Total assets should correspond to the value of assets (i.e. all assets, irrespective whether the assets are pledged against instruments reported by the credit institutions or not) The assets should in principle consist of

(a1) principal residence, i.e. the principal residential real estate of the debtor

(a2) other real estate property, i.e. second and holiday homes, investment in real estate, farm land

(a3) Vehicles, i.e. cars, motorcycles, boats, other vehicles owned by household and used for private purposes. Vehicles owned by own unincorporated enterprises are excluded.

(a4) Valuables, i.e. works of art, antiques, fine jewelry, stamp and coin collections, precious stones and metals, other valuables

(a5) Other non-financial assets, i.e. other consumer durables, intellectual property, and other non-financial assets

(a6) currency and deposits, i.e. transaction accounts, saving accounts, fixed-term deposits, certificates of deposits

(a7) bonds and other debt securities, i.e. government savings bonds, corporate bonds, commercial paper, state or municipal non-saving bonds, foreign bonds, other non-saving bonds, debenture, mortgage-backed securities, negotiable certificates of deposits, treasury bills, other similar instruments

(a8) mutual funds and other investment funds, i.e. Mutual funds, hedge funds, unit trusts, income trusts, pooled investment funds, other managed investment funds

(a9) net equity in own unincorporated enterprises, i.e. Household members' share of the net equity in unincorporated enterprise in which they work (sometimes also called "self-employment business wealth")

(a10) stocks, i.e. shares in publicly listed corporations

(a11) unlisted shares and other equity, i.e. value of ownership in incorporated businesses not publicly traded and net equity in partnerships in which the household members do not work ("silent partners") (a12) other non-pension financial assets, examples (non-exhaustive): managed accounts, money owed to household, any other non-pension financial asset

(a13) voluntary individual life insurance and private pension funds, i.e. assets in life insurance and pension plans where participation is voluntary, and individuals independently purchase and select material aspects of the arrangements, without intervention of their employers. Does not include term life insurance.

In case, the total assets is not available for the reporting agent, please provide a close proxy for the total assets to the extent this is available to the reporting agent or can be estimated with an acceptable margin of error. In case a close proxy is not available, the attribute does not need to be provided.
In case the information for filling out the attribute Total assets is provided by the debtor, the information does not necessarily need to be validated with documentation, as this may weaken incentives for clients to voluntarily provide the information. As part of the DNB/SSM approach to interest only mortgages reporting agents should provide debtors with insight in the risks associated with their (partly) interest only mortgages. In this context, reporting agents are expected to enrich the residential real estate data inter alia with data on the total assets of the debtors. In this process, reporting agents are expected to approach high risk debtors first and subsequently lower risk debtors, as also mentioned above. To the extent assets information is obtained as part of this process, the data should be reported under the data attribute Total assets.

3.3.6 Date of total assets

Definition: The date of total assets is the date to which the total assets refers.

The attribute Date of total assets is an optional attribute, analogous to the attribute Total assets. However, in case the attribute Total assets is filled out, a value for the attribute Date of total assets is also expected. The attribute Date of total assets should be considered as a dynamic attribute i.e. the value reported for the attribute Date of total assets is allowed to change over time, because the total assets as well as the corresponding date could change over the life cycle of the debtor.
The attribute Date of total assets refers to the date on which the reported total assets or a proxy thereof was measured or obtained.

3.3.7 Total liabilities

Definition: The total liabilities is the value of all liabilities of the debtor or as an alternative a close proxy of the total liabilities.

The attribute Total liabilities is an optional attribute. The attribute Total liabilities should be considered as a dynamic attribute i.e. the value reported for the attribute Total liabilities is allowed to change over time, because the total liabilities can change over the life cycle of the debtor.

The attribute Total liabilities is an optional attribute, because the attribute should be filled out for those debtors for which the information is received from the debtor as part of efforts from the reporting agents to provide the debtor with information about its financial situation. If available to the reporting agent, the information should be reported under the attribute Total liabilities. Because the information is not always received from the debtor by the reporting agent, the attribute Total liabilities is optional. The reporting of the attribute Total liabilities for these debtors allows DNB/SSM to better assess the potential riskiness of the instruments related to these debtors.

The attribute Total liabilities should correspond to the value of liabilities of the debtor. The liabilities should in principle consist of

(l1) principal residence loans, i.e. Loans taken for constructing, purchasing and/or improving the principal residence of household.

(l2) other residence and real estate loans, i.e. loans for the purpose of constructing, purchasing or improving other dwellings, buildings and land (e.g., loans to purchase holiday homes and loans to purchase rental properties for investment purposes).

(l3) other loans, i.e. car and other vehicle loans, instalment debt, education loans, other non-mortgage loans from financial institutions, loans to purchase shares and other financial assets, loans from other households, credit card debt, lines of credit, bank account overdrafts, other loans not included in (l1) or (l2)

In case, the total liabilities is not available for the reporting agent, <u>please provide a close proxy for the total liabilities to the extent this is available to the reporting agent or can be estimated with an acceptable margin of error.</u> In the case in which a proxy is also not available to the bank the attribute does not need to be provided.
In case the information for filling out the attribute Total liabilities is provided by the debtor, the information does not necessarily need to be validated with documentation, as this may weaken incentives for clients to voluntarily provide the information. As part of the DNB/SSM approach to interest only mortgages reporting agents should provide debtors with insight in the risks associated with their (partly) interest only mortgages. In this context, reporting agents are expected to enrich the residential real estate data inter alia with data on the total liabilities of the debtors. In this process, reporting agents are expected to approach high risk debtors first and subsequently lower risk debtors, as also mentioned above. To the extent liabilities information is obtained as part of this process, the data should be reported under the data attribute Total liabilities.

3.3.8 Date of total liabilities

Definition: The date of total liabilities is the date to which the total liabilities refers.

The attribute Date of total liabilities is an optional attribute, analogous to the attribute Total liabilities. However, in case the attribute Total liabilities is filled out, a value for the attribute Date of total liabilities is also expected. The attribute Date of total liabilities should be considered as a dynamic attribute i.e. the value reported for the attribute Date of total liabilities is allowed to change over time, because the total liabilities as well as the corresponding date could change over the life cycle of the debtor.
The attribute Date of total liabilities refers to the date on which the reported total liabilities or a proxy thereof was measured or obtained.

3.3.9 Current debtor's employment status

Definition: The current debtor's employment status is the most recent position on the labour market of the debtor available to the reporting agent

The attribute Current debtor’s employment status is an optional attribute. The attribute Current debtor’s employment status should be regarded as a dynamic attribute, i.e. the value reported for the attribute Current debtor’s employment status is allowed to change over time, because the current debtor’s employment status could change over the life cycle of the debtor.

The attribute Current debtor’s employment status is an optional attribute, because the attribute should be filled out for those debtors for which the information is received from the debtor as part of efforts from the reporting agents to provide the debtor with information about its financial situation. If available to the reporting agent, the information should be reported under the attribute Current debtor’s employment status. Because the information is not always received from the debtor by the reporting agent, the attribute Current debtor’s employment status is optional. The reporting of the attribute Current debtor’s employment status for these debtors allows DNB/SSM to better assess the potential riskiness of the instruments related to these debtors.

The reporting agent should report under attribute Current debtor’s employment status, the position of the debtor on the labour market that is of the most recent date and currently available to the reporting agent.

The attribute Current debtor’s employment status can be filled out with one of three domain values: “Employed”, “Unemployed” and “Self-employed”. Below the definition of each individual domain value is presented.

Employed is defined as a situation in which the debtor, i.e. a natural person, has made arrangements in the form of an employment contract with an institutional unit (company, institution or household) in order to perform labour for which the natural person receives payment in return. Employed does not include directors and major shareholders.

Unemployed is defined as a situation in which the debtor, i.e. a natural person, has made no arrangements in the form of an employment contract with an institutional unit (company, institution or household) in order to perform labour for which the natural person receives payment in return. The “Unemployed” status also includes cases in which the debtor is retired.

Self-employed is defined as a situation in which the debtor, i.e. a natural person or partnership, performs labour for its own account and risk (a) in its own company or practice (b) as a director and major shareholder (c) in a company or practice of a family member (d) in another form of being self-employed. In the context of RRE reporting, the debtor should be considered as being part of the sector Households (S.14). This means the debtor could either be a natural person or a partnership. In case of an instrument which has been granted to a partnership, the Current debtor’s employment status cannot be reported.

In case a natural person is both employed and self-employed, the activity which generates the most income is leading in classifying the natural person in one of both categories.

3.3.10 Date of current debtor’s employment status

Definition: The date of current debtor’s employment status is the date to which the current debtor’s employment status refers.

The attribute Date of current debtor's employment status is an optional attribute, analogous to the attribute Current debtor's employment status. However, in case the attribute Current debtor's employment status is filled out, a value for the attribute Date of current debtor's employment status is also expected. The attribute Date of current debtor's employment status should be considered as a dynamic attribute i.e. the value reported for the attribute Date of current debtor's employment status is allowed to change over time, because the current debtor's employment status as well as the corresponding date could change over the life cycle of the debtor.
The attribute Date of current debtor's employment status refers to the date on which the reported employment status was measured or obtained.

4. Debtor past due

4.1 General aspects

The Debtor past due entity is a subtype of the Debtor entity. The debtor can be considered as past due in the event the debtor is involved in RRE relevant instruments which can be classified as past due in the context of ITS Regulation (EU) No 680/2014 on the reporting reference date (i.e. the debtor has failed to make payments when contractually due). For more details, please refer to the section related to the attribute Debtor past due indicator.

4.2 Level of granularity

The Debtor entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) reporting reference date, (c) counterparty role and (d) counterparty identifier. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting). Every single and unique debtor past due at the level of the reporting agent which is involved in instruments which are in scope of RRE reporting should be included in the Debtor past due entity.

4.3 Data attributes

4.3.1 Arrears for the debtor

Definition: Arrears for the debtor is the aggregate amount of principal, interest and fee payments outstanding for all instruments of the debtor at the reporting reference date which is contractually due and has not been paid (past due). In the Arrears for the debtor also the past due principal, interest and fee payments of instruments that are not included in the RRE reporting scope should be included.

The attribute Arrears for the debtor is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Arrears for the debtor should be considered as a dynamic attribute, i.e. the value reported for the Arrears for the debtor attribute is allowed to change over time.

5. Debtor-instrument data

5.1 General aspects

In general, one instrument can have one or several debtors and one debtor can have one or several instruments. In the Debtor-instrument entity every single and unique combination of RRE relevant debtor and RRE relevant instrument at the level of the observed agent should be included.

5.2 Level of granularity

The Debtor-instrument entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) reporting reference date, (d) counterparty role, (e) counterparty identifier, (f) contract identifier and (g) instrument identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every single and unique combination of RRE relevant debtor and RRE relevant instrument at the level of the observed agent should be included in the Debtor-instrument entity.

5.3 Data attributes

5.3.1 Other debts at inception

Definition: The others debts at inception is the amount of other outstanding debts (and undrawn credit limits) of the debtor that are known to the creditor at the moment of inception of the instrument and that have been taken into account for the determination of the borrowing capacity of the debtor at inception of the instrument. In case the debtor had no other debts, or no debts were taken into account in the instrument application process, please report "0".

The attribute Other debts at inception is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Other debts at inception should be considered as a static attribute i.e. the value reported for the attribute Other debts at inception is not allowed to change over time, because the attribute refers to a situation which occurred in the past and does not refer to current or future situations.

Other debts at inception also include possible undrawn credit limits in case the reporting agents has taken these limits into account for the determination of the borrowing capacity of the debtor at the inception of the instrument.

Please be aware that this attribute should only be filled out in case the instrument has been granted on 01-01-2012 or later, i.e. the instrument has an inception date of 2012-01-01 or later. In case the instrument was granted prior to 01-01-2012, the attribute should only be reported on a best effort basis when the information is available.

5.3.2 Household type-instrument data indicator

Definition: The household type-instrument data indicator distinguishes the entity debtor-instrument data into partnership-instrument data and natural person-instrument data.

The attribute Household type-instrument data indicator is a mandatory attribute. The attribute should be regarded as a static attribute, i.e. the attribute Household type-instrument data indicator should not change over time.

The attribute Household type-instrument data indicator can have two values, either partnership-instrument data (in case a debtor is a maatschap, vennootschap onder firma, commanditaire vennootschap or rederij and could not be regarded as a quasi-corporation, please refer to Manual Part I for more information) or natural person-instrument data.

6. Instrument

6.1 General aspects

In general, one instrument belongs to one contract. One instrument must always have one or more debtors, one or more creditors and one or more servicers. In addition, one instrument can have one or more protections received. Also, connected to the instrument entity, there is always a financial data entity and an accounting data entity.

6.2 Level of granularity

The Instrument entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) reporting reference date, (d) contract identifier and (e) instrument identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every single and unique RRE relevant instrument at the level of the observed agent should be included in the Instrument entity.

6.3 Data attributes

6.3.1 Household income at inception

Definition: The household income at inception is the value of the combined toetsinkomen of all debtors of the instrument (i.e. joint liability), or as an alternative a close proxy of the combined toetsinkomen of all debtors of the instrument (i.e. joint liability) (e.g. the gross annual income of the debtor) at the moment of inception of the instrument.

The attribute Household income at inception is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Household income at inception should be considered as a static attribute i.e. the value reported for the attribute Household income at inception is not allowed to change over time, because the attribute refers to a situation which occurred in the past and does not refer to current or future situations.

The attribute Household income at inception should **always** be filled out (non-zero). In addition, in case the income at inception of all individual debtors (in this case natural persons) is known to the reporting agents, the attribute Income at inception in the natural person-instrument data entity should be filled out for each unique natural person-instrument combination.

The household income at inception is the value of the **combined** (close proxy of) toetsinkomen of all the debtors of the instrument (i.e. joined liability). Information on how to calculate toetsinkomen at the **individual** level can be found under attribute 12.3.2 (income at inception).

The reason that DNB has decided on obligating reporting agents to always report the household income at inception, is as follows. Imagine the case of multiple debtors (natural persons) involved in one instrument (i.e. joined liability). Now if one of the debtors is removed from the administrative system of the reporting agent (for instance if this debtor passes away), this means that the income at inception (attribute 12.3.2) of this debtor might no longer be reported. Since income at inception is reported at the level of the combination of the natural person and instrument. If this occurs, it is hard to calculate the LTI at inception from the data. For this reason, it is crucial for DNB to always now the household income at inception (attribute 6.3.1) as this is reported at the instrument level and will therefore stay available when one of the debtors is removed from the administrative system from the reporting agent.

Please be aware that this attribute should only be filled out in case the instrument has been granted on 01-01-2012 or later, i.e. the instrument has an inception date of 2012-01-01 or later. In case the instrument was granted prior to 01-01-2012, the attribute should only be reported on a best effort basis when the information is available.

6.3.2 Legal final maturity date at inception

Definition: The legal final maturity date at inception is the contractual maturity date of the instrument at the moment of inception of the instrument.

The attribute Legal final maturity date at inception is a mandatory attribute. The attribute Legal final maturity date at inception should be considered as a static attribute i.e. the value reported for the attribute Legal final maturity date at inception is not allowed to change over time, because the attribute refers to a situation which occurred in the past and does not refer to current or future situations.

The legal final maturity date at inception is the date by which any funds drawn under the instrument should contractually be repaid and any undrawn funds can no longer be drawn. The legal final maturity date at inception refers to the maturity date specified in the contract (valid as of the reporting reference date) to which the instrument belongs. Generally, the contract specifies conditions for all instruments that could belong to the contract. Nevertheless, the legal final maturity date at inception may be specifically defined in the contract for individual instruments.

Note that certain instruments could have no legal final maturity date defined due to that fact that some instruments could be of a perpetual nature (revolving instruments) or have an embedded optionality. In case an instrument has no maturity date, please fill out the value “Non-applicable” for the attribute Legal final maturity date at inception. In case, instruments are repayable on demand or at short notice, and have no legal final maturity date specified, the value “Non-applicable” is filled out.

Please note that the legal final maturity date at inception is not leading in determining whether an instrument should be included in the RRE report. The criteria which are important in this regard are expressed in the RRE Manual Part I. For example, an instrument could be past due and could still have unpaid amounts open even after the legal final maturity date at inception. In that case, the instrument should still be reported with the original legal final maturity date at inception.

Please be aware that this attribute should only be filled out in case the instrument has been granted on 01-01-2012 or later, i.e. the instrument has an inception date of 2012-01-01 or later. In case the instrument was granted prior to 01-01-2012, the attribute should only be reported on a best effort basis when the information is available.

6.3.3 Product name

Definition: The product name is the name of the product (i.e. instrument) used by the creditor in the contractual agreement and/or in the conditions of the instrument.

The attribute Product name is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Product name should be considered as a dynamic attribute. Although in practice, the value of the attribute is not expected to change often, it could happen that the name of an existing instrument under an existing contract changes without establishing a new instrument and contract (i.e. the contract identifier and instrument identifier do not change).

6.3.4 Product label

Definition: The product label is the label of the credit institution under which the instrument was granted to the debtor.

The attribute Product label is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Product label should be considered as a dynamic attribute. Although in practice, the value of the attribute is not expected to change often. It could happen that the label under which an existing instrument or contract was granted changes without establishing a new instrument and contract (i.e. the contract identifier and instrument identifier do not change).

6.3.5 Interest rate at inception

Definition: The interest rate at inception is the annualised agreed rate or narrowly defined interest rate in accordance with Regulation (EU) No 1072/2013 of the European Central Bank (ECB/2013/34) at the moment of inception of the instrument.

The attribute Interest rate at inception is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Interest rate at inception should be considered as a static attribute i.e. the value reported for the attribute Interest rate at inception is not allowed to change over time, because the attribute refers to a situation which occurred in the past and does not refer to current or future situations.

Regulation (EU) No 1072/2013 (ECB/2013/34) defines the annualised agreed rate (AAR) as "the interest rate that is individually agreed between the reporting agent and the household or non-financial corporation for a deposit or loan, converted to an annual basis and quoted in percentages per annum. The AAR covers all interest payments on deposits and loans, but no other charges that may apply. Disagio, defined as the difference between the nominal amount of the loan and the amount received by the customer, is considered as an interest payment at the start of the contract (time t0) and is therefore reflected in the AAR". The narrowly defined effective rate (NDER) is defined as "the interest rate, on an annual basis, that equalises the present value of all commitments other than charges (deposits or loans, payments or repayments, interest payments), future or existing, agreed by the reporting agents and the household or non-financial corporation. The NDER is equivalent to the interest rate component of the annual percentage rate of charge (APRC) as defined in Article 3(i) of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC. The NDER uses successive approximation and can therefore be applied to any type of deposit or loan, whereas the AAR is only.

More information on the methodology for calculating the interest rate can be found in the Manual on the MFI interest rate statistics.

Please note that although Regulation ECB/2013/34 presents two options to calculate the interest rate, either the AAR or the NDER, the SE Handboek only presents one option, namely the AAR. For RRE reporting, reporting agents should adhere to the method they use in the MIR reporting (form 9004), which is the AAR method.

In accordance with the requirements for MFI interest rate statistics, the interest rate to be reported is as follows. If there is an amount outstanding at the reporting reference date, then:

- the interest rate referring to the outstanding amount is the weighted average interest rate applied to the outstanding amount at the reporting reference date;
- the weighted average interest rate is the sum of the AAR multiplied by the corresponding outstanding amounts and divided by the total outstanding amount.

To that extent, undrawn amounts are not considered for the calculation of the weighted interest rate. However, in the case of instruments with an undrawn amount available, the interest rate is reported although the whole amount is undrawn (outstanding nominal amount is "0"). In accordance with the MIR statistics, penalties in the form of special fees are not covered by the AAR (the fees are not part of the outstanding amount either). Please also note that in the calculation there is no differentiation between the ordinary interest rate and the penalty interest rate. For instance, if the outstanding amount includes an excess amount (above the credit limit) and a penalty interest rate is charged on the excess amount, this is considered in the calculation of the weighted average interest rate; in other words, if a penalty is charged in the form of higher interest rates, this penalty is also reflected in the (weighted average) interest rate to be reported. If the penalty is applied in the form of fees or other non-interest components, it is not covered.

In the case of interest-free instruments, the interest is reported as "Non-applicable". However, please note that an instrument with disagio is not considered an interest free instrument. In the case of a current account overdraft, calculating the interest rate may require weighting of the higher rate (charged when the debit balance exceeds the agreed credit limit) with the "normal" usage interest rate proportionally to the overdraft total debit balance, where the weighted average interest rate is the sum of the AAR multiplied by the corresponding amounts and divided by the sum of the corresponding amounts. Please note that penalties in the form of special fees are not included in the calculation of the AAR (for example, an instrument of EUR 110.000 is issued at a discount of EUR 10.000 for a tenor of one year; the instrument was repaid with a delay for which a penalty of EUR 5.000 was charged so that eventually the debtor repaid EUR 115.000; however, the penalty amount of EUR 5.000 is not taken into account for the calculation of the AAR, which is estimated to be EUR 10,000 / EUR 100,000 = 10%). Please also note, however, that any unpaid penalties and other fees are added to the outstanding nominal amount at a reporting reference date, and therefore are accounted for when calculating the outstanding weighted average interest rate (although they are not covered in the AAR which are thus averaged).

Please be aware that this attribute should only be filled out in case the instrument has been granted on 01-01-2012 or later, i.e. the instrument has an inception date of 2012-01-01 or later. In case the instrument was granted prior to 01-01-2012, the attribute should only be reported on a best effort basis when the information is available.

6.3.6 Interest rate reset frequency at inception

Definition: The interest rate reset frequency at inception is the frequency at which the interest rate is reset after the initial fixed-rate period, if any, at the moment of inception of the instrument.

The attribute Interest rate reset frequency at inception is a mandatory attribute. The attribute Interest rate reset frequency at inception should be considered as a static attribute i.e. the value reported for the attribute Interest rate reset frequency at inception is not allowed to change over time, because the attribute refers to a situation which occurred in the past and does not refer to current or future situations.

For instruments where no interest rate reset applies, the value "Non-applicable" is reported. In particular, "Non-applicable" is reported for instruments which do not include a contractual agreement to change the interest rate.

Furthermore, the following domain values apply "Overnight", "Monthly", "Quarterly", "Semi-annuallly", "Annually", "At creditor discretion", "Other frequency". Below the definition of each individual domain value is presented.

Overnight is defined as a situation in which the instrument has a contractual agreement to change the interest rate on a daily basis.

Monthly is defined as a situation in which the instrument has a contractual agreement to change the interest rate on a monthly basis.

Quarterly is defined as a situation in which the instrument has a contractual agreement to change the interest rate on a quarterly basis.

Semi-annually is defined as a situation in which the instrument has a contractual agreement to change the interest rate on a semi-annually basis.

Annually is defined as a situation in which the instrument has a contractual agreement to change the interest rate on an annual basis.

At creditor discretion is defined as a situation in which the instrument has a contractual agreement by which the creditor has the right to establish the interest reset date.

Other frequency is defined as a situation in which the instrument has a contractual agreement to change the interest rate at a frequency other than any of the categories listed above.

The following example explains how the attributes Interest rate reset frequency at inception (6.3.6) and Interest rate type (6.3.10) must be filled in. Imagine a case in which a mortgage loan has a maturity 30 years and an interest rate reset period of 10 years. The interest rate is fixed (not based on a reference variable) for the next 10 years and after 10 years a new interest rate will be determined and again fixed for the next 10 years. In this case, for the attribute Interest rate type the domain value “Fixed” should be chosen and for the attribute Interest rate reset frequency at inception the domain value “Other frequency” should be chosen.

Please be aware that this attribute should only be filled out in case the instrument has been granted on 01-01-2012 or later, i.e. the instrument has an inception date of 2012-01-01 or later. In case the instrument was granted prior to 01-01-2012, the attribute should only be reported on a best effort basis when the information is available.

6.3.7 Legal final maturity date

Definition: The legal final maturity date is the contractual maturity date of the instrument, taking into account any agreements amending initial contracts.

The attribute Legal final maturity date is a mandatory attribute. The attribute Legal final maturity date should be considered as a dynamic attribute i.e. the value reported for the attribute Legal final maturity date is allowed to change over time, because the contract could be changed during the lifecycle of the contract.

The legal final maturity date is the date by which any funds drawn under the instrument should contractually be repaid and any undrawn funds can no longer be drawn. The legal final maturity date refers to the maturity date specified in the contract (valid as of the reporting reference date) to which the instrument belongs. Generally, the contract specifies conditions for all instruments that could belong to the contract. Nevertheless, the legal final maturity date may be specifically defined in the contract for individual instruments.

Note that certain instruments could have no legal final maturity date defined due to that fact that some instruments could be of a perpetual nature (revolving instruments) or have an embedded optionality. In case an instrument has no maturity date, please fill out the value “Non-applicable” for the attribute Legal final maturity date. In case, instruments are repayable on demand or at short notice, and have no legal final maturity date specified, the value “Non-applicable” is filled out.

Please note that the legal final maturity date is not leading in determining whether an instrument should be included in the RRE report. The criteria which are important in this regard are expressed in the RRE Manual Part I. For example, an instrument could be past due and could still have unpaid amounts open even after the legal final maturity date. In that case, the instrument should still be reported with the original legal final maturity date.

6.3.8 Currency

Definition: currency denomination of instruments, in accordance with the ISO 4217 standard.

The attribute Currency is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Currency is considered to be a static attribute, i.e. the value of the attribute Currency should not change during the lifecycle of the instrument.

This data attribute identifies the currency that is the unit of account, i.e. the currency in which the instrument is effectively denominated.

For every instrument reported, the currency is specified by one of the values set out in the ISO 4217 standard. Note that in the context of RRE, an instrument is defined at such a level that there is only one currency in which the instrument is denominated.
Credit agreements which consist of multiple tranches denominated in different currencies are reported as different instruments within a single contract, and the attribute Currency should represent the currency in which the instrument is denominated.

Instruments with both the principal and the interest indexed to a currency are classified and treated as though they are denominated in that currency. For instruments denominated in one currency, but settled in another currency, the currency in which the instrument is denominated should be filled out as attribute Currency.

This attribute identifies the currency in which the instrument is denominated and not the currency in which the instrument is reported to RRE.

Please be informed that all monetary values should be reported in euro (see the data delivery agreement for exact details on decimals, etcetera). In case instruments are being granted in another currency than euro, in principle the non-euro value should be converted into euro against the relevant mid-market exchange rate prevailing at the end of the reference period. This holds in principle, however, for some attributes the conversion should be treated in another way. For example, for attributes referring to situations at inception of the instrument and which are therefore of a static nature, the exchange that should be used, is the exchange rate used at inception (not the current exchange rate at the end of the reference period), otherwise the prerequisite of being static is violated. The same holds for attributes referring the valuation of protection at fair value.

6.3.9 Payment frequency

Definition: Frequency of payments due, either of principal or interest, i.e. number of months between payments.

The attribute Payment frequency is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Payment frequency has to be considered as a dynamic attribute, i.e. the payment frequency of the instrument could change during the lifecycle of the instrument.

The attribute Payment frequency could have one of the following domain values: Monthly, Quarterly, Semi annually, Annual, Bullet, Zero coupon, Other.

Below the definition of each individual domain value is presented.

One of the values Monthly/Quarterly/Semi annually/Annual should be filled out if the payment frequency is neither Bullet nor Zero coupon, and the frequency of both the principal payments and the interest payments is monthly or quarterly or semi-annual or annual.

Otherwise, if the payment frequency is neither Bullet nor Zero coupon and the frequencies of principal and interest payments differ but are both regular, and the higher of the two payment frequencies is monthly or quarterly or semi-annual or annual, then the higher frequency is reported in the attribute Payment frequency. Please note that "higher frequency" means "more often". Hence, from among the four categories, monthly is the highest frequency while annually is the lowest.

Bullet means an amortization in which the full principal is repaid in the last instalment regardless of the interest payment frequency,

Zero coupon means an amortization in which the full principal amount and interest is repaid in the last instalment.

Other means another payment frequency not included in any of the categories listed above. If the payment frequency is not any of the payment frequencies referred to in the previous points then the payment frequency to be reported is Other. In particular, the value Other is reported in the case of overdrafts with no agreed credit limit.

The attribute Payment frequency is reported considering the following logical steps.

- If the repayment schedule of the instrument meets the definition of Bullet or Zero coupon payment as defined above, then the corresponding domain value is reported.

- Otherwise, if the payment frequency of the instrument is neither Bullet nor Zero coupon, then if the payment frequency is such that the frequency of principal payments and the frequency of interest payments are both the same and are either monthly or quarterly, or semi-annual, or annual, the respective domain value is reported.

- Otherwise, if the payment frequency of the instrument is neither Bullet nor Zero coupon, and the payment frequency of principal payments is not the same as the frequency of interest payments, then the higher of the two payment frequencies is considered. In particular, if the higher frequency is either monthly or quarterly, or semi-annual, or annual, the respective domain value is reported.

- Otherwise, the domain value Other is reported.

6.3.10 Interest rate type

Definition: Interest rate type is the classification of credit exposures based on the base rate for establishing the interest rate for each payment period.

The attribute Interest rate type is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Interest rate type is a dynamic attribute, i.e. the value of the attribute can change during the lifecycle of the instrument. However, an instrument classified at inception date as Mixed with regard to the interest rate type, does not change later to Fixed or Variable when the interest rate of the instrument changes from a fixed type to a variable type or vice versa.

In cases where none of the above interest rate types applies to an instrument, the value "Non-applicable" is reported. In particular, in the case of overdrafts with no agreed credit limit, the value "Non-applicable" is reported unless an interest rate type was assigned when the debit balance arose, in accordance with the contract set by the creditor.

The attribute Interest rate type could have one of the following domain values: Fixed, Variable, Mixed.

Below the definition of each individual domain value is presented.

Fixed means a scheme defining the interest rates during the life of the exposure which only includes constant rates – numeric constant rate known with certainty at the inception of the exposure – and where the interest rates apply to the whole exposure. The scheme may contain more than one constant interest rate to be applied at different periods during the life of the exposure (e.g. instrument with a constant interest rate during the initial fixed rate period, which then changes to a different interest rate, which is still constant, and which was known at the inception of the exposure).
If a fixed interest rate instrument has an option to be renegotiated within a foreseeable future for the purpose of determining a new fixed interest rate, such an instrument is considered to have fixed interest rate type, irrespective to the change in the rate of interest. In case an instrument has fixed interest rate, then the subtype entity fixed interest instrument applies.

In the case of fixed interest rate instruments a distinction is broadly made between the following two cases. I) a fixed interest rate that has been contractually agreed upon for the entire life of the instrument. II) an interest rate that has been contractually fixed only until a specific future date *t* after which the fixed interest rate can be renegotiated.

Variable means a scheme defining the interest rates during the life of the exposure which only includes interest rates based on the evolution of another variable (the reference variable) and where the interest rate applies to the whole exposure. In case an instrument has a variable interest rate, then the subtype entity non-fixed interest instrument applies.

Mixed means other interest rate types which are not included in any of the categories listed above. In case an instrument has a mixed interest rate, then both the subtype entity non-fixed interest instrument and subtype entity fixed interest instrument could apply, dependent on the phase in which the instrument is at the moment of reporting.

The following example explains how the attributes Interest rate reset frequency at inception (6.3.6) and Interest rate type (6.3.10) must be filled in. Imagine a case in which a mortgage loan has a maturity 30 years and an interest rate reset period of 10 years.

The interest rate is fixed (not based on a reference variable) for the next 10 years and after 10 years a new interest rate will be determined and again fixed for the next 10 years. In this case, for the attribute Interest rate type the domain value “Fixed” should be chosen and for the attribute Interest rate reset frequency at inception the domain value “Other frequency” should be chosen.

6.3.11 Interest rate reset frequency

Definition: The interest rate reset frequency is the frequency at which the interest rate is reset after the initial fixed-rate period, if any.

The attribute Interest rate reset frequency is a mandatory attribute. The attribute Interest rate reset frequency should be considered as a dynamic attribute i.e. the value reported for the attribute Interest rate reset frequency is allowed to change over time.

For instruments where no interest rate reset applies, the value “Non-applicable” is reported. In particular, “Non-applicable” is reported for instruments which do not include a contractual agreement to change the interest rate.

Furthermore, the following domain values apply “Overnight”, “Monthly”, “Quarterly”, “Semi-annuallly”, “Annually”, “At creditor discretion”, “Other frequency”. The definition of each individual domain value is presented below.

Overnight is defined as a situation in which the instrument has a contractual agreement to change the interest rate on a daily basis.

Monthly is defined as a situation in which the instrument has a contractual agreement to change the interest rate on a monthly basis.

Quarterly is defined as a situation in which the instrument has a contractual agreement to change the interest rate on a quarterly basis.

Semi-annually is defined as a situation in which the instrument has a contractual agreement to change the interest rate on a semi-annually basis.

Annually is defined as a situation in which the instrument has a contractual agreement to change the interest rate on an annual basis.

At creditor discretion is defined as a situation in which the instrument has a contractual agreement by which the creditor has the right to establish the interest reset date.

Other frequency is defined as a situation in which the instrument has a contractual agreement to change the interest rate at a frequency other than any of the categories listed above,

In the case of fixed interest rate instruments a distinction is broadly made between the following two cases. I) a fixed interest rate that has been contractually agreed for the entire life of the instrument. In this case the domain value “Non-applicable” for the attribute Interest rate reset frequency should be chosen. II) an interest rate that has been contractually fixed only until a specific future date *t* (*t* < than the final maturity date) after which the fixed interest rate will be renegotiated. In this case, the applicable reset frequency should be selected. For example, imagine a case in which a mortgage loan has a maturity of 30 years and an interest rate reset period of 10 years. The interest rate is fixed (not based on a reference variable) for the next 10 years and after 10 years a new interest rate will be determined and again fixed for the next 10 years. In this case, for the attribute Interest rate type the domain value "Fixed" should be chosen and for the attribute Interest rate reset frequency at inception the domain value "Other frequency" should be chosen. This illustrative case, as well as other cases can be found in table 2 below.

In general most mortgage loans will have either a "Variable" interest rate type, in which interest rates are based on the evolution of another variable (the reference variable) and where the interest rate applies to the whole exposure. Or they will have a "Fixed" interest rate type.

Table 2. Illustrative cases concerning the reporting of attributes interest rate type and reset frequency (at origination)

Case	Instrument id	6.3.10 Interest rate type	6.3.11 interest rate reset frequency	6.3.6 Interest rate reset frequency at inception
Regular mortgage with maturity of 30yrs interest reset in 10yrs	A	Fixed	Other Frequency	Other Frequency
Instrument with Euribor monthly	B	Variable	Monthly	Monthly
Instrument B (maturity>10yrs) renegotiates fixed interest rate for 10yrs (*optie 1*)	B	Fixed	Other Frequency	Monthly
Instrument B (maturity>10yrs) changes into instrument C because instrument gets fixed interest rate for 10yrs (*optie 2*)	C	Fixed	Other Frequency	Other Frequency
Regular mortgage with maturity in 20yrs fixed interest for 20yrs	D	Fixed	Non Applicable	Non Applicable

* For fixed interest rate mortgages **without** reset dates both the *next interest rate reset date* and the *interest rate reset frequency* must be set as "*NA*". Instead, for fixed interest rate mortgages **with** reset dates, the *next interest rate reset date* must be indicated and the appropriate *interest rate reset frequency* must be chosen

6.3.12 Loan to value at inception

Definition: Loan-to-value ratio at inception means the sum of all loans or loan tranches secured by the debtor on the immovable property (i.e. residential real estate) at the moment of loan inception (L) relative to the value of the property at the moment of loan inception (V)

The attribute Loan to value at inception is a mandatory attribute. The attribute Loan to value at inception should be regarded as a static attribute, i.e. the value of the attribute should not change during the lifecycle of the instrument.

In accordance with the ESRB recommendation on closing data gaps (ESRB/2016/14) the following instructions should be followed for calculating the Loan to value at inception.

For the purpose of the calculation, 'L':

- Includes all RRE relevant loans or loan tranches secured by the debtor on the immovable property (i.e. residential real estate) at the moment of inception, following an aggregation of loans ‘by debtor’ and ‘by immovable property’.
- Is measured based on nominal outstanding amounts and does not include any off-balance sheet (undrawn) amounts on credit lines.
  In the case of property still being constructed, ‘L’ is the sum of all loan tranches disbursed up to the reporting reference date (nominal outstanding amount), and the LTV at inception is computed on the date of disbursement of any new loan tranche.
  Alternatively, if the aforementioned calculation method is not available or does not correspond to the prevailing market practice, LTV at inception can also be calculated on the basis of the total loan amount granted and the expected value upon completion of the RRE that is being constructed.
  Please be informed that in case of instruments with a bouwdepot, the ‘L’ should not include the parts of the bouwdepot which are not yet used, because this is in line with the definition of ‘V’ which does not take into account value of planned renovation and construction works.
- Does not include loans that are not secured by the property, unless the reporting credit provider considers unsecured loans part of the housing loan financing transaction, combining both secured and unsecured loans. In that case, unsecured loans should also be included in ‘L’.
- Is not adjusted for the presence of other credit risk mitigants.
- Does not include costs and fees related to the loan,
- Does not include loan subsidies.

For the purpose of the calculation, ‘V’:

- Is computed on the basis of the property’s value at inception, measured as the lower of:
  1. the transaction value, e.g. as registered in a notarial deed, and
  2. the value as assessed by an independent external or internal appraiser.

  If only one value is available, this value should be used.
- Does not take into account the value of planned renovation or construction works.
- In the case of property still being constructed, ‘V’ accounts for the total value of the property up to the reporting reference date (accounting for the increase in value due to the progress of the construction works). ‘V’ is assessed upon disbursement of any new loan tranche, allowing for the computation of an updated LTV.
- Is adjusted by the total amount of the outstanding loan, disbursed or not, that is secured through ‘prior’ liens on the property. In the case of more senior liens on the property, the full amount of the debt secured by these more senior liens needs to be deducted. In the case of ‘equal ranking liens’, an appropriate proportional adjustment should be made.
- Is not adjusted for the presence of other credit risk mitigants.
- Does not include costs and fees related to the RRE loan.
- Is not computed as the ‘long-term value’.

Please be aware that this attribute should only be filled out in case the instrument has been granted on 01-01-2012 or later, i.e. the instrument has an inception date of 2012-

01-01 or later. In case the instrument was granted prior to 01-01-2012, the attribute should only be reported on a best effort basis when the information is available.

6.3.13 Commitment amount at inception

Definition: Commitment amount at inception is the observed agent's maximum exposure to credit risk on the inception date of the instrument, without taking into account any protection held or other credit enhancements. Total commitment amount on the inception date is established during the approval process and is intended to restrict an observed agent's amount of credit risk to a given counterparty for the relevant instrument.

The attribute Commitment amount at inception is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Commitment amount at inception should be considered as a static attribute, i.e. the value reported for the attribute Commitment amount at inception is not allowed to change over time, because the attribute refers to a situation which occurred in the past and does not refer to current or future situations.

The amount reported in the attribute Commitment amount at inception is the amount committed by the creditor under the instrument. In particular, it is the agreed credit limit (if any), that is contractually agreed between the debtor and the creditor, and above which the debit balances of the instrument/instruments may not rise in accordance with the contract. For fixed-sum credits, the commitment amount is the fixed sum specified in the contract underlying the instrument, irrespective of whether the amount is drawn in one amount or by instalments (tranches).

Contractual changes in the commitment amount are not subject to RRE reporting in the sense that the commitment amount at inception is not updatable. For example, consider a fixed-sum credit where at inception a commitment amount was contractually agreed, but the debtor later decides to adjust this amount downwards. And although the contract is amended accordingly, the change does not trigger any updates of the attribute Commitment amount at inception.

For debit balances without an agreed credit limit (these kind of instrument can have the instrument type "current account instrument with no credit limit" or "deposits other than reverse repurchase agreements") the value "Non-applicable" is reported.

For multiple instruments drawn under the so-called limit structures, the commitment amount at inception is allocated to each such instrument according to allocation logic of the reporting agent. To this extent the sum of allocated amounts is not expected to be higher than the total commitment amount at inception of the limit structure.

6.3.14 Outstanding nominal amount at inception

Definition: Outstanding nominal amount at inception is the principal amount outstanding at inception of the instrument, including unpaid past due interest but excluding accrued interest. The outstanding nominal amount must be reported net of write-offs and write-downs as determined by the relevant accounting practices.

The attribute Outstanding nominal amount at inception is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Outstanding nominal amount at inception is a static attribute, i.e. the value reported for the attribute Outstanding nominal amount at inception is not allowed to change over time, because the attribute refers to a situation which occurred in the past and does not refer to current or future situations.

Broadly speaking, the outstanding nominal amount at inception of an instrument sums up payments made by the creditor to the debtor at the inception of the instrument.

Please note that for all instruments subject to RRE reporting, the outstanding nominal amount is reported without netting of any collateral, even in the case of 100% cash-backed instruments. Please note that penalty fees and other fees charged to the instrument are included in the outstanding nominal amount at inception. Perhaps less relevant at the moment of inception, but any unpaid past due interest should also be included.

In particular, the outstanding nominal amount of an instrument includes the following items when the amounts have not been written-off:

- principal not yet past due arising under the instrument;
- principal past due arising under the instrument;
- any unpaid interest past due relating to the instrument;
- any unpaid penalty fees or other fees charged to the instrument;
- claimable expenses past due and called in relation to the instrument that are due under the terms and conditions of the contract.

The abovementioned issues could in some cases be less relevant at the moment of inception, which is the moment to which the attribute refers.

Please note that with the exception of any principal not yet past due at the reporting reference date, the remaining four types of amounts referred to above are amounts due which account for the instrument being past due and are therefore added together and reported in the attribute Arrears for the instrument at the reporting reference date.

Claimable expenses that occur in relation to the instrument are included in the outstanding nominal amount. In particular, if claimable costs are incurred in the process of debt collection in relation to an instrument, these costs are reported as part of the instrument in relation to which they have been incurred (i.e. they are included in the outstanding amount if not paid off). In no case are such costs reported as a separate, newly originated loan.

The outstanding nominal amount does not include:

- accrued interest, as this is not to be added to the outstanding amount;
- any amounts written off, as these are to be deducted from the outstanding nominal amount (i.e. write-offs have a negative effect on the outstanding nominal amount);
- any amounts of protection, as these amounts are not to reduce the outstanding nominal amount (e.g. cash collateralised instruments).

With regard to the relationship between the outstanding nominal amount and the accumulated impairments/accumulated changes in fair value due to credit risk:

- the outstanding nominal amount is reported using the gross amount, i.e. the outstanding nominal amount is not to be affected (reduced) by impairments or changes in fair value.

In other words, in the context of RRE reporting net of impairments is not allowed (even if it is done so by all reporting monetary financial institutions in a given country for the purposes of the balance sheet statistics under Regulation (EU) No 1071/2013 (ECB/2013/33). Please note, however, that at the present stage of RRE the outstanding nominal amount is to be net of any write-offs made in relation to the instrument.

In the case of instruments acquired by an observed agent, it is the amount that the debtor is contractually obliged to repay that is reported as the outstanding nominal amount at inception, as opposed to the amount actually paid by the observed agent (acquisition price).

With regard to the relationship between the outstanding nominal amount and the transferred amount, the outstanding nominal amount includes the transferred amount as reported in the attribute Transferred amount. In particular, the attribute Outstanding nominal amount at inception also includes any amounts whose ownership has been transferred to a third party and, consequently, the outstanding nominal amount is not less than the amount reported in the attribute Transferred amount.

As regards the separate reporting of any accrued interest in the attribute Accrued interest, please note that, for example, in the case of zero coupon instruments, such as reverse repurchase agreements or trade receivables purchased at a discount, the nominal outstanding amount is in principle not the amount actually disbursed to the debtor, as the outstanding nominal amount is normally adjusted to exclude the accrued interest. In fact, accrued interest represents the difference which is realised between the amount which was disbursed to the debtor (the nominal value) and the face value of the zero coupon instrument. At the moment of maturity, the accrued interest is considered realised (i.e. it becomes interest due and, if not paid off, is added to the outstanding nominal amount).

Concerning the reporting in the case of a change in contract which leads to an increase in the outstanding nominal amount (e.g. as a result of a contractual increase in the credit limit or of additional funds being disbursed to the debtor), it is clarified that such a change qualifies as a renegotiation for commercial reasons and is to be marked accordingly in the data attribute Status of forbearance and renegotiation. However, because the attribute Outstanding nominal amount at inception does relate to the amount at the moment of inception of the instrument, the attribute Outstanding nominal amount at inception does not change when a change in the existing contract and the existing instrument leads to a change in the outstanding nominal amount.

6.3.15 Type of instrument

Definition: Classification of the instrument according to the type of contractual terms agreed between the parties.

The attribute Type of instrument is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Type of instrument should be considered as a static attribute, i.e. the value of the attribute Type of instrument should not change over time.

This section provides a detailed description of the instrument categories into which reporting agents classify individual financial instruments reported for RRE.

Instruments of any of the types discussed below are reported to RRE on the condition that they fulfil the general criteria triggering the reporting obligation at a given reporting reference date, as explained in Part I of the Manual.

For each instrument reported, one of the following domain values is reported in the attribute Type of instrument: Overdraft, Credit card debt, Revolving credit other than overdrafts and credit card debt, Credit lines other than revolving credit, Reverse repurchase agreements, Trade receivables, Financial leases, Other loans.

Please find below an explanation for each domain value.

Overdraft is defined in point 2(1)(c) of the Table in Part 2 of Annex II to Regulation (EU) No 1071/2013 (ECB/2013/33) (i.e. BSI Regulation). In accordance with Regulation (EU) No 1071/2013 (ECB/2013/33) overdrafts are debit balances on current accounts.

Overdrafts are funds provided to debtors (being no monetary financial institution) in the form of balances on current accounts. An instrument (a debit balance) classified as an overdraft is necessarily one that arises on a current account, i.e. an account created with the primary goal of allowing credit balances mainly, although regular debit balances are also allowed on such an account. By contrast, a regular loan account or a revolving credit other than an overdraft is primarily intended only to have debit balances.

Please note that the requirement for an overdraft to be associated with a current account distinguishes an overdraft (with a credit limit) from a revolving credit other than an overdraft. In other words, if a credit limit under which the debtor may use and repay funds (i.e. a credit limit of a revolving nature) is not directly assigned to a current account, then such a credit limit is considered a revolving credit other than an overdraft.

Debit balances on current accounts arise with regard to:

- current accounts with a credit limit;
- current accounts with no credit limit.

Where a credit limit is associated with a current account, it is understood that this credit limit was granted under a credit contract which specifies the conditions on which the funds may be used. Such a contract may either be made at the same time as a current account is created or may be an addendum to the current account agreement made after the current account was created. As regards current accounts which are not associated with a contractually agreed credit limit, debit balances may arise on such accounts in a number of cases, including:

- unauthorised debits;
- nostro/vostro accounts between two financial institutions other than deposits and reverse repurchase agreements.

Regarding overdrafts which arise on current accounts with an agreed credit limit (which are of a revolving nature), please note that:

- the inception date is the date on which the credit limit was contractually agreed, rather than the date on which the current account was created;
- the settlement date is the date on which the debtor draws funds under the credit limit for the first time; in cases where no funds have been drawn before or at a reporting reference date, the settlement date is reported as “Non-applicable”;

- the legal final maturity date is the date on which the credit limit will be revoked in accordance with the contract of the credit limit; in cases where the contract does not specify such a date, “Non-applicable” is reported.

In the case of overdrafts which arise on current accounts that are not associated with an agreed credit limit as such, please note that:

- the inception date is the date when the debit balance (outstanding as at the reporting reference date) arose, rather than the date on which the current account was created;
- the settlement date coincides with the inception date, which is the date when the debit balance is considered to have been disbursed;
- the legal final maturity date does not in principle exist, as it is not contractually specified (although it is not excluded that such a date may exist in certain cases).

Please note that credit balances on current accounts are not subject to RRE reporting. However, a distinction is drawn between:

- credit balances on current accounts with an agreed credit limit;
- credit balances on current accounts which are not associated with an agreed credit limit.

The reporting of current accounts with an agreed credit limit is triggered by the existence of the credit limit, irrespective of whether the balance on the current account is debit or credit. However, the credit balance is set to “0” when reported to RRE.
Meanwhile, current accounts which are not associated with an agreed credit limit are subject to RRE reporting only if they are in debit at a reporting reference date.

Otherwise, when in credit, they are not overdrafts in accordance with Article 1(23) of the AnaCredit Regulation. Current accounts with a credit limit are generally considered to be a banking product (of a revolving nature) that enables the debtor to draw funds directly from the current account up to the specified credit limit amount. Therefore, it is irrelevant whether or not the credit limit has been exceeded, and the total debit balance outstanding on a current account with a credit limit is reported, irrespective of whether or not the specified credit limit has been exceeded, in the attribute Outstanding nominal amount. Funds that can, in accordance with the contract (under which the instrument arises) still be drawn in addition to the outstanding nominal amount, so that the credit limit is not exceeded, are reported as the attribute Off-balance sheet amount. In particular, if the outstanding nominal amount exceeds the instrument’s credit limit, the off-balance sheet amount is reported as €0.

The commitment amount at inception for debit balances on current accounts with a credit limit is the credit limit as at the inception date. As regards debit balances with no credit limit, these typically arise without a specific credit contract being created. Nevertheless, having regard to the general terms of the current account agreement, the agreement typically provides that, if a debit balance arises on the current account, conditions favouring the creditor typically come into operation – for instance, the debtor is required to repay this (unauthorised) debt immediately. The debit balance is reported as the outstanding nominal amount. As no credit limit exists as such, the off-balance sheet amount is reported as “Non-applicable” because by definition there is no amount that could be additionally drawn by or disbursed to the debtor vis-à-vis the instrument without changing the contract. The commitment amount at inception for debit balances on current accounts with no credit limit is reported as “Non-applicable”.

Credit card debt is credit granted via delayed debit cards, i.e. cards providing convenience credit, or via credit cards, i.e. cards providing convenience credit and extended credit.

Credit card debt comprises credit granted via either of the following two types of card:

- delayed debit cards, i.e. cards providing convenience credit (credit granted at an interest rate of 0% in the period between the payment transactions made with the card during one billing cycle and the date at which the debit balances from this specific billing cycle become due);
- credit cards, i.e. cards providing convenience credit and extended credit (credit granted after the due dates of the previous billing cycles have passed, i.e. debit amounts on the card account that have not been settled when this was first possible, for which an interest rate or tiered interest rates usually greater than 0% are charged).

Credit card debt is generally considered to be a revolving credit instrument where funds can be repeatedly repaid and drawn up to an agreed credit limit. The balance outstanding under this instrument is reported in the attribute Outstanding nominal amount.
Funds that can be still drawn under this instrument, on top of the outstanding nominal amount, so that the credit limit is not exceeded, are to be reported as the attribute Off-balance sheet amount. If the outstanding nominal amount exceeds the credit limit of the instrument, the off-balance sheet amount to be reported is €0.

As a general practice, credit card debt is recorded on dedicated card accounts and therefore not evident on current accounts, although in certain cases the credit may be debited to a current account of the debtor. In both cases, irrespective of whether or not credit card debt is linked to a current account, credit card debt is reported as a separate instrument. Typically, credit card debt is unsecured, meaning that no protection specific to the credit card is provided. The debtor to these forms of credit is the entity liable to eventually repay the amounts outstanding on the credit card account in accordance with the credit contract, which not necessarily coincides with the cardholder.

Revolving credit other than overdrafts and credit card debt has the following features: (i) the debtor may use or withdraw funds up to a pre-approved credit limit without giving prior notice to the creditor; (ii) the amount of available credit can increase and decrease as funds are borrowed and repaid; (iii) the credit may be used repeatedly; (iv) it is not credit card debt or overdrafts.

Revolving credit other than overdrafts and credit card debt is any instrument, other than a current account with a credit limit or a credit card debt, where funds can be repeatedly repaid and drawn again up to an agreed credit limit. This means that a credit limit is granted, and the debtor is enabled to receive funds from the creditor to an amount such that, taking into account payments made by or to the credit of the debtor, the credit limit is not exceeded. Current accounts with a credit limit and credit card debt, which are both of a revolving nature, are not classified under this item.

Please note that in the context of RRE, only the following types of instruments are in principle considered to be revolving:

- current accounts with an agreed credit limit;
- credit card debt;
- revolving credit other than overdrafts and credit card debt.

The remaining types of instruments are not in principle deemed to be revolving. This includes credit lines other than revolving credit which are not revolving despite the fact that these instruments may have an undrawn part that may be utilised by the debtor. As an indication, a revolving credit granted on the basis of pledged trade receivables is typically classified as revolving credit other than overdrafts and credit card debt. However, a fixed-sum credit which does not entail any off-balance sheet amount granted on the basis of pledged trade receivables is typically classified as other loans.

Often, multi-product credit facilities under which a number of individual instruments exist, each with possibly different characteristics, are of a revolving nature. Notwithstanding their revolving nature, such multi-product credit facilities are not considered revolving credit other than overdrafts and credit card debt.

Credit lines other than revolving credit has the following features: (i) the debtor may use or withdraw funds up to a pre-approved credit limit without giving prior notice to the creditor; (ii) the credit may be used repeatedly; (iii) it is not revolving credit, credit card debt or overdrafts.

In the context of RRE, credit lines other than revolving credit are (as the term makes explicit) instruments which are not of a revolving nature, i.e. which do not allow funds to be repaid and drawn again. In fact, the amount of available credit can only decrease as funds are drawn, and repaying funds does not increase the available amounts.

Credit lines other than revolving credit involve a credit limit, i.e. the maximum debit balance which is allowed to stand on the instrument's account. The debtor may receive the maximum debit balance in one amount or by instalments (or tranches); however, in contrast to revolving credits, any amount once paid to the debtor always reduces the funds still available to the debtor under the instrument, even though it has been repaid by the debtor. Consequently, credit lines other than revolving credit may not have any off-balance sheet amount available from a certain moment in time onwards even though such amounts were available in earlier periods of the lifecycle of such instruments.

Please refer to the section on overdrafts and revolving credit above for guidance regarding the difference between those instruments and credit lines other than revolving credit.

Please also note that credit lines other than revolving credit do not include multi-instrument/multi-product credit facilities that cover different kind of instruments in which the off-balance sheet amount is shared between some or all instruments belonging to such a credit facility.

Funds that can still be drawn under this type of instrument are reported into the attribute Off-balance sheet amount. If the total available credit has been completely drawn, either in one amount or by instalments, the off-balance sheet amount is reported as €0.

Any instrument that satisfies the conditions referred to in the definition above is classified as credit lines other than revolving credit. For instance, a non-revolving credit granted on the basis of pledged trade receivables is typically classified as credit lines other than revolving credit. Please note that multi-product credit facilities under which instruments are created are not classified as credit lines other than revolving credit.

Reverse repurchase agreements are defined in Part 2, points 14.91 and 14.92 of Annex V to Implementing Regulation (EU) No 680/2014 where reverse repurchase agreements are transactions in which the credit institution loans out cash in exchange for financial assets sold at a given price under a commitment to repurchase the same (or identical) assets at a fixed price on a specified future date. Amounts loaned out by the credit institution in exchange for financial assets transferred by a third party are classified under reverse repurchase agreements where there is a commitment to reverse the operation and not merely an option to do so. In the context of RRE, reverse repurchase agreements means any transaction in which the observed agent loans out cash in exchange for any assets where there is a commitment to reverse the operation and not merely an option to do so. It is clarified that in all such cases the type of instrument is reported as reverse repurchase agreements.

In particular, reverse repurchase agreements include: (a) amounts loaned out in exchange for securities temporarily transferred to a third party in the form of securities lending against cash collateral; (b) amounts loaned out in exchange for securities temporarily transferred to a third party in the form of sale/buy-back agreement. Whether a given reverse repurchase agreement regards securities or other assets is made explicit on the basis of the protection item linked to the instrument as reported in the instrument-protection received data entity and in the protection received entity. If the assets serving as protection to a reverse repurchase agreement are securities, it is concluded that the reverse repurchase agreement is a transaction in securities.

In all cases, a commitment to repurchase the assets (or assets of the same description) by the transferor (i.e. the counterparty selling the assets) at a specified price on a future date is key for this type of instrument (i.e. constitutes a specific contractual relationship). In other words, a temporary purchase of assets will be classed as reverse repurchase agreements only if there is a contractual commitment to reversing the operation and not merely an option to do so.

Consequently, in the context of RRE, a reverse repo transaction is reported as follows:

- The cash loaned out in exchange for assets is reported as an instrument. The type of instrument is reverse repurchase agreements.
- The assets underlying the reverse repo transaction, which in essence collateralise the instrument, are recorded as protection; if the assets are securities, the type of protection is reported as securities, while if the operation involves the temporary transfer of cash against gold, the type of protection is gold. Otherwise, if the assets are commodities, the type of protection to be reported is other physical collaterals.
- The counterparty receiving the assets (the credit institution) is the instrument's creditor, whereas the counterparty receiving the loan is the instrument's debtor.

Please note that, generally, all instruments' outstandings are measured without netting of collateral, even in the case of 100% cash-backed instruments. Similarly, when reverse repurchase agreements are reported to RRE, any netting agreements are left out of consideration. Forward-starting reverse repurchase agreements, in which no cash has yet been loaned out, are not subject to reporting to RRE until the cash is actually loaned out.

As regards the reporting of a pool of assets (as opposed to a single asset) exchanged under a reverse repurchase agreement in the protection received entity, they may be reported at the pool level or at the individual asset level, depending on the valuation approach applied by the observed agent.

Trade receivables are defined in paragraph 5.41(c) of part 2 of Annex V to Implementing Regulation (EU) No 680/2014.

Pursuant to paragraph 5.41(c), the type of instrument trade receivables covers not only factoring transactions (both with and without recourse) but also outright purchase of trade receivables, forfaiting and discounting of invoices, bills of exchange, commercial papers and other claims on the condition that the credit institution buys the trade receivables.

However, account receivables stemming from sales of non-banking products by credit institutions are not considered trade receivables in the context of RRE. The type of instrument trade receivables is distinguished from financing against trade receivables. While trade receivables means purchasing trade receivables (the factoring client sells the trade receivable), in financing against trade receivables the credit institutions typically advance funds against a pool of receivables which serve as protection (the

producer of the goods keeps the receivable and books the cash that it gets from the credit institution, which is offset with a credit). In other words, financing against trade receivables is an instance of credit that involves the use of the trade receivables as protection for the credit (i.e. the trade receivables are pledged as a form of funded protection).
Where a credit institution provides financing against trade receivables – i.e. the trade receivable is merely pledged but not purchased – the type of instrument reported to RRE for this financing would not be trade receivables.

Financial leases are defined in paragraphs 5.134 to 5.135 of Annex A of Regulation (EU) No 549/2013

Under IFRS or compatible National GAAP, financial leases correspond to finance leases as defined in IAS 17. The definition is in line with FINREP (cf. Part 2, para. 41(d) of Annex V to the ITS). In the context of RRE, financial leases are loans from the lessor (i.e. the legal owner of an asset (for example a durable good) to the lessee (the party to whom the lessor lends this asset) enabling the lessee to rent the durable good.

The asset which has been lent to the lessee is recorded as protection in the protection received entity, and the appropriate type of protection is assigned to the protection item. In addition, the holder of the asset is reported as the protection provider.
The financial leases type of instrument applies to all instruments which meet the definition as set out in paragraphs 5.134 to 5.135 of Annex A to Regulation (EU) No 549/2013, irrespective of whether the debtor has the right to acquire possession of the asset at the end of the lease period. The lessor is recorded as the creditor to the instrument whereas the lessee is the debtor to the instrument. Please note that operating leases (being such from the perspective of the lessee) are not subject to RRE reporting.

Other loans are loans not included in any of the categories listed above. Loan has the same meaning as defined in paragraphs 5.112, 5.113 and 5.114 of Annex A to Regulation (EU) No 549/2013.

This instrument type is assigned to instruments which meet the definition of a loan as set out in paragraphs 5.112, 5.113 and 5.114 of Annex A to Regulation (EU) No 549/2013 and are not any of the following types of instruments: overdrafts, credit card debt, revolving credit other than overdrafts and credit card debt, credit lines other than revolving credit, reverse repurchase agreements, trade receivables or financial leases. Any instruments classified as other loans are considered to be of a non-revolving nature (as otherwise they would be classified as either overdrafts (i.e. current accounts with credit limits), credit card debt or revolving credit other than overdrafts and credit card debt).

Generally, this type of instrument primarily includes lump-sum credits (where the total credit is paid out in one instalment). In general, it also includes the more classic mortgage loans used in RRE financing. It also includes outstanding balances stemming from credits as a result of called and unpaid guarantees, or in general loans arising from off-balance sheet transactions which were converted into on-balance exposures and do not meet the criteria of any of the types of instrument (as otherwise they would be reported as the relevant type of instrument). In particular, a fixed-sum credit with no off-balance sheet amount which is entirely disbursed in one instalment is classified as other loans.

Please note that other loans does not include:

- operating leases and sale and leaseback agreements;

- non-revolving loans that are disbursed in two or more instalments, as these are generally considered to be credit lines other than revolving credit;
- treasury products including foreign exchange credit exposures, interest rate swaps and government bonds;
- debt securities (including purchased securities issued as a substitute to extending a loan);
- derivatives including CDSs, options and equity trackers;
- financial guarantees;
- multi-product/multi-instrument credit facilities;
- forward deposits;
- accounts receivable of the observed agent resulting from the sales of non-banking products.

6.3.16 Amortisation type

Definition: Amortisation type is the type of amortisation of the instrument including principal and interest at the reporting reference date

The attribute Amortisation type is a mandatory attribute. The attribute Amortisation type should be considered as a static attribute, i.e. it is not customary that the amortization type of an existing instrument changes during the lifecycle of the instrument.

For the attribute Amortisation type, one of the following domain values have to be used: French, German, Fixed amortization schedule, Bullet, Other. Below a short description is given for each domain value.

French is defined as amortisation in which the total amount – principal plus interest – repaid in each instalment is the same.

German is defined as amortisation in which the first instalment is interest-only and the remaining instalments are constant, including capital amortisation and interest.

Fixed amortisation schedule is defined as amortisation in which the principal amount repaid in each instalment is the same.

Bullet is defined as amortisation in which the full principal amount is repaid in the last instalment.

Other is defined as any amortization type which is not included in any of the categories listed above.

The amortisation types not included in the above values (for example balloon) are reported as other. This in particular regards instruments for which no amortization applies, for example in the case of overdrafts with no agreed credit limit.

6.3.17 COREP class

Definition: The COREP class is the class to which the instrument belongs and is included in the COREP reports.

The attribute COREP class is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute COREP class should be considered as a dynamic attribute, i.e. the COREP class of an existing could change during the lifecycle of the product, for example due to resubmission of COREP reports or new COREP requirements.

For the attribute COREP class, one of the following domain values have to be used:

Exposures to central governments or central banks, Exposures to institutions, Exposures to corporates, Exposures to corporates - specialised lending, Exposures to corporates other than specialised lending, Retail exposures, Retail exposures secured by immovable property, Retail exposures - qualifying revolving, Retail exposures - other, Equity exposures, Items representing securitisation positions, Other non credit-obligation assets.

For detailed instruction and definitions of the COREP classes please refer to the COREP reporting instructions.

6.3.18 BSI class

Definition: The BSI class is the class to which the instrument belongs and is included in the BSI reports.

The attribute BSI class is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute BSI class should be considered as a dynamic attribute, i.e. the BSI class of an existing could change during the lifecycle of the product, for example due to resubmission of BSI reports or new BSI requirements.

For the attribute BSI class, one of the following domain values have to be used:
Kasmiddelen, Aandelen / participaties uitgegeven door GMF's, Deelnemingen, Aangehouden aandelen, Aangehouden schuldpapier, Girale deposito's, Overige deposito's, Woninghypotheken, Persoonlijke leningen, Doorlopend krediet, Roodstand (rekening courant), Kaartkrediet - faciliteitskrediet, Kaartkrediet - verruimd krediet, Overige leningen, Niet-financiële vaste activa, Financiële derivaten, Off-balance Item, Overige activa, Not included in BSI

For detailed instruction and definitions of the BSI classes please refer to the BSI reporting instructions.

6.3.19 Buy-to-let

Definition: Buy-to-let indicates whether an instrument was granted for the purpose of buy-to-let or not.

The attribute Buy-to-let is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Buy-to-let should be regarded as a static attribute, i.e. the value of the attribute Buy-to-let cannot change over time.

An instrument is to be considered as a buy-to-let instrument in case the instrument is granted for purchasing, building or refurbishing residential real estate and which is directly owned by the sector households for the purpose of letting the residential real estate to tenants. In case, the property is – in addition to being rented out – also used as a residence by the debtor of the instrument and owner of the property, the instrument is to be considered as buy-to-let in case more than 50% of the property is being rented out.

The attribute Buy-to-let could have one of the following domain values: Buy-to-let or No buy-to-let. In case an instrument is a buy-to-let instrument according to the abovementioned definition, the domain value Buy-to-let should be reported. In all other cases, the value No buy-to-let should be reported.

6.3.20 Drawn instrument indicator

Definition: Drawn instrument indicator distinguishes instruments recorded in the instrument entity into instruments which are drawn and instruments which are undrawn.

The attribute Drawn instrument indicator is a mandatory attribute. The attribute Drawn instrument indicator should be regarded as a dynamic attribute, i.e. the value of the attribute Drawn instrument indicator could change over time, because an instrument could be drawn during the lifecycle of the instrument.

The attribute Drawn instrument indicator could have one of the following domain values: Drawn instrument or Undrawn instrument.

6.3.21 Credit conversion factor

Definition: Credit conversion factor is the ratio of the currently undrawn amount of a commitment that could be drawn and that would therefore be outstanding at default to the currently undrawn amount of the commitment, the extent of the commitment being determined by the advised limit, unless the unadvised limit is higher, as defined in Capital Requirements Regulation, Article 4, paragraph 56.

The attribute Credit conversion factor is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Credit conversion factor should be regarded as a dynamic attribute, i.e. the value of the attribute Credit conversion factor could change over time.

6.3.22 Inception date of the instrument

Definition: The inception date of the instrument is the date on which the instrument was created under a contractual agreement.

The attribute Inception date of the instrument is a mandatory attribute. The attribute Inception date of the instrument is considered to be a static attribute, i.e. the attribute is expected not to change over time. Once an instrument is originated, the same instrument cannot originate again, so the inception date of the instrument does not change.

The inception date of the instrument refers to the date of the creation of the instrument under a legal contract.

The inception date of the instrument is the same as the date on which the instrument is created under a contractual agreement. The contractual agreement might be a new contractual agreement, specifically made for the instrument, or an already existing contractual agreement under which perhaps already several other instruments exist. Ergo, the inception date of the contract (which is reported under attribute Inception date in the Contract data entity) does not necessarily coincide with the inception date of the instrument. In fact, the inception date of the instrument can be years after the inception date of the contract, in case under an existing contract a new instrument is created for the client.

For practical reasons the inception date should be seen as the signature date rather than the documentation completion date.

The attribute Inception of the instrument date does not change for an existing instrument, even if an amendment to the conditions of the instrument is made. If changes are made to the conditions of an instrument, i.e. the instrument is being renegotiated, the date of the amendments is reflected in the attribute Date of forbearance and renegotiation status. Unless, the amendments lead to the creation of a completely new instrument with a separate instrument identifier, in that case the new instrument will have an inception date of the instrument of its own.

The conditions of the instrument may also indicate a future date (T+1) on which the instrument will be conceived. In which case, at moment T+1, when the instrument becomes relevant for RRE reporting, the date when the documents for the instrument were signed (i.e. T+0) is considered as the date when the responsibilities became binding, and should be reported as such in the attribute Inception date of the instrument.

Loan acquisitions in which the economic transfer of the instrument takes place from a transferor to the observed agent - either by transfer of ownership or by sub-participation - does not affect the inception date of the instrument as such. Ergo, the initial inception date of the original instrument remains unchanged.

7. Financial data

7.1 General aspects

In general, one set of financial data belongs to one instrument. The financial data can either relate to instruments subject to securitisation or instruments not subject to securitisation or to instruments past due or instruments not past due.

7.2 Level of granularity

The Financial data entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) reporting reference date, (d) contract identifier and (e) instrument identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every single and unique RRE relevant instrument at the level of the observed agent should be included in the Financial data entity.

7.3 Data attributes

7.3.1 Periodic repayment due

Definition: The periodic repayment due is the part of the amount of the periodic contractual payment consisting of the periodic repayment of the instrument (e.g. in case of instruments with a linear or annuity amortisation schedule) or premiums and deposits in savings, investment or insurance products for the repayment of the instrument on the reporting reference date.

The attribute Periodic repayment due is a mandatory attribute. The attribute Periodic repayment due should be considered as a dynamic attribute, i.e. the value of the attribute Periodic repayment due can change over time.

The attribute Periodic repayment due should be filled out as – counted from the reporting reference date – the first upcoming periodic contractual payment consisting of the periodic repayment of the instrument (e.g. in case of instruments with a linear or annuity amortisation schedule) or premiums and deposits in savings, investment or insurance products for the repayment of the instrument.

Please note that - as the RRE reporting has a quarterly frequency - the attribute Periodic repayment due should also relate to the periodic repayment which is due for the upcoming quarter counted from the reporting reference date. So, for example, in case the debtor pays a monthly periodic repayment of EUR 500, the value that should be filled out for the Periodic repayment due should be EUR 1.500.

In case the instrument can be considered as a bullet instrument or interest-only instrument, in which the full principal amount of the instrument is repaid in the last instalment of the instrument, the periodic repayment due should in general be “0”, with exception to the reporting reference date before the last instalment.

Imagine an instrument (#222) with an amortisation schedule which can be considered as bullet. The nominal outstanding amount of the instrument is EUR 350.000. Each month the contractual payments are due on the 20th calendar day. As the instrument is a bullet instrument, the contractual payments only consist of interest payments, except for the last instalment in which the instrument is fully repaid. The instrument matures at 20 October 2019. Please find below, in short, what should be reported for the attribute Periodic repayment due for the reference periods January, February and March 2019.

Financial data entity

Reporting agent ID	Observed agent ID	Reporting reference date	Contract ID	Instrument ID	Periodic repayment due
#ABC	#ABC	30-06-2019	#22	#222	0
#ABC	#ABC	30-09-2019	#22	#222	350.000
#ABC	#ABC	31-12-2019	#22	#222	0

Please note that the attribute Periodic repayment due should not include arrears in repayments. The attribute should only refer to the regular periodical contractual repayment on the reporting reference date according to the normal and pre-defined amortization schedule.

7.3.2 Periodic interest payment due

Definition: The periodic interest payment due is the part of the amount of the periodic contractual payment consisting of the periodic interest payment of the instrument.

The attribute Periodic interest payment due is a mandatory attribute. The attribute Periodic interest payment due should be considered as a dynamic attribute, i.e. the value of the attribute Periodic interest payment due can change over time.

The attribute Periodic interest payment due should be filled out as – counted from the reporting reference date – the first upcoming periodic contractual payment consisting of the periodic interest payment of the instrument.

Please note that - as the RRE reporting has a quarterly frequency - the attribute Periodic interest payment due should also relate to the periodic repayment which is due for the upcoming quarter counted from the reporting reference date. So, for example, in case the debtor pays a monthly periodic interest of EUR 300, the value that should be filled out for the Periodic interest payment due should be EUR 900.

In case, no interest is being paid on an instrument, the value “0” should be filled out.

Please note that the attribute Periodic interest payment due should not include arrears in interest payments. The attribute should only refer to the regular periodical contractual interest payments on the reporting reference date.

7.3.3 Cumulative repayments

Definition: The cumulative repayments is the part of the amount of the cumulative periodic contractual payment up to and including the current reporting reference period consisting of the periodic repayment of the instrument (e.g. in case of instruments with a linear or annuity amortisation schedule) or premiums and deposits in savings, investment or insurance products for the repayment of the instrument on the reporting reference date.

The attribute Cumulative repayments is a mandatory attribute. The attribute Cumulative repayments should be considered as a dynamic attribute, i.e. the value of the attribute Cumulative repayments can change over time.

In case the instrument can be considered as a bullet instrument or interest-only instrument, in which the full principal amount of the instrument is repaid in the last instalment of the instrument, the cumulative repayments should in general be “0”, with exception to the reporting reference date in which the last instalment has been paid (i.e. the instrument has been fully redeemed).

7.3.4 Cumulative prepayments

Definition: The cumulative prepayments is the cumulative amount of irregular voluntary prepayments of the instrument up to and including the current reporting reference period on the reporting reference date. These prepayments exclude prepayments in the form *of extra premiums and deposits in savings, investment or insurance products for the repayment of the instrument.*

The attribute Cumulative prepayments is a mandatory attribute. The attribute Cumulative prepayments should be considered as a dynamic attribute, i.e. the value of the attribute Cumulative prepayments can change over time.

These prepayments exclude prepayments in the form of extra premiums and deposits in savings, investment or insurance products for the repayment of the instrument. These extra payments should be reported under attribute Cumulative additional premiums/deposits in the Protection received entity.

7.3.5 Outstanding nominal amount

Definition: Outstanding nominal amount is the principal amount outstanding at the end of the reporting reference date, including unpaid past due interest but excluding accrued interest. The outstanding nominal amount must be reported net of write-offs and write-downs as determined by the relevant accounting practices.

The attribute Outstanding nominal amount is a mandatory attribute. The attribute Outstanding nominal amount should be regarded as a dynamic attribute, i.e. the value of the attribute Outstanding nominal amount could change over time.

Broadly speaking, the outstanding nominal amount of an instrument at a given reporting reference date sums up the payments by or to the debtor which have been made vis-à-vis the instrument in the period from the origination of the instrument until the reporting reference date.

Please note that for all instruments subject to RRE reporting, the outstanding nominal amount is reported without netting of any collateral, even in the case of 100% cash-backed instruments. Please note that any unpaid past due interest, penalty fees or other fees charged to the instrument are included in the outstanding nominal amount.

In particular, the outstanding nominal amount of an instrument includes the following items when the amounts have not been written-off:

- principal not yet past due arising under the instrument;
- principal past due arising under the instrument;
- any unpaid interest past due relating to the instrument;
- any unpaid penalty fees or other fees charged to the instrument;
- claimable expenses past due and called in relation to the instrument that are due under the terms and conditions of the contract.

Please note that with the exception of any principal not yet due at the reporting reference date, the remaining four types of amounts referred to above are amounts due which account for the instrument being past due and are therefore added together and reported in the attribute Arrears for the instrument at the reporting reference date.

Claimable expenses that occur in relation to the instrument are included in the outstanding nominal amount. In particular, if claimable costs are incurred in the process of debt collection in relation to an instrument, these costs are reported as part of the instrument in relation to which they have been incurred (i.e. they are included in the outstanding amount if not paid off). In no case are such costs reported as a separate, newly originated loan. The outstanding nominal amount does not include:

- accrued interest, as this is not to be added to the outstanding amount;
- any amounts written off, as these are to be deducted from the outstanding nominal amount;
- any amounts of protection, as these amounts are not to reduce the outstanding nominal amount (e.g. cash collateralised instruments).

With regard to the relationship between the outstanding nominal amount and the accumulated impairments/accumulated changes in fair value due to credit risk:

- the outstanding nominal amount is reported using the gross amount, i.e. the outstanding nominal amount is not to be affected (reduced) by impairments or changes in fair value.

In other words, in the context of RRE reporting net of impairments is not allowed (even if it is done so by all reporting monetary financial institutions in a given country for the purposes of the balance sheet statistics under Regulation (EU) No 1071/2013 (ECB/2013/33).

Please note, however, that at the present stage of RRE the outstanding nominal amount is to be net of any write-offs made in relation to the instrument. In the case of instruments acquired by an observed agent, it is the amount that the debtor is contractually obliged to repay that is reported as the outstanding nominal amount, as opposed to the amount actually paid by 1 the observed agent (acquisition price).

With regard to the relationship between the outstanding nominal amount and the transferred amount, the outstanding nominal amount includes the transferred amount as reported in the attribute Transferred amount. In particular, the attribute Outstanding nominal amount also includes any amounts whose ownership has been transferred to a third party and, consequently, the outstanding nominal amount is not less than the amount reported in the attribute Transferred amount.

As regards the separate reporting of any accrued interest in the attribute Accrued interest, please note that, for example, in the case of zero coupon instruments, such as reverse repurchase agreements or trade receivables purchased at a discount, the nominal outstanding amount is in principle not the amount actually disbursed to the debtor, as the outstanding nominal amount is normally adjusted to exclude the accrued interest.

In fact, accrued interest represents the difference which is realised between the amount which was disbursed to the debtor (the nominal value) and the face value of the zero coupon instrument. At the moment of maturity, the accrued interest is considered realised (i.e. it becomes interest due and, if not paid off, is added to the outstanding nominal amount).

Concerning the reporting in the case of a change in contract which leads to an increase in the outstanding nominal amount (e.g. as a result of a contractual increase in the credit limit or of additional funds being disbursed to the debtor), it is clarified that such a change qualifies as a renegotiation for commercial reasons and is to be marked accordingly in the attribute Status of forbearance and renegotiation.

7.3.6 Next interest rate reset date

Definition: Next interest rate reset date is the date when the next interest rate reset, as defined in Part 3 of Annex I to Regulation (EU) No 1071/2013 (ECB/2013/33), takes place.

The attribute Next interest rate reset date is a mandatory attribute. The attribute Next interest rate reset date is a dynamic attribute, i.e. the value of the attribute Next interest rate reset date could change over time.

An interest rate reset is understood as a change in the interest rate of an instrument which is provided for in the contract. Instruments subject to an interest rate reset include, inter alia, loans with variable interest rates which are periodically revised in accordance with the evolution of an index, e.g. EURIBOR, loans with interest rates which are revised on a continuous basis, i.e. floating rates, and loans with interest rates which are revisable at the credit institution's discretion. In general, a value for the attribute Next interest rate reset date should be filled out in all cases, except when the attribute Interest rate reset frequency has the value "Non-applicable". In the latter case, also the attribute Next interest rate reset date should be filled out as "Non-applicable".

Unless "Non-applicable" is reported, the next interest rate reset date should not be earlier than the reporting reference date.

In particular, the following applies:

- if provided for in the contract, the date is as specified therein;
- otherwise, if no date is specified in the contract, but the contract (also taking account of general terms and conditions) provides for such a possibility (for instance, revised on notice or on a continuous basis), then, as a convention, it is the reporting reference date (i.e. the date is rolled over on a monthly basis);
- otherwise, if the instrument is not subject to a future interest rate reset, then "Non-applicable" is reported;
- similarly, in the case of instruments for which the last interest rate reset date has already passed, the value "Non-applicable" is reported.

In the case of fixed interest rate instruments – where the attribute Interest rate type in the instrument entity is reported as "fixed" – a distinction is broadly made between the following two cases:

- a fixed interest rate has been contractually agreed for the entire life of the instrument; in such cases, the value "Non-applicable" is reported;
- an interest rate has been contractually fixed only until a specific future date *t* after which the fixed interest rate can be reset; in such cases, the future date *t* is reported in this data attribute.

7.3.7 Interest rate

Definition: Interest rate is defined as the annualised agreed rate or narrowly defined interest rate in accordance with Regulation (EU) No 1072/2013 of the European Central Bank (ECB/2013/34).

The attribute Interest rate is a mandatory attribute. The attribute interest rate should be regarded as a dynamic attribute, i.e. the value of the attribute could change over time.

Regulation (EU) No 1072/2013 (ECB/2013/34) defines the annualised agreed rate (AAR) as "*the interest rate that is individually agreed between the reporting agent and the household or non-financial corporation for a deposit or loan,*
ed to an annual basis and quoted in percentages per annum. The AAR covers all interest payments on deposits and loans, but no other charges that may apply. Disagio, defined as the difference between the nominal amount of the loan and the amount received by the customer, is considered as an interest payment at the start of the contract (time t0) and is therefore reflected in the AAR".

The narrowly defined effective rate (NDER) is defined as "*the interest rate, on an annual basis, that equalises the present value of all commitments other than charges (deposits or loans, payments or repayments, interest payments), future or existing, agreed by the reporting agents and the household or non-financial corporation. The NDER is equivalent to the interest rate component of the annual percentage rate of charge (APRC) as defined in Article 3(i) of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC. The NDER uses successive approximation and can therefore be applied to any type of deposit or loan, whereas the AAR is only applicable to deposits and loans with regular capitalisation of interest payments*".

More information on the methodology for calculating the interest rate can be found in the Manual on the MFI interest rate statistics.

In accordance with the requirements for MFI interest rate statistics, the interest rate to be reported is as follows. If there is an amount outstanding at the reporting reference date, then:

- the interest rate referring to the outstanding amount is the weighted average interest rate applied to the outstanding amount at the reporting reference date;
- the weighted average interest rate is the sum of the AAR/NDER multiplied by the corresponding outstanding amounts and divided by the total outstanding amount.

To that extent, undrawn amounts are not considered for the calculation of the weighted interest rate. For instance, for a credit card debt for which the outstanding nominal reported at the reference date is a "convenience credit", the interest rate of 0% is to be reported as 0; for those credit card debts which at the reporting reference data comprise both an "extended credit" and a "convenience credit", the weighted average of the respective interest rates charged is reported.

Otherwise, if the outstanding amount is "0" at the reporting reference date, then reporting agents provide the weighted average interest rate applied to the maximum amount (considering the credit limit but disregarding any possibility to exceed the credit limit) that could be outstanding under the instrument; in other words, in the case of instruments with an undrawn amount available, the interest rate is reported although the whole amount is undrawn.

In accordance with the MIR statistics, penalties in the form of special fees are not covered by the AAR/NDER (the fees are not part of the outstanding amount either).

Please also note also that in the calculation there is no differentiation between the ordinary interest rate and the penalty interest rate. For instance, if the outstanding amount includes an excess amount (above the credit limit) and a penalty interest rate is charged on the excess amount, this is considered in the calculation of the weighted average interest rate; in other words, if a penalty is charged in the form of higher interest rates, this penalty is also reflected in the (weighted average) interest rate to be reported. If the penalty is applied in the form of fees or other non-interest components, it is not covered.

In the case of interest-free instruments, the interest rate is reported as “Non-applicable”. However, please note that an instrument with disagio is not considered an interest free instrument.

Regarding the interest rate for loans with step up/step down provisions whereby the interest rates are increased or decreased when the debtor’s credit rating is upgraded above or downgraded below certain levels, it is the actual interest rate (at the reference date) that is reported.

In the case of a current account overdraft, calculating the interest rate may require weighting of the higher rate (charged when the debit balance exceeds the agreed credit limit) with the “normal” usage interest rate proportionally to the overdraft total debit balance, where the weighted average interest rate is the sum of the AAR/NDER multiplied by the corresponding amounts and divided by the sum of the corresponding amounts.

Please note that penalties in the form of special fees are not included in the calculation of the AAR/NDER (for example, a loan of EUR 110,000 is issued at a discount of EUR 10,000 for a period of one year; the loan was repaid with a delay for which a penalty of EUR 5,000 was charged so that eventually the debtor repaid EUR 115,000; however, the penalty amount of EUR 5,000 is not taken into account for the calculation of the NDER, which is estimated to be EUR 10,000/EUR 100,000 = 10%).

Please also note, however, that any unpaid penalties and other fees are added to the outstanding nominal amount at a reporting reference date, and therefore are accounted for when calculating the outstanding weighted average interest rate (although they are not covered in the AAR/NDER which are thus averaged).

7.3.8 Accrued interest

Definition: Accrued interest is defined as the amount of accrued interest on loans at the reporting reference date as defined in Regulation (EU) No 1071/2013 (ECB/2013/33). In accordance with the general principle of accruals accounting, interest receivable on instruments should be subject to on-balance sheet recording as it accrues (i.e. on an accruals basis) rather than when it is actually received (i.e. on a cash basis).

The attribute Accrued interest is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Accrued interest should be regarded as a dynamic attribute, i.e. the value of the attribute Accrued interest could change over time.

RRE requires that interest is recorded on an accruals basis for the instrument to which it relates.

This attribute is in principle reported in accordance with the applied accounting standard. In particular, when the instrument is recognised as an asset on the balance sheet, the accrued interest is calculated according to the relevant accounting standard. Please note, however, that this attribute is also reported in cases of no accrued interest in accordance with the accounting standard. In particular, when the instrument is not recognised in the balance sheet, the accrued interest is calculated according to the contractual agreements. The accrued interest is reported for all instruments irrespective of whether they are measured at amortised cost or at fair value in the financial statements.

For instruments with no explicit interest rate, accrued interest represents the difference which is realised between the amount which was disbursed to the debtor (nominal value) at a moment in time *t* and the value that was paid back by the debtor at a moment *t* + x (i.e. at the maturity, the accrued interest is considered realised and is added to the nominal value). Please note that the difference is reported in the attribute Accrued interest as if it had been accrued at a constant rate over a suitable period of time (for example, the period between one interest capitalisation and the next).

The outstanding nominal amount does not include any accrued interest. This in particular regards instruments originated at a discount or zero coupon instruments where the difference between the outstanding nominal amount of the instrument and the amount received by the debtor is considered as an interest payment. Please note that RRE and FINREP requirements are consistent as regards the need to record interest on an accruals basis. This amount is reported even if the instrument has been transferred or derecognised.

Interest is recorded on an accruals basis for the instrument to which it relates. Consequently, the accrued interest relates to the outstanding nominal amount(s) over a specific period of time, irrespective of whether or not any part of the instruments has been transferred to another creditor (other than a credit institution). Please note that the difference between the nominal amount of the instrument and the amount received by the customer (i.e. the so-called disagio) is considered as an interest payment at the start of the contract and is reported in this attribute as it is accrued.

In this respect, the following general rules need to be considered.

- In the case of instruments that have no interest payments and are issued at a considerable discount to par value (for example, zero coupon instruments issued at discount), most of the discount represents the equivalent of the interest accrued during the life of the instrument. Thus, for zero coupon instruments, the difference between the face value and the purchase price is reported as the accrued interest, taking into account the fact that at the moment of purchase the accrued interest amounts to 0 and accrues over time to reach the difference between the face value and the purchase price at the maturity date.
- Similarly, for purchased receivables the difference between the face values of the receivables and the payment amount can be interpreted as the accrued interest (to be accrued over time between the settlement date and the maturity date).

Unless capitalised earlier, the accrued interest is considered realised at the maturity of the instrument and is added to the nominal value.

If interest is accrued and capitalised monthly (i.e. added to the outstanding nominal amount), the interest accrual starts anew in the subsequent period. This also applies in the cases of disagios and discounts on purchased receivables.

7.3.9 Default status of the instrument

Definition: Identification of the default status of the instrument. Categories describing the situations in which an instrument can be described as being at default in accordance with Article 178 of Regulation (EU) No 575/2013.

The attribute Default status of the instrument is a mandatory attribute. The attribute Default status of the instrument should be regarded as a dynamic attribute, i.e. the value of the attribute Default status of the instrument could change over time.

This data attribute identifies instruments in default in accordance with the CRR. In relation to instruments where the reporting agent applies the definition of default in accordance with Article 178 of the CRR at the counterparty level rather than at the level of an individual instrument, the default status of the instrument is reported as “Non-applicable”.

In addition to “Non-applicable”, the attribute Default status of the instrument could have one of the following domain values: Not in default, Default because unlikely to pay, Default because more than 90/180 days past due, Default because both unlikely to pay and more than 90/180 days past due. Please find below a short description for each domain value.

Not in default means an instrument which is not in default in accordance with the CRR.

Default because unlikely to pay means an instrument which is not in default because the debtor is unlikely to pay in accordance with the CRR but the instrument is not more than 90/180 days past due.

Default because more than 90/180 days past due means an instrument which is in default because the debt is more than 90/180 days past due in accordance with the CRR but the debtor has not been classified as unlikely to pay.

Default because both unlikely to pay and more than 90/180 days past due means an instrument which is in default both because it is considered that the debtor is unlikely to pay and because the debt is more than 90/180 days past due in accordance with the CRR.

The criteria to be applied for reporting this attribute are the same as those used by the reporting agent for the calculation of the minimum capital requirement in accordance with the CRR.

If the default status is not assessed at the level of the instrument but at the level of the debtor, the value “Non-applicable” is reported.

More specifically, only one of the four values listed above is reported for instruments whose default status is assessed at the instrument level. This is only possible for retail exposures if the credit institution exercises the option provided by the last sentence of Article 178(1) of the CRR. In all other cases, where default is not defined at the level of the individual instrument but rather at the level of the counterparty, the value “Non-applicable” is reported.

Please note that a special case arises if, in accordance with Article 178(1) of the CRR, the option to apply the definition of default at the level of an instrument is exercised only for a subset of instruments extended to a counterparty, while this option is not exercised for other instruments extended to the same counterparty. This scenario implies that default is assessed both at instrument and counterparty level. For instruments that are assessed at the instrument level, the default status of the instrument is reported accordingly. However, for other instruments, for which the reporting agent applies the definition of default at the counterparty level, the attribute Default status of the instrument is reported as “Non-applicable”.

Please also note that the default status of the instrument/counterparty may change after the moment on which a default actually started (e.g. from “unlikely to pay” to “90 days past due”, or both). In this connection, note that the attribute Cumulative recoveries since default is calculated taking into account the beginning of the default status – in other words, all recoveries are accounted for over the actual duration of a default, which spans the period between the moment the default actually started and the moment at which it ended, as opposed to when it was updated for the last time. Moreover, the number of days past due at a given reporting reference date for instruments in default is captured by the attribute Date of past due for the Instrument (or other instruments of the same debtor).

7.3.10 Securitised instrument indicator

Definition: Securitised instrument indicator distinguishes instruments recorded in the financial data entity into instruments subject to securitisation and instruments not subject to securitisation.

The attribute Securitised instrument indicator is a mandatory attribute. The attribute Securitised instrument indicator should be regarded as a dynamic attribute, i.e. the value of the attribute Securitised instrument indicator could change over time, because an instrument could be securitised during the lifecycle of the instrument.

The attribute Securitised instrument indicator could have one of the following domain values: Instrument subject to securitisation or Instrument not subject to securitisation.

An instrument subject to securitisation is an instrument which has been included in a securitisation transaction. This could either be a true sale securitisation in which the instrument has been transferred to a third party and the instrument has been derecognised from the balance sheet of the observed agent or a synthetic securitisation in which the instrument is not derecognised from the balance sheet of the observed agent, but only the risk is transferred to a third party.

For more information on the reporting of securitised instrument, please refer to Manual Part I.

7.3.11 Past due instrument indicator

Definition: Past due instrument indicator distinguishes instruments into instruments which have been past due and instrument which have not been past due.

The attribute Past due instrument indicator is a mandatory attribute. The attribute Past due instrument indicator should be considered as dynamic attribute, i.e. the value of the attribute Past due instrument indicator could change over time, because an instrument could become past due or not during the lifecycle of the instrument.

The attribute Past due instrument indicator could have on the following domain values: Instrument past due or Instrument not past due.

An instrument is considered to be past due in case payments (interest, principal and any fees) are contractually due but have not yet been paid. Please note that an instrument is past due as soon as any amount arising under the instrument is past due, even when the instrument is only one day past due (relative to the date on which the amount should have been paid).

7.3.12 Exit status

Definition: Exit status indicates whether the instrument has stopped to be an eligible instrument for RRE reporting. If so, the exit status will indicate the reason why the instrument will be no longer included in the RRE reporting starting from the next reporting reference date.

The attribute Exit status is a mandatory attribute. The attribute Exit status should be regarded as a dynamic attribute, i.e. the value of the attribute Exit status could change over time.

The value of the attribute Exit status could have one of the following domain values: No exit, Exit due to full repayment, Exit due to refinancing, Exit due to delinquency, Exit due to transfer, Exit due to statistical reclassification. Please find below a description of each and every domain value.

No exit means that the instrument remains an eligible instrument, and therefore is and will stay included in the RRE reports.

Exit due to full repayment means that the instrument has stopped being an eligible instrument, and therefore will, starting from the next reporting reference date be no longer included in the RRE report, because the instrument has been fully repaid by the debtor.

Exit due to refinancing means that the instrument has stopped being an eligible instrument, and therefore will, starting from the next reporting reference date be no longer included in the RRE report, because the instrument has been refinanced by the debtor.

Exit due to delinquency means that the instrument has stopped being an eligible instrument, and therefore will, starting from the next reporting reference date be no longer included in the RRE report, because the instrument has been written off and no further claims are outstanding on the debtor in relation to that instrument (forgiven instrument).

Exit due to transfer means that the instrument has stopped being an eligible instrument, and therefore will, starting from the next reporting reference date be no longer included in the RRE reporting, because the instrument has been transferred to a third party and the observed agent does no longer perform the role of either creditor or servicer of the instrument.

Exit due to statistical reclassification means that the instrument has stopped being an eligible instrument and therefore will, starting from the next reporting reference date be no longer included in the RRE reporting, because the instrument has been erroneously included in the RRE reports in the past due to a misinterpretation of reporting instructions.

Please be advised to refer to Manual Part I for elaborate instructions on when an instrument is eligible for RRE reporting and when an instrument becomes non-eligible for RRE reporting and how this should be reflected in the RRE reports.

7.3.13 Bouwdepot amount

Definition: Bouwdepot amount is the amount which has been paid out to the debtor in the form of a bouwdepot (building deposit) for the purpose of paying for costs of building and refurbishing residential real estate.

The attribute Bouwdepot amount is a mandatory attribute. The attribute Bouwdepot amount is considered to be a dynamic attribute, i.e. the value of the attribute Bouwdepot amount could change over time.

The value of the bouwdepot amount should be reported in the attribute Bouwdepot amount, but the same amount should also be included in the attribute Outstanding nominal amount. In case, costs are paid out of the bouwdepot, the value of the attribute Bouwdepot amount decreases, with no change in the Outstanding nominal amount attribute. In case, a certain amount of the Bouwdepot amount was not used, and the bouwdepot is terminated, the value of the attribute Bouwdepot amount is decreased, and a corresponding decrease in the attribute Outstanding nominal amount takes place. In case the bouwdepot amount decreases to zero, the value zero should be reported (reporting of non-applicable in such case is not allowed).

8. Protection received

8.1 General aspects

In general, a reporting agent can have zero or more protection received. The protection received can be either immovable property or non-immovable property. One protection received can be related to one or many instruments. One instrument can have zero or more protection received. One protection received can have one or more protection providers. One protection provider can have one or more protection received.

8.2 Level of granularity

The Protection received entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) reporting reference date, and (c) protection identifier. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting). Every single and unique RRE relevant protection received at the level of the reporting agent should be included in the Protection received entity.

8.3 Data attributes

8.3.1 Cumulative additional premiums/deposits

Definition: The cumulative additional premiums/deposits is the cumulative amount of additional irregular and voluntary premiums or deposits paid for the (protection of the) instrument up to and including the current reporting reference period.

The attribute Cumulative additional premium/deposits is a mandatory attribute. The attribute Cumulative additional premiums/deposits should be considered as a dynamic attribute, i.e. the value of the attribute Cumulative additional premiums/deposits can change over time.

Please note that for the attribute Cumulative additional premiums/deposits only those cumulative premiums and deposits should be reported that are irregular and voluntary and which are made in addition to the regular periodic contractual premiums and deposits in savings, investment or insurance products for the repayment of the instrument.

The cumulative additional premiums/deposits is only relevant when the Type of protection has one of the following domain values:

- Kapitaalverzekering Eigen Woning (KEW)
- Spaarrekening Eigen Woning (SEW)
- Beleggingsrecht Eigen Woning (BEW)
- Bankspaarrekening pledged to the instrument
- Bankspaarrekening met beleggingscomponent pledged to the instrument
- Currency and deposits other than Spaarrekening Eigen Woning (SEW) and Bankspaarrekening pledged to the instrument
- Equity and investment fund shares or units other than Beleggingsrecht Eigen Woning (BEW)
- Life insurance policies pledged other than Kapitaalverzekering Eigen Woning (KEW)

In case the protection received has another Type of protection than the values mentioned above, the value to be filled out for attribute Cumulative additional premiums/deposits is "Non-applicable".

8.3.2 Protection value

Definition: Protection value is the amount of the protection value related to the protection received as established for the relevant "Type of protection value" following the valuation approach.

The attribute Protection value is a mandatory attribute. The attribute Protection value is to be considered as a dynamic attribute, i.e. the value of the attribute Protection value can change over time.

The protection value is the monetary value of the protection item that was established at the latest valuation date prior to the reporting reference date under the chosen protection valuation approach.

The protection value reflects the total value of the protection being either its notional amount, if relevant, or otherwise an amount that best represents the value of the protection, established at the latest valuation, for which the protection may be taken into account at a reporting reference date.

The protection value is based on the most recent valuation carried out prior to the reporting reference date. For each protection item that is reported as a separate record in the protection received dataset, a single protection value is reported, which is the protection item's total value, established under a certain valuation approach.

For a bundled protection item (for example a basket of securities) that was valued as one multi-name protection item, the protection value is in accordance to the valuation approach.

The value is that obtained in the latest valuation. For protection items valued at their notional amount, the date of protection value is the reporting reference date.

The total (gross) protection value is reported without applying any (regulatory) haircuts (i.e. deductible percentage that is applicable if certain conditions are met). In other words, no haircuts are applied to protection values.

In line with the general rule that an amount denominated in a currency other than euro is converted into euro using the respective exchange rate as of the date to which the amount refers, the following clarification is given.

- If a protection item is valued at its notional amount, then the date of protection value is the reporting reference date, and the foreign currency exchange rate as of the reporting reference date is applied to convert the amount into euro. In such cases, this data attribute is updated whenever the exchange rate changes (from one reporting reference date to another).
- If a protection item is not valued at a notional amount (but instead at fair value, for instance), then the exchange rate on the date of protection value is used to convert the original protection currency into euro and, consequently, the protection value is not updated at a reporting reference date unless an evaluation of the protection takes place.
- In case no protection value can be derived, banks are allowed to report a dummy value of zero. This occurs in the case of NHG protection and in the case of a protection that falls under management of a third party (this happens most frequently with BEW mortgages.

8.3.3 Type of protection value

Definition: Type of protection value is the identification of the type of value provided in the attribute Protection value.

The attribute Type of protection value is a mandatory attribute. The attribute Type of protection value is to be considered as a dynamic attribute, i.e. the value of the attribute Type of protection value can change over time.

The attribute Type of protection value identifies, with reference to an exhaustive list, the type of the reported value of the protection item as reported in the attribute Protection value.

The attribute Type of protection value is used for identifying the type of the protection value that corresponds to the protection value as reported in the attribute Protection value.
In the context of RRE, the protection value reflects the total value of the protection and is either its notional amount, if available, or otherwise an amount that best represents the value at which the protection may be taken into account at a reporting reference date, i.e. the value established in the most recent valuation.

Consequently, RRE provides for two general types of protection value (notional amount and fair value). In principle, under RRE a notional amount is reported for protection items that are financial instruments, while a fair value is reported for non-financial protection items. In particular, protection items such as gold or other physical collateral are valued at their fair values, whereas protection in the form of real estate collateral is reported at either its market value or long-term sustainable values, with the market value being the equivalent of the fair value in relation to real estate, while long-term sustainable values are determined in a prudent assessment of real estate taking into account its long-term aspects.

Finally, the category "other protection value" is reported only in cases where the protection value available to reporting agents does not meet the definition of any of the explicit types of protection value.

The table below provides an indication of the type of protection value that would typically be expected for a given type of protection.

Type of protection	Type of protection value
Kapitaalverzekering Eigen Woning (KEW)	Notional amount
Spaarrekening Eigen Woning (SEW)	Notional amount
Beleggingsrecht Eigen Woning (BEW)	Notional amount
Bankspaarrekening pledged to the instrument	Notional amount
Bankspaarrekening met beleggingscomponent pledged to the instrument	Notional amount
Currency and deposits other than SEW and bankspaarrekeningen	Notional amount
Equity and investment fund shares or units other than BEW	Fair value
Life insurance policies pledged other than KEW	Notional amount
Nationale Hypotheek Garantie (NHG)	
Securities	Notional amount
Loans	Notional amount
Credit derivatives	Notional amount
Financial guarantees other than credit derivatives	Notional amount
Trade receivables	Notional amount
Residential real estate collateral	Market value / Long-term sustainable value
Offices and commercial premises	Market value / Long-term sustainable value
Commercial real estate collateral	Market value / Long-term sustainable value
Gold	Fair value
Other physical collaterals	Fair value

Other protection	Notional amount / Fair value

The attribute Type of protection value can have one of the following domain values Notional amount, Fair value, Market value, Long-term sustainable value, Other protection value. More details on each domain value is provided below.

Notional amount is the nominal or face amount contractually agreed that is used to calculate payments in the event that the protection is executed.

This comprises all value types possessing this property, even if they are typically addressed by a specific technical term different from notional value. For example, the surrender value established as the type of protection value for life insurance policies under Article 212(2) of the CRR is also to be identified as a notional value for RRE purposes. In other words, all value types that are equivalent to a notional value are reported as “notional value” under the type of protection value, even if a different terminology has been in used.

For an indication of the types of protection for which the type of protection value is typically a notional amount, consider the following examples:

- the protection value of financial guarantees other than credit derivatives is the notional value (e.g. the guaranteed amount);
- the protection value of loans serving as protection is the notional value (i.e. the nominal amount), irrespective of whether the loans are performing or non-performing;
- the notional amount is to be reported for debt securities issued at par, irrespective of whether or not fair values are available for these securities (including in cases where their fair values are obtainable on the stock exchange or other organised financial markets);
- the protection value of trade receivable is the notional value of the trade receivables;
- for debt securities (bonds) on which interest is paid regularly or deep discounted or zero-coupon bonds on which little or no interest is paid, the values are reported at their notional amount;
- for currency, the valuation is the notional value of the currency;
- for deposits, the values to be reported are notional (nominal) values.

Please note, however, that any such protection items (including currency and deposits) which are in a currency different from euro are converted to euro at the respective ECB euro foreign exchange rates (i.e. the mid-rate) on the date of protection value as reported in the attribute Date of protection value. For protection items valued at notional amount, it is the reporting reference date. Please note that in the case of life insurance policies pledged, the protection value regards the surrender value of the protection (as opposed to the insured amount). The surrender value is reported and the type of protection value is “notional amount”.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To be used if the protection is not immovable property.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.

In the case of real estate protection, the term fair value is referred to as the market value. Consequently, fair value is not used for real estate protection. As regards certain types of protection for which there is no notional amount, or where valuing them at their notional amount is inappropriate, RRE stipulates that such protection items are valued at their fair values. This relates in particular to non-financial protection items such as "other physical collaterals".

For an indication of types of protection for which the type of protection value is a fair value, consider the following examples:

- gold is to be valued at the price established in organised gold markets;
- equity and investment fund shares/units are valued at their fair values;
- listed shares are valued at their fair value, represented by the mid-market price observed on the stock exchange or other organised financial markets;
- unlisted shares are valued at their fair value, which will be estimated;
- leased assets other than real estate collateral are valued at their fair value.

Please note that in the case of any real estate collateral, the applicable type of protection value is either market value or long-term sustainable value as further discussed below.

Market value is the current "market value" of immovable property as defined in Article 4(1)(76) of Regulation (EU) No 575/2013. To be used if the protection is immovable property when the market value is reported in the attribute Protection value.

The market value is a value type to be used only for real estate collateral. In the context of RRE, the term "market value" is an equivalent of fair value in relation to real estate properties and means "the estimated amount for which the property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion", as defined in Article 4(1)(76) of the CRR.

Long-term sustainable value is the "mortgage lending value" of immovable property as defined in Article 4(1)(74) of Regulation (EU) No 575/2013. To be used if the protection is immovable property when the "mortgage lending value" is reported in the attribute Protection value.

The long-term sustainable value is a value type to be used only for real estate collateral. The mortgage lending value as the value of immovable property is determined by a prudent assessment of the future marketability of the property taking into account long-term sustainable aspects of the property, the normal and local market conditions, and the current use and alternative appropriate uses of the property, as defined in Article 4(1)(74) of the CRR. If both a market value and a long-term sustainable value are available for real estate property, the market value is reported to RRE.

Other protection value is a protection value not included in any of the categories listed above.

Only value types that differ from the definition of the above values are included in the category "Other protection value", while value types that differ only as regards the name (such as the surrender value in the case of life insurance policies pledged) are mapped to the respective value type.

8.3.4 Date of protection value

Definition: Date of protection value is the date on which the latest appraisal or valuation of the protection was carried out prior to the reporting reference date.

The attribute Date of protection value is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Date of protection value is to be considered as a dynamic attribute, i.e. the value of the attribute Date of protection value can change over time.

The date of the protection value is the date on which the latest appraisal or valuation of the protection was carried out prior to the reporting reference date, i.e. the date on which the amount reported in the attribute Protection value of the value type reported in the attribute Type of protection value was established under the valuation method reported in the attribute Protection valuation approach.

As regards protection items which are valued at their fair values (or market or long term sustainable values in the case of real estate collateral), the date of the protection value is the date on which the latest appraisal or valuation of the protection was carried out prior to the reporting reference date. More specifically, it is the date on which the amount reported in the attribute Protection value of the value type reported in the attribute Type of protection value was established under the valuation method reported in the attribute Protection valuation approach.

In the case of protection items which are valued at their notional amount, it is the date on which the notional amount changed for the last time prior to the reporting reference date.

8.3.5 Protection valuation approach

Definition: Protection valuation approach is the type of protection valuation; method used to determine the protection value.

The attribute Protection valuation approach is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Protection valuation approach is to be considered as a dynamic attribute, i.e. the value of the attribute Protection valuation approach can change over time.

The protection valuation approach identifies the type of the protection valuation (or the method used to determine the protection value) from among an exhaustive list of values the attribute may assume.
The type of valuation approach is in particular relevant for protection items which are valued at their fair values (or market or long-term sustainable values in the case of real estate collateral).

The reporting agent reports the valuation method that was used to establish the protection value as reported in the attribute Protection value. Please note that if the type of protection value is “notional amount”, the protection valuation approach does not in fact apply, and therefore the value “other type of valuation” is reported.

Otherwise, if the protection is not valued at its notional amount, then the valuation approach that was undertaken in the latest valuation is reported. In this connection, RRE distinguishes between four broadly defined categories:

- mark-to-market;

- counterparty estimation;
- creditor valuation;
- third party valuation.

RRE does not specify a priority as regards the protection valuation approach because there is no intention to restrict the choice of the reporting agents for the appropriate protection valuation approach and thereby to impose an additional constraint.

Accordingly, RRE does not require reporting agents to change or enhance (any step in) the process of protection valuation. On the contrary, the attribute is intended to indicate which kind of valuation process reporting agents actually have in place.

For the sake of consistency, under the term creditor valuation, it is also presumed that the actual valuation is performed by a reporting agent by means of a quantitative valuation model (rather than by an appraiser as such) following a methodology applied by the reporting agent. Similarly, third party valuation, besides valuations carried out by appraisers, includes also valuations by means of quantitative techniques and methodologies of which neither the debtor nor the creditor have any control.

However, reporting agents will naturally face constraints as regards the available valuation approaches. For example, a quoted price, which is the most recent price at which an investment (or any other type of asset) has traded in an active market, will only be available for a subset of protection items which are traded in an active market.

Mark-to-market is a valuation method whereby the protection value is based on unadjusted prices quoted at an exchange for identical assets and liabilities in an active market.

For protection items whose fair value reported in the attribute Protection value has been established in organised markets, “mark-to-market” is reported as the protection valuation approach. This in particular regards the following protection items:

- gold is valued at the price established in organised gold markets;
- listed shares are valued at their fair value, represented by the mid-market price observed on the stock exchange or other organised financial markets.

Counterparty estimation is a valuation method whereby the valuation is carried out by the protection provider.

For protection items whose value (other than a notional amount) reported in the attribute Protection value has been established by the protection provider, other than the creditor, “counterparty estimation” is reported. This in particular may regard equity and investment fund shares/units that are valued at their fair values.

Creditor valuation is a valuation method whereby the valuation is carried out by the creditor. The valuation may be undertaken by an external or staff appraiser who possesses the necessary qualifications, ability and experience to execute a valuation and who is not independent from the credit decision process.

For protection items whose fair value (or market or long-term sustainable value in the case of real estate collateral) has been established by the creditor (or by a methodology which is controlled by the creditor), then the protection valuation approach is reported as “creditor valuation”.

This in particular may regard the following cases:

- unlisted shares valued at their fair value which is estimated on the basis of a methodology controlled by the creditor;
- leased assets valued at their fair value following a valuation methodology controlled by the creditor where the asset value is calculated with the use of asset valuation curves;
- commercial real estate valued at a long-term sustainable value which was based on an appraisal carried out by an appraiser hired by the creditor;
- residential real estate valued at its market value which was based on an appraisal carried out by an appraiser hired by the creditor.

Third party valuation is a valuation method in which the valuation is provided by an appraiser who is independent of the credit decision process.

For protection items whose fair value (or market or long-term sustainable value in the case of real estate collateral) has been established by a third party (or by a methodology which is not controlled by the creditor), then the protection valuation approach is reported as “third party valuation”.

This in particular may regard the following cases:

- unlisted shares valued at their fair value which is estimated on the basis of a methodology not controlled by the creditor;
- leased assets valued at their fair value following a valuation methodology not controlled by the creditor where the asset value is calculated with the use of asset valuation curves;
- commercial real estate valued at its market value following a valuation carried out by a third party appraiser, over which the creditor has no control;
- residential real estate valued at its market value following a quantitative valuation technique (using a publicly available house price index) developed by a third party over which the creditor has no control.

Other type of valuation is any other type of valuation that is not included in the previous categories of valuation approaches.

8.3.6 Immovable property indicator

Definition: Immovable property indicator is an indicator which distinguishes the protection received in either immovable property or non-immovable property.

The attribute Immovable property indicator is a mandatory attribute. The attribute Immovable property indicator is a static attribute, i.e. the value of the attribute Immovable property indicator cannot change over time.

The attribute Immovable property indicator can have two domain values either Immovable property or non-immovable property.

In relation to the type of protection, the types Residential real estate collateral, Commercial real estate collateral and Offices and commercial premises are to be considered as immovable property. All other types of protection are non-immovable property.

8.3.7 Type of protection

Definition: Type of protection is the type of protection received, irrespective of its eligibility for credit risk mitigation.

The attribute Type of protection is a mandatory attribute. The attribute Type of protection is static attribute, i.e. the value of the attribute Type of protection cannot change over time.

Regarding financial leases, the leased assets in financial leases function as implicit protection. Hence, the protection is reported as a protection item under the applicable type of protection.

Regarding reverse repurchase agreements, the financial assets that are part of a reverse repurchase agreement function as implicit collateral. Hence they are to be reported as protection items of the applicable type of protection, i.e. securities or equity and investment fund shares or units.

Regarding the distinction between residential vs. commercial real estate collateral vs. offices and commercial premises Article 4(1)(75) of the CRR provides a definition of residential property but no definition of commercial property.

“Residential property” is described as a “residence which is occupied by the owner or the lessee of the residence, including the right to inhibit an apartment in housing cooperatives located in Sweden”. In the ESRB Recommendation on closing data gaps, the following definition residential real estate is mentioned: any immovable property located in the domestic territory, available for dwelling purposes, acquired, built or renovated by a private household and that is not qualified as a CRE property. If a property has a mixed use, it should be considered as different properties (based for example on the surface areas dedicated to each use) whenever it is feasible to make such breakdown; otherwise, the property can be classified according to its dominant use. In the context of RRE reporting, “commercial immovable property” encompasses any immovable property that is not a “residential property” within the meaning of Article 4(1)(75) of the CRR.

Consequently, any real estate property that is not residential real estate is considered to be commercial property, with a further distinction made between (i) commercial real estate and (ii) offices and commercial premises as types of protection. In the ESRB Recommendation on closing data gaps, the following definition of commercial real estate is mentioned: any income-producing real estate, either existing or under development, and excluding social housing; property owned by end-users; buy-to-let housing. Amongst commercial properties, the distinction between the types of protection “offices and commercial premises” and “commercial real estate collateral” is based on the relationship between the collateral and the creditworthiness of the debtor. In accordance with Article 126 of the CRR, the type of protection “offices and commercial premises” means real estate property other than residential real estate, where the debtor’s creditworthiness does not materially depend on any cash flow generated by the property, and the property’s value does not materially depend on the quality of the debtor, while commercial real estate collateral is immovable property other than residential real estate which does affect the creditworthiness of the debtor (i.e. if the proceeds received from it affect the creditworthiness of the debtor).

RRE gives a broad definition of “protection” and does not stipulate or pre-empt a creditor’s decision as to which items may be accepted as protection in relation to an instrument, contract or debtor. Collateral reported for FINREP purposes under Section

12 of Part 2 of Annex V to the ITS forms a subset of the protection that may be reported in the context of RRE, which may include protection that is not recognised as collateral for FINREP purposes because the attribute Type of protection is aimed at a classification of whichever physical or non-physical, funded or unfunded items an observed agent accepts as collateral securing a reported instrument.

However, in the context of RRE, each protection item is assigned a type of protection, i.e. a classification of protection into a list of several categories defined below. This classification is aimed at a clear identification of the protection category for each protection item and is independent of classifications under different reporting frameworks that may serve different purposes, e.g. in the context of credit risk mitigation in accordance with the CRR.

Gold is defined in accordance with Regulation (EU) No 575/2013. A protection item which fulfils the definition of gold as referred to in the CRR is assigned this type of protection. The value “gold” includes gold bullion held in own vault and on an allocated basis to the extent backed by bullion liabilities. Gold is recorded in the protection received dataset, irrespective of whether or not it qualifies as eligible collateral in accordance with the CRR.

Securities is defined in accordance with paragraph 5.89 of Annex A to Regulation (EU) No 549/2013. The value “securities” is restricted to debt securities, which are negotiable financial instruments serving as evidence of debt, in accordance with Regulation (EU) No 549/2013. Accordingly, the type of protection “securities” may relate to a single debt security or a basket (portfolio) of debt securities.

Loans is defined in accordance with paragraph 5.112 of Annex A to Regulation (EU) No 549/2013. The value “loans” comprises funds extended by creditors to debtors, as defined in paragraph 5.112 of Annex A to Regulation (EU) No 549/2013.

Equity and investment fund shares or units other than BEW is defined in accordance with paragraph 5.139 of Annex A to Regulation (EU) No 549/2013 and which are not included in the domain value Beleggingsrecht eigen woning (BEW).

Currency and deposits other than SEW and bankspaarrekeningen is defined in accordance with paragraph 5.74 of Annex A to Regulation (EU) No 549/2013 and which are not included in the domain values Spaarrekening eigen woning and bankspaarrekeningen. The value “currency and deposits” comprises currency in circulation and deposits, both in national currency and in foreign currencies, as defined in paragraph 5.74 of Annex A to Regulation (EU) No 549/2013.

Credit derivatives meet the definition of financial guarantees (as defined in paragraph 58(b) of Part 2 of Annex V to Implementing Regulation (EU) No 680/2014), and credit derivatives other than financial guarantees (as defined in paragraph 67(d) of Part 2 of Annex V to Implementing Regulation (EU) No 680/2014). Credit derivatives include the eligible credit derivatives indicated in Article 204 of Regulation (EU) No 575/2013. The value “credit derivatives” comprises both credit derivatives meeting the definition of financial guarantees as defined in paragraph 58(b) of Part 2 of Annex V to the ITS and credit derivatives other than financial guarantees as defined in paragraph 67(d) of Part 2 of Annex V to the ITS. Credit derivatives are recorded in the protection received dataset, irrespective of whether or not they qualify as eligible collateral in accordance with the CRR.

Financial guarantees other than credit derivatives is defined in accordance with Implementing Regulation (EU) No 680/2014. The value “financial guarantees other than credit derivatives” comprises guarantees having the character of credit substitute and irrevocable standby letters of credit having the character of credit substitute, as defined in paragraphs 58(a) and 58(c) of Part 2 of Annex V to the ITS. (Note that this also includes financial guarantees from parents, under the condition that these are notarially recorded).

Trade receivables is defined in accordance with paragraph 5.41(c) of part 2 of Annex V to Implementing Regulation (EU) No 680/2014.

The value "trade receivables" comprises loans to a debtor on the basis of bills or other documents that give the right to receive the proceeds of transactions for the sale of goods or provision of services, as defined in paragraph 41(c) of Part 2 of Annex V to the ITS. As opposed to instruments which are trade receivables purchased by a credit institution (and are reported in the instrument dataset accordingly), the type of protection "trade receivables" refers to those trade receivables which are not instruments in the context of RRE but are a protection item which is pledged by the owner of the trade receivables to secure a loan granted by the credit institution to the owner or a third party (i.e. financing against trade receivables).

Life insurance policies pledged other than KEW is defined in accordance with Regulation (EU) No 575/2013 and which are not included in the domain value Kapitaalverzekering eigen woning. The value "life insurance policies pledged" comprises life insurance policies pledged to the creditor as referred to in the CRR. Life insurance policies pledged are recorded in the protection received dataset, irrespective of whether or not they qualify as eligible collateral in accordance with the CRR. (This also includes the so called *overlijdensrisicoverzekering*).

Residential real estate collateral is defined as residential property in accordance with Article 4(1)(75) of Regulation (EU) No 575/2013. The value "residential real estate collateral" comprises residences occupied by the owner or the lessee of the residence, as defined in the CRR. The value takes into account both an actual pledge on residential real estate and a residential real estate mandate. Real estate mandates are defined as the right to seize a designated real estate. They are included in the real estate collateral categories if they are recognised as credit protection by the respective reporting agent. Any residential real estate collateral items are reported, irrespective of whether or not they qualify as eligible collateral in accordance with the CRR.

Offices and commercial premises is defined in accordance with Regulation (EU) No 575/2013. The value "offices and commercial premises" comprises real estate other than residential real estate that qualifies as "offices or other commercial premises" for the purposes of Article 126(1) of the CRR. For further details please refer to the EBA Q&A 2014_1214 regarding the recognition of real estate as commercial property. In determining whether a property other than residential real estate collateral meets the description of "offices or other commercial premises" in accordance with the CRR, consideration is to be given to the dominant purpose of the property in question, which should meet the following conditions:

- "the value of the property shall not materially depend upon the credit quality of the borrower" (Article 126(2)(a) of the CRR);
- "the risk of the borrower shall not materially depend upon the performance of the underlying property or project", i.e. "the repayment of the facility shall not materially depend on any cash flow generated by the underlying property serving as collateral" (Article 126(2)(b) of the CRR).

In general, as defined in RRE Manual Part I, the scope of RRE reporting focusses on (a) instruments for the purpose of purchasing, building and refurbishing of residential real estate, irrespective whether the real estate is for own use or for rental purposes (buy-to-let) and irrespective of the kind of collateral and on (b) instruments for all other purposes and where the protection received on the instrument exists at least of residential real estate. This means that in practice, most likely, offices and commercial premises will not often serve as protection received. But in theory it could be possible that offices and commercial premises serve as collateral for, for example the purchasing of residential real estate.

Commercial real estate collateral is defined as real estate property other than residential property, offices and commercial premises. The value "commercial real estate collateral" comprises any real estate collateral other than residential real estate collateral under Article 4(1)(75) of the CRR and other than offices and commercial premises for the purposes of Article 126(1) of the CRR.

In general, as defined in RRE Manual Part I, the scope of RRE reporting focusses on (a) instruments for the purpose of purchasing, building and refurbishing of residential real estate, irrespective whether the real estate is for own use or for rental purposes (buy-to-let) and irrespective of the kind of collateral and on (b) instruments for all other purposes and where the protection received on the instrument exists at least of residential real estate. This means that in practice, most likely, commercial real estate collateral will not often serve as protection received. But in theory it could be possible that commercial real estate serve as collateral for, for example the purchasing of residential real estate.

Other physical collateral is defined in accordance with Regulation (EU) No 575/2013 and not included in the previous values. The value "other physical collaterals" comprises any physical object other than real estate and other than gold that is pledged to secure a reported instrument. Any other physical collateral items are recorded in the protection received dataset, irrespective of whether or not they qualify as eligible collateral in accordance with the CRR.

Kapitaalverzekering eigen woning (KEW) is defined as a life insurance policy pledged to a so-called levenshypotheek which is solely meant for saving for the repayment of the instrument to which it is pledged.

Spaarrekening eigen woning (SEW) is defined as a savings account pledged to a so-called spaarhypotheek which is solely meant for saving for the repayment of the instrument to which it is pledged. (This also includes so called *spaarpolissen*).

Beleggingsrecht eigen woning (BEW) is defined as an investment account pledged to a so-called beleggingshypotheek which is solely meant for saving for the repayment of the instrument to which it is pledged.

Bankspaarrekening pledged to the instrument is defined as a savings account (bankspaarrekening) pledged to a so-called bankspaarhypotheek which is solely meant for the repaying the instrument.

Bankspaarrekening met beleggingscomponent pledged to the instrument is defined as an investment account (bankspaarrekening met beleggingscomponent) pledged to a so-called bankspaarhypotheek which is solely meant for the repaying the instrument.

Nationale Hypotheek Garantie (NHG) is a guarantee scheme executed by Stichting Waarborgfonds Eigen Woningen (which in RRE reporting context should be reported as protection provider).

Other protection is defined as any protection that is not included in any of the other categories. Please note that the so called *woonlastenverzekering* does not qualify as a type of protection in RRE.

9. Immovable property

9.1 General aspects

The Immovable property entity is a subtype of the Protection received entity. An immovable property can either be a domestic immovable property or a foreign immovable property.

9.2 Level of granularity

The Immovable property entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) reporting reference date, and (c) protection identifier. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting). Every single and unique RRE relevant immovable property at the level of the reporting agent should be included in the Immovable property entity.

9.3 Data attributes

9.3.1 Country

Definition: Country is the country where the immovable property is located.

The attribute Country is a mandatory attribute. The attribute Country should be considered as a static attribute, i.e. the value of the attribute Country could not change over time.

The domain values that should be reported for attribute Country should be in line with ISO 3166-1 alpha-2 codes of the country.

9.3.2 Immovable property type

Definition: Immovable property type is the classification of the immovable property in a specific type of property.

The attribute Immovable property type is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Immovable property type is considered to be a dynamic attribute, i.e. the value of the attribute Immovable property type could change over the lifecycle of the protection.

The attribute Immovable property type can have one of the following domain values: Detached or semi-detached house; Flat or apartment; Terraced house, Partly commercial use, Full commercial use, Other. Please find below a detailed description of each domain value.

Detached or semi-detached house is not joined to any other house or is joined to only one house (so-called vrijstaande or half-vrijstaande woning) (this domain value includes so-called twee-onder-een-kap woningen and bungalows). This domain value can only be filled out in case the property is solely for residential use, i.e. the value of the attribute Type of protection (in the Protection received entity) is Residential real estate collateral.

Flat or apartment is a set of rooms for living in, especially on one floor of a building (this includes so-called flats, galerij-, portiek-, beneden- and bovenwoning en appartementen). This domain value can only be filled out in case the property is solely for residential use, i.e. the value of the attribute Type of protection (in the Protection received entity) is Residential real estate collateral.

Terraced house is joined to the houses on either side of it by joined walls (this includes so-called geschakelde woning, tussen- en hoekwoning). This domain value can only be filled out in case the property is solely for residential use, i.e. the value of the attribute Type of protection (in the Protection received entity) is Residential real estate collateral.

Partly commercial use is property which is partly used as residential property and partly used as commercial property (income producing). This includes houses in which there is a combination of a residential and commercial area in one property.

Full commercial use is property which is solely used as commercial property, i.e. property only meant as income producing property. This domain value can only be filled out in case the attribute Type of protection (in the Protection received entity) has either the value Offices and commercial premises or Commercial real estate collateral.

Other is all immovable property which cannot be classified in one of the other domain values.

9.3.3 Protection valuation type

Definition: Protection valuation type is the way in which the valuation of the protection is measured.

The attribute Protection valuation type is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Protection valuation type is a dynamic attribute, i.e. the value of the attribute Protection valuation type can change over time.

The attribute Protection valuation type can have the following domain values: full report external, drive-by external, desktop external, full report internal, drive-by internal, desktop internal, database-driven, fiscal value, other, indexed based on full report external, indexed based on drive-by external, indexed based on desktop external, indexed based on full report internal, indexed based on drive-by internal, indexed based on desktop internal, indexed based on database-driven, indexed based on fiscal value, indexed based on other.

For more details on the definitions of the domain values please see the descriptions below.

Full report external is a complete valuation report provided by a licensed external assessor on the basis of an on-site full external and internal inspection of the appraised real estate.

Drive-by external is a valuation report provided by a licensed external assessor on the basis of an on-site visit to the appraised real estate without full inspection.

Desktop external is a valuation report provided by a licensed external assessor on the basis of detailed information on the appraised real estate delivered to the appraiser.

Full report internal is a complete valuation report provided by a licensed internal assessor on the basis of an on-site full external and internal inspection of the appraised real estate.

Drive-by internal is a valuation report provided by a licensed internal assessor on the basis of an on-site visit to the appraised real estate without full inspection.

Desktop internal is a valuation report provided by a licensed internal assessor on the basis of detailed information on the appraised real estate delivered to the appraiser.

Database-driven is a value of the appraised real estate provided by a qualified external company that is specialized in providing real estate valuations based on statistical analysis of databases.

Fiscal value is the value of the real estate property taken from a fiscal register. In the Netherlands this would be the WOZ value.

Other is any other method that has been used to value the real estate property.

Indexed based on Full report external is a value that is based upon indexation of a value that was provided by the protection valuation type “Full report external”.

Indexed based on Drive-by external is a value that is based upon indexation of a value that was provided by the protection valuation type “Drive-by external”.

Indexed based on Desktop external is a value that is based upon indexation of a value that was provided by the protection valuation type “Desktop external”.

Indexed based on Full report internal is a value that is based upon indexation of a value that was provided by the protection valuation type “Full report internal”.

Indexed based on Drive-by internal is a value that is based upon indexation of a value that was provided by the protection valuation type “Drive-by internal”.

Indexed based on Desktop internal is a value that is based upon indexation of a value that was provided by the protection valuation type “Desktop internal”.

Indexed based on Database-driven is a value that is based upon indexation of a value that was provided by the protection valuation type “Database-driven”.

Indexed based on Fiscal value is a value that is based upon indexation of a value that was provided by the protection valuation type “Fiscal value”.

Indexed based on other is a value that is based upon indexation of a value that was provided by the protection valuation type “Other”.

10. Domestic immovable property

10.1 General aspects

The Domestic immovable property entity is a subtype of the Immovable property entity.

10.2 Level of granularity

The Domestic immovable property entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) reporting reference date, and (c) protection identifier. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting). Every single and unique RRE relevant domestic immovable property at the level of the reporting agent should be included in the domestic immovable property entity.

10.3 Data attributes

10.3.1 Postal code

Definition: Postal code is the numerical part (i.e. first four digits) of the postal code of the domestic immovable property that has been received as protection for an instrument.

The attribute Postal code is a mandatory attribute. The attribute can be regarded as a static attribute, i.e. the postal code of a domestic immovable property cannot change over time.

10.3.2 Country

Definition: Country is the country where the domestic immovable property is located.

The attribute Country is a mandatory attribute. The attribute Country should be considered as a static attribute, i.e. the value of the attribute Country could not change over time.

The domain values that should be reported for attribute Country should be in line with ISO 3166-1 alpha-2 codes of the country.

11. Household

11.1 General aspects

The Household entity is a subtype of the entity Counterparty. The household could be either a natural person or a partnership. The Household entity therefore consists of two subtypes called Natural person and Partnership.

11.2 Level of granularity

The Household entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) reporting reference date and (c) counterparty identifier. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting). Every single and unique household the level of the reporting agent which is involved in instruments which are in scope of RRE reporting should be included in the Household entity.

11.3 Data attributes

11.3.1 Household type indicator

Definition: Household type indicator is an indicator which distinguishes the household into either natural persons or partnerships. A natural person is a private individual (including sole proprietors) and as such has rights and obligations. A natural person is not a legal person ("rechtspersoon") neither a partnership ("samenwerkingsverband"). A partnership is an institutional unit which has one of the following legal forms: Vennootschap onder firma, Commanditaire vennootschap, Maatschap, Rederij.

The attribute Household type indicator is a mandatory attribute. The attribute should be regarded as a static attribute, i.e. the Household type indicator should not change over time.

The attribute Household type indicator can have two values either Natural person or Partnership.

12. Natural person-instrument data

12.1 General aspects

In general, one instrument can have one or several natural persons as debtor and one natural person can have one or several instruments. In the Natural person-instrument data entity every single and unique combination of RRE relevant natural person and RRE relevant instrument at the level of the observed agent should be included.

12.2 Level of granularity

The Natural person-instrument data entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) reporting reference date, (d) counterparty role, (e) counterparty identifier, (f) contract identifier and (g) instrument identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every single and unique combination of RRE relevant natural person and RRE relevant instrument at the level of the observed agent should be included in the Natural person-instrument data entity.

12.3 Data attributes

12.3.1 Debtor's employment status at inception

Definition: The Debtor's employment status at inception is the position on the labour market of the debtor at inception of the instrument.

The attribute Debtor's employment status at inception is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Debtor's employment status at inception should be regarded as a static attribute, i.e. the value reported for the attribute Debtor's employment status at inception is not allowed to change over time, because the attribute refers to a situation which occurred in the past and does not refer to current or future situations.

The attribute Debtor's employment status at inception can be filled out with one of three domain values: "Employed", "Unemployed" and "Self-employed". Below the definition of each individual domain value is presented.

Employed is defined as a situation in which the debtor, i.e. a natural person, has made arrangements in the form of an employment contract with an institutional unit (company, institution or household) in order to perform labour for which the natural person receives payment in return. Employed does not include directors and major shareholders.

Unemployed is defined as a situation in which the debtor, i.e. a natural person, has made no arrangements in the form of an employment contract with an institutional unit (company, institution or household) in order to perform labour for which the natural person receives payment in return. The "Unemployed" status also includes cases in which the debtor is retired.

Self-employed is defined as a situation in which the debtor, i.e. a natural person or partnership, performs labour for its own account and risk (a) in its own company or practice (b) as a director and major shareholder (c) in a company or practice of a family member (d) in another form of being self-employed. In the context of RRE reporting, the debtor should be considered as being part of the sector Households (S.14). This means the debtor could either be a natural person or a partnership. In case of an instrument which has been granted to a partnership, the debtor's employment status at inception cannot be reported, because the attribute Debtor's employment status at inception is only included in the entity Natural person-instrument data.

In case a natural person is both employed and self-employed, the activity which generates the most income is leading in classifying the natural person in one of both categories.

The attribute Debtor's employment status at inception refers to the position on the labour market of the debtor at inception of the instrument. This means that one and the same debtor might have several employment statuses, because one debtor could have several instrument with different inception dates. At each inception date, the employment status of the debtor might be different.

Please be aware that this attribute should only be filled out in case the instrument has been granted on 01-01-2012 or later, i.e. the instrument has an inception date of 2012-01-01 or later. In case the instrument was granted prior to 01-01-2012, the attribute should only be reported on a best effort basis when the information is available.

12.3.2 Income at inception

Definition: The income at inception is the value of the toetsinkomen of the debtor or as an alternative a close proxy of the toetsinkomen (e.g. the gross annual income of the debtor) at the moment of inception of the instrument.

The attribute Income at inception is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Income at inception should be considered as a static attribute i.e. the value reported for the attribute Income at inception is not allowed to change over time, because the attribute refers to a situation which occurred in the past and does not refer to current or future situations.

The attribute income at inception should correspond to the toetsinkomen mentioned in "het Hypotheken Data Netwerk (HDN) Generiek Bericht (Generieke Specificatie AX bericht)" from the 26th of May 2018. In case the precise toetsinkomen is not available to the reporting agent, but the income can be estimated with a proxy please provide a close proxy for the toetsinkomen, e.g. the gross annual income of the debtor.

Income to be reported on:

1. Employment income (HDN bericht, page 10)

Reporting agents must report at least gross annual salary, but if other additional income data are also available, this information must also be reported.. Examples include: holiday pay, unsocial hours allowance, fixed 13th month, commission per year, fixed year-end bonus, overtime compensation, hardship allowance and income supplements.

If more components than gross annual salary are available, please report the sum of the following components that are available:

- Gross annual salary (excluding overtime compensation, holiday pay, commission, etc.). Please report gross annual salary for the number of working weeks that are customary in the relevant industry.
- Holiday pay. Average annual holiday pay.
- Unsocial hours allowance. Annual unsocial hours allowance, provided that it is of a permanent nature.
- Fixed 13th month. Only if it is an unconditional income element laid down in the employment contract.
- Commission per year. The amount in commission on an annual basis, provided that it is of a permanent nature. Please report the amount for the last 12 months.
- Permanent year-end bonus. "Permanent" means unconditional income components laid down in the employment contract.

- Overtime compensation per year. Please report the amount in overtime compensation (annual total), provided that it is of a permanent nature. Please report the amount for the last 12 months.
- Hardship allowance for military personnel. Please report the amount for the last 12 months.
- Income supplements. Please report permanent income from supplements. Examples include a diploma supplement, hazard pay, exercise allowance, as well as other income items defined by NHG.

2. Income from self-employment (HDN bericht, page 11)

Average net annual profit for the three most recent calendar years, but no more than net profit for the most recent calendar year (HDN bericht: Inkomenzelfstandige).

Or

Total annual income in the most recent calendar year in the past. This refers to income as described by the NHG standards on income from self-employment or profession (HDN bericht: Income1yr).

3. Benefit income (HDN bericht, pages 11 and 12)

Gross annual benefit. This is the gross basic benefit including holiday pay, according to the SoortUitkeringType value list (HDN bericht, page 11). Please report the gross annual amount for the customary number of payment weeks of the benefit.

4. Other income (HDN bericht, page 12)

This is the gross annual amount in other income according to the SoortOverigeInkomstenType value list (HDN message, page 12).

The attribute Income at inception refers to the income of the debtor. In the context of RRE reporting, the debtor should be considered as being part of the sector Households (S.14). This means the debtor could either be a natural person or a partnership. The attribute Income at inception should be filled out in case the debtor is a natural person.

In case several natural persons are involved in one and the same instrument (i.e. joint liability) and the income at inception of all individual debtors (natural persons) is known to the reporting agents, the attribute Income at inception in the natural person-instrument data entity should be filled out for each unique natural person-instrument combination.

In case several natural persons are involved in one and the same instrument (i.e. joint liability) and no income is available for each single natural person, the value that should be reported for the attribute Income at inception for each natural person-instrument data combination is “0”. In both cases, the combined (proxy of) annual toetsinkomen of all debtors of the instrument at the moment of inception of the instrument should be reported under attribute Household income at inception (see above in section 6.3.1 on the Instrument entity).

Please be aware that this attribute should only be filled out in case the instrument has been granted on 01-01-2012 or later, i.e. the instrument has an inception date of 2012-

01-01 or later. In case the instrument was granted prior to 01-01-2012, the attribute should only be reported on a best effort basis when the information is available.

12.3.3 Date of income at inception

Definition: The date of income at inception is the date to which the income at inception refers.

The attribute Date of income at inception is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Date of income at inception should be considered as a static attribute i.e. the value reported for the attribute Date of income at inception is not allowed to change over time, because the attribute refers to a situation which occurred in the past and does not refer to current or future situations.

Please be aware that this attribute should only be filled out in case the instrument has been granted on 01-01-2012 or later, i.e. the instrument has an inception date of 2012-01-01 or later. In case the instrument was granted prior to 01-01-2012, the attribute should only be reported on a best effort basis when the information is available.

13. Dutch natural person

13.1 General aspects

The Dutch natural person entity is a subtype of the Natural person entity. A natural person is considered to be Dutch in case it is resident in the Netherlands. A resident of the Netherlands is someone who is registered in the Basisregistratie Personen (BRP) and therefore has been assigned a Burgerservicenummer (BSN). In case the natural person is not registered in the Basisregistratie Personen and has therefore no Burgerservicenummer, it is not a Dutch natural person. In that case, the natural person is a foreign natural person and is registered in the Foreign natural person entity.
In case a natural person dies and the heirs accept the legacy, the counterparty usually changes to “erven van” (or in English: estate of) without any changes in the instrument. In such cases, the reporting agent should keep reporting the information of the deceased natural person for the attributes in the Natural person entity by the reporting agent.

13.2 Level of granularity

The Dutch natural person entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) counterparty identifier, (c) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting). Every single and unique Dutch natural person at the level of the reporting agent which is involved in instruments which are in scope of RRE reporting should be included in the Dutch natural person entity.

13.3 Data attributes

13.3.1 National identifier

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14. Legal entity

14.1 General aspects

The Legal entity entity is a subtype of the entity Counterparty. The legal entity could be either a Dutch legal entity or a foreign legal entity. The Legal entity entity therefore consists of two subtypes called Dutch legal entity and Foreign legal entity.

14.2 Level of granularity

The Legal entity entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) counterparty identifier, (c) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting). Every single and unique legal entity at the level of the reporting agent which is involved in instruments which are in scope of RRE reporting should be included in the Legal entity entity.

14.3 Data attributes

14.3.1 Legal entity identifier

Definition: The legal entity identifier is the legal entity identifier (LEI) of the counterparty assigned in accordance with the International Organization for Standardization's (ISO) 17442 standard.

The attribute Legal entity identifier is an optional attribute. The attribute should be considered as a static attribute, i.e. the value reported for the attribute Legal entity identifier is not allowed to change over time.

The legal entity identifier (LEI) will not be available for all counterparties and therefore, in case no LEI is available, no value should be reported.

The LEI should be reported for each counterparty which is a legal entity playing any role in the instrument to be reported for RRE purposes, provided that such a code is available and that the status is either “issued”, “lapsed” or “merged” (i.e. a pending, retired or annulled code is not accepted for the RRE purposes).

14.3.2 Name

Definition: The name is the full legal name of the counterparty which is a legal entity.

The attribute Name is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Name is a dynamic attribute, because the name of the legal entity might change during the life of the legal entity. The attribute Name is reported for all counterparties which are legal entities irrespective of the role in the instrument and of the country of residency.

The name should in principle be reported in accordance with the information contained in the national business register in which the legal entity is registered. No translation from the original national language is required.

14.3.3 Dutch legal entity indicator

Definition: Dutch legal entity indicator distinguishes legal entities into legal entities that are Dutch and legal entities that are not Dutch. A legal entity is considered to be Dutch in case it is registered in the Handelsregister (i.e. trade register) of the Kamer van Koophandel (i.e. Dutch chamber of commerce) and has therefore a Kamer van Koophandel nummer. In case the legal entity is not registered in the Handelsregister and has therefore no Kamer van Koophandel nummer, it is not a Dutch legal entity. In that case, the legal entity is a foreign legal entity and is registered in the Foreign legal entity entity.

The attribute Dutch legal entity indicator is a mandatory attribute. In most cases the attribute can be regarded as a static attribute, i.e. the Dutch legal entity indicator should not change often over time. However, it could be possible that a foreign legal entity will be registered in the Handelsregister and will be assigned a KvK nummer and therefore becomes a Dutch legal entity. The other way around is also possible: a Dutch legal entity that is deregistered from the Handelsregister and its KvK nummer is revoked.

The attribute Dutch legal entity indicator can have two values either “Dutch legal entity” or “Foreign legal entity”.

15. Dutch legal entity

15.1 General aspects

The Dutch legal entity entity is a subtype of the entity Legal entity. A legal entity is considered to be Dutch in case it is registered in the Handelsregister (i.e. trade register) of the Kamer van Koophandel (i.e. Dutch chamber of commerce) and has therefore a Kamer van Koophandel nummer.

15.2 Level of granularity

The Dutch legal entity entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) counterparty identifier, (c) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting). Every single and unique Dutch legal entity at the level of the reporting agent which is involved in instruments which are in scope of RRE reporting should be included in the Dutch legal entity entity.

15.3 Data attributes

15.3.1 National identifier

Definition: National identifier is the commonly used identification code which enables the unambiguous identification of the counterparty. In case the counterparty involved in the instrument is a Dutch legal entity the national identifier is the KvK nummer of the counterparty.

The attribute National identifier is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute should be regarded as a static attribute, i.e. the National identifier should not change over time.

16. Debtor default data

16.1 General aspects

The Debtor default data entity registers the default status which is related to the debtor on the level of the observed agent.

16.2 Level of granularity

The Debtor default data entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) counterparty role (d) counterparty identifier, (e) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every single and unique debtor at the level of the observed agent which is involved in instruments which are in scope of RRE reporting should have default data.

16.3 Data attributes

16.3.1 Default status of the counterparty

Definition: Identification of the default status of the counterparty. Categories describing the motives for which the counterparty can be in default in accordance with Article 178 of Regulation (EU) No 575/2013.

The attribute Default status of the counterparty is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). However, it could be possible that an observed agent has no default status of the counterparty because, in case of retail exposures, the definition of default laid down in Article 178 of the CRR is applied at the level of the instrument rather than at the level of the combined obligations of the debtor. In case the definition of default is applied at the level of the instrument, the value “Non-applicable” should be filled out for the attribute Default status of the counterparty. The attribute should be regarded as a dynamic attribute, i.e. the Default status of the counterparty could change over time.

The attribute Default status of the counterparty can be filled out with one of following domain values: “Non-applicable”, “Not in default”, “Default because unlikely to pay”, “Default because more than 90/180 days past due”, “Default because both unlikely to pay and more than 90/180 days past due”. Below the definition of each individual domain value is presented.

Non-applicable is defined as a situation in which the definition of default laid down in Article 178 of the CRR is applied at the level of the instrument rather than at the level of the combined obligations of the debtor.

Not in default is defined as a situation in which the debtor does not fulfil the default definition in accordance with Article 178 of the CRR.

Default because unlikely to pay is defined as a situation in which the debtor is classified to be in default because payments are unlikely in accordance with Article 178(1)(a) of the CRR.

Default because more than 90/180 days past due is defined as a situation in which the following criteria are taken into account:

- In accordance with Article 178(1)(b) of the CRR, the debtor is classified to be in default because the debtor is past due more than 90/180 days on any material credit obligation to the institution, the parent undertaking under Article 4(1)(15) of the CRR or any of its subsidiaries.

- Competent authorities may replace the 90 days with 180 days for exposures secured by residential property or SME commercial immovable property in the retail exposure class, as well as for exposures to public sector entities.

- For the purpose of indications of the past due criterion on a debtor, see Article 178(2)(a) to (e) of the CRR. The materiality of a credit obligation past due will be assessed at the level of the debtor. A threshold will be defined by the competent authorities in their jurisdictions. This threshold will reflect a level of risk that the competent authority considers to be reasonable.

- The sum of all amounts past due that are related to a debtor needs to be established on a daily basis, to allow for cross-checks with the materiality threshold set by the competent authority in accordance with Article 178(2)(d) of the CRR.

Default because both unlikely to pay and more than 90/180 days past due is defined as a situation in which the following criteria are taken into account:

- The debtor is classified to be in default because payments are unlikely in accordance with Article 178(1)(a) of the CRR;

- The debtor is classified to be in default because the debtor is past due more than 90/180 days on any material credit obligation in accordance with Article 178(1)(b) of the CRR.

Please note that a special case arises if, in accordance with Article 178(1) of the CRR, the option to apply the definition of default at the level of an instrument is exercised only for a subset of instruments extended to a debtor, while this option is not exercised for other instruments extended to the same debtor. This scenario implies that default is assessed both at instrument and debtor level. In such cases, the default status of the counterparty should be filled out and cannot be “Non-applicable”.

17. Joint liability

17.1 General aspects

For each unique combination of debtor and instrument recorded in the debtor-instrument data entity and under the condition that there is more than one debtor related to an instrument, a joint liability is recorded in the Joint liability entity. Debtors are fully or partially joint liable debtors when they are united in making repayments arising under one and the same instrument under the same contract. The Joint liability entity has to be reported irrespective of whether the debtors to the instrument are fully or partially liable. In case of instruments where there is only one debtor, no Joint liability entity is recorded.

17.2 Level of granularity

The Joint liability entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) counterparty role (d) counterparty identifier, (e) contract identifier (f) instrument identifier and (g) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every unique combination of debtor and instrument recorded in the debtor-instrument data entity should have a record in the Joint liability entity if and only if the instrument has more than one debtor.

17.3 Data attributes

17.3.1 Joint liability amount

Definition: Outstanding nominal amount for which each debtor is liable in relation to a single instrument where there are two or more debtors.

The attribute Joint liability amount is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Joint liability amount is considered to be a dynamic attribute.

The joint liability amount is defined as the part of the amount as reported in the attribute Outstanding nominal amount for which each debtor is liable in relation to a single instrument where there are two or more debtors. More specifically, the joint liability amount is the part of the (or the total) outstanding nominal amount reported in the Financial data entity in relation to an instrument (with multiple actual debtors) for which each debtor is liable vis-à-vis this instrument. In other words, the joint liability amount for each debtor vis-à-vis an instrument is the total or a fraction of the outstanding nominal amount reported for the instrument.

The joint liability amount for each debtor corresponds to the amount that each debtor is liable for in relation to the instrument, as specified in the contract of the instrument, taking into account that no debtor alone is liable for more than the outstanding debt at a given reporting reference date. Consequently, for a given reporting reference date, the joint liability amount recorded for each debtor-instrument combination in the Joint liability entity does not exceed the nominal outstanding amount reported in relation to the instrument in the Financial data entity corresponding to that reporting reference date. This means that the joint liability amount reported for each debtor cannot exceed the outstanding nominal amount. Please note that in the case of a plurality of debtors in relation to one and the same instrument, the actual sum of the joint liability amounts in relation to the total outstanding amount is always ≥ 100%.

18. Contract

18.1 General aspects

Each observed agent can have zero or more contracts relevant for RRE reporting, which should be recorded in the Contract entity. In general, a contract can be regarded as a credit agreement between two or more parties under which instruments are created.

18.2 Level of granularity

The Contract entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) contract identifier (d) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every unique contract at the level of the observed agent should have a record in the Contract entity.

18.3 Data attributes

18.3.1 Inception date

Definition: The date on which the contractual relationship originated, i.e. the date on which the contract agreement became binding for all parties.

The attribute Inception date is a mandatory attribute. The attribute Inception date is considered to be a static attribute, i.e. the attribute is expected not to change over time. Once a contract is originated, the same contract cannot originate again, so the inception date does not change.

The inception date refers to the date of the legal contract which led to the creation of the instrument.

The inception date is the same as the date on which the contract - which gives rise to the instrument - becomes binding, which is considered for practical reasons to be the signature date rather than the documentation completion date.

The attribute Inception date does not change for an existing instrument, even if an amendment to the contract - which has given rise to the instrument - is made. Consider for example instruments where the initial contract is modified and the running instruments are adjusted accordingly, rather than a new contract being created and new instruments being issued to replace the existing ones. However, in the case of roll-overs or restructuring, when the existing contract is superseded by a new contract (i.e. where all or some of the conditions have changed), the new contract (and ultimately instrument) that arises is entered as a new record in the Contract entity (and the instrument in the Instrument entity).

The contract may also indicate a future date (T+1) on which the instrument will be conceived. In which case, at moment T+1, when the instrument (and contract) becomes relevant for RRE reporting, the date when the contract was signed (i.e. T+0) is considered as the date when the responsibilities became binding, and should be reported as such in the attribute Inception date in the Contract entity.
Loan acquisitions in which the economic transfer of the instrument takes place from a transferor to the observed agent - either by transfer of ownership or by sub-participation - does not affect the inception date of the instrument as such. Ergo, the initial inception date of the original contract remains unchanged.

For the sake of clarity, please be informed that the attribute Inception date refers to the date on which the contractual agreement that led to the creation of the instrument(s) became binding for all parties. In theory, and most of the times also in practice, the inception date of the contract coincides with the inception date of the instrument. However, it could be possible that under an existing contract a new instrument is created years after the creation of the contract. Because the contract of the new instrument is the already existing contract, the attribute Inception date will not change. However, please be aware that all attributes in the Instrument entity which refer to “at inception” (e.g. household income at inception) refer to the date on which the **instrument** was created (which is not per se the same as the contract). So for example the household income at inception refers to the income of the household when the instrument was created (which can be years after the creation of the contract).

19. Counterparty

19.1 General aspects

Each reporting agent’s delivery can have zero or more counterparties relevant for RRE reporting, which should be recorded in the Counterparty entity. For more information on the relevant counterparties for RRE reporting, please refer to Manual Part I.

19.2 Level of granularity

The Counterparty entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) counterparty identifier and (c) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting). Every unique counterparty at the level of the reporting agent should have a record in the Counterparty entity.

19.3 Data attributes

19.3.1 Country

Definition: This is the country of the place (the city, town or village) where the counterparty is registered, e.g. in the business, register if applicable.

The attribute Country is a mandatory attribute. The attribute Country should be considered as a dynamic attribute, i.e. the value of the attribute Country could change over time because the counterparty moves to another country.

The domain values that should be reported for attribute Country should be in line with ISO 3166-1 alpha-2 codes of the country.

19.3.2 Protection provider indicator

Definition: Protection provider indicator distinguishes counterparties in counterparties which are protection providers and non-protection providing counterparties.

The attribute Protection provider indicator is a mandatory attribute. The attribute Protection provider indicator should be considered as a dynamic attribute, i.e. the value of the attribute Protection provider indicator could change over time.

The attribute Protection provider indicator can have one of the following domain values: Protection provider or Non-protection providing counterparty.

A counterparty can be regarded as a protection provider if the counterparty grants protection against a contractually agreed negative credit event and is obliged to make payments to the creditor if the debtor fails to meet the obligation to make repayments arising under the instrument secured by the protection item (i.e. when the negative credit event occurs).

For instance, in these specific cases, the protection provider is:

- the owner of the physical item/real estate;
- the holder of the security pledged as a protection (and not the issuer of the security itself);
- the policy holder in the case of life insurance policies issued by an insurance company.

In addition, in case instruments are legally granted to a partnership, the partners (natural persons) of the partnership are to be regarded as protection providers to the instrument.

19.3.3 Legal entity indicator

Definition: Legal entity indicator distinguishes counterparties into counterparties that are legal entities and counterparties that are households.

The attribute Legal entity indicator is a mandatory attribute. The attribute Legal entity indicator should be considered as a static attribute, i.e. the value of the attribute Legal entity indicator could not change over time.

The attribute Legal entity indicator can have one of the following domain values: Legal entity or Household.

The households sector (S.14) consists of individuals or group of individuals as consumers and as entrepreneurs producing market goods and non-financial and financial services (market producers) provided that the production of goods and services is not by separate entities treated as quasi-corporations. It also includes individuals or groups or individuals as producers of goods and non-financial services for exclusively own final use.

The abovementioned definition is in line with the definition of the sector 2251 (private households) in the BSI reporting (F9001). This means that besides natural persons, also sole proprietors and partnerships are included in the scope of RRE reporting.

Regarding partnerships, an exception has to be made with regard to large independently operating corporations without an independent legal status (i.e. quasi-corporations), for example large shipping companies. These kind of partnerships should be excluded from the scope, because they are regarded as non-financial corporations. As a rule, these kind of partnerships are partnerships of which the partners are not natural persons but legal persons themselves (like a BV or NV).

Legal entities should be considered all those entities which do not belong to the Household sector as mentioned above.

20. Instrument subject to securitisation

20.1 General aspects

Each instrument can either be subject to securitisation or not subject to securitisation. An instrument is subject to securitisation in case an instrument has been included in a pool / securitisation transaction. This could either be a true sale securitisation in which the instrument has been transferred to a third party and the instrument has been derecognised from the balance sheet of the observed agent or a synthetic securitisation in which the instrument is not derecognised from the balance sheet of the observed agent, but only the risk is transferred to a third party.

20.2 Level of granularity

The Instrument subject to securitisation entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier (c) contract identifier (d) instrument identifier (e) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every unique instrument at the level of the observed agent which is subject to securitisation should have a record in the Instrument subject to securitisation entity.

20.3 Data attributes

20.3.1 Name of pool/transaction

Definition: The name of pool/transaction is the name of the pool or securitisation transaction in which the instrument has been included.

The attribute Name of pool/transaction is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Name of pool/transaction should be regarded as a dynamic attribute, i.e. the value of the attribute could change over time.

In general a pool / securitisation transaction receives a name from the originator who initiates the securitisation. Whenever an instrument is included in a pool / securitisation transition, the name of the pool / securitisation transaction is reported under this attribute. The name of the pool / securitisation transaction is often the name under which the transaction is publicly known.

20.3.2 Date of securitisation

Definition: The date of securitisation is the date on which the instrument was included in the pool or securitisation transaction.

The attribute Date of securitisation is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Date of securitisation should be considered as a dynamic attribute, i.e. the value of the attribute Date of securitisation could change over time.

20.3.3 Type of securitisation

Definition: The type of securitisation is the identification of the securitisation type in accordance with Article 242(10) and (11) of Regulation (EU) No 575/2013.

The attribute Type of securitisation is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Type of securitisation should be regarded as a dynamic attribute, i.e. the value of the attribute Type of securitisation could change over time.

For the attribute Type of securitisation the following domain list applies: traditional securitisation, synthetic securitisation. Please find below a detailed description of both domain values.

A traditional securitisation is a transfer of an instrument (or pool of instruments, or part thereof) to a financial vehicle corporation (FVC) or special purpose vehicle (SPV), either by the transfer of legal title or beneficial interest of the instruments from the originator or through sub-participation where one or more sub-participants agree to fund an instrument in return for the right to receive the principal and interest repayments for the instrument. These are securitisations where the transferee acquires the economic ownership of the instrument, in other words the legal title or the risk and rewards of the transferred instruments. In these securitisations, from the moment of the onward transfer, the transferor (i.e. the original creditor) ceases to be the creditor of the instrument and the transferee (i.e. the counterparty that acquires the instrument) becomes the new creditor. When the original creditor only transfers part of the economic ownership of an instrument, this counterparty remains the creditor to that part of the instrument that it retains. In a true sale securitisation transaction the instrument which is transferred is derecognised from the balance sheet of the originator (the original creditor).

A synthetic securitisation is a transfer of the credit risk of an instrument (or pool of instruments, or part thereof), through the use of credit derivatives, guarantees or any similar mechanism to the investors in the financing instruments issued by an FVC. FVCs in this category may not fund the instruments whose credit risk is being transferred. In the case of synthetic securitisations, the counterparty that assumes the credit risk of an instrument through the use of credit derivatives, guarantees or any similar mechanism is not a creditor but a protection provider. Consequently, if the creditor transfers the instrument to a third party through the use of a guarantee, the transferor is the originator of the instrument and remains the creditor, while the third party becomes a protection provider of the instrument. In a synthetic securitisation transaction the instrument which is transferred is not derecognised from the balance sheet of the originator (the original creditor).

21. Instrument past due

21.1 General aspects

Each instrument can either be past due or not past due. An instrument is considered to be past due in case payments (interest, principal and any fees) are contractually due but have not yet been paid. Please note that an instrument is past due as soon as any amount arising under the instrument is past due, even when the instrument is only one day past due (relative to the date on which the amount should have been paid).

21.2 Level of granularity

The Instrument past due entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier (c) contract identifier (d) instrument identifier (e) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every unique instrument at the level of the observed agent which is past due should have a record in the Instrument past due entity.

21.3 Data attributes

21.3.1 Arrears for the instrument

Definition: The arrears for the instrument is the aggregate amount of principal, interest and any fee payment outstanding at the reporting date, which is contractually due and has not been paid (past due).

The attribute Arrears for the instrument is a mandatory attribute. The attribute Arrears for the instrument is a dynamic attribute, i.e. the value of the attribute Arrears for the instrument can change over time.

Please note that the data attribute “arrears for the instrument” only takes into account the amounts in arrears (i.e. those that are contractually due but have not been paid) at a reporting reference date relating to the instrument.

The amount of arrears of the instrument is the part of the nominal outstanding amount that is legally past due. It includes principal, interest, late interest and claimable expenses that are due under the terms and conditions of the contract and are pending collection on the reporting reference date.

The amount in arrears for the instruments is reported regardless of whether the amount has been transferred or not.

21.3.2 Date of past due for the instrument

Definition: The date of past due for the instrument is the date on which the instrument became past due in accordance with Part 2.48 of Annex V to Implementing Regulation (EU) No 680/2014. This is the latest such date prior to the reporting reference date and it is to be reported if the instrument is past due on the reporting reference date.

The attribute Date of past due for the instrument is a mandatory attribute. The attribute Date of past due for the instrument is a dynamic attribute, i.e. the value of the attribute Date of past due for the instrument could change over time.

The attribute Date of past due for the instrument is the date of the first amount (principal, interest and expenses) due that is still unpaid at the reporting reference date.

This attribute is fully aligned with the attribute Arrears for the instrument, which defines the amount irrespective of any materiality thresholds or alike and takes into account any amount that is due (such as aggregate amount of principal (if due), interest due and any fee payment outstanding at the reporting date, which is contractually due and has not been paid).

In the case of revolving instruments (such as a credit limit in a current account) where the credit limit is exceeded by an amount and the contract stipulates that in such cases the excess amount is immediately due, the date on which the excess occurred is the date of past due.

However, in the case of revolving instruments for which the agreed credit limit is exceeded by an amount but the contract does not stipulate that in such cases it is immediately past due (but rather requires that such an excess is paid off by a specific future date), the instrument is not past due unless the excess is not paid by the specific date.

Past due for an instrument describes the status of any contractual payments relating to the instrument. Specifically, according to the definition of past due, an instrument is to be considered past due when the debtor (or debtors if relevant) has failed to make any payment in relation to the instrument (being the principal, interest or a fee payment) when the payment is contractually due. This means that past due occurs as soon as the instrument is unpaid on the date that it was contractually due (as opposed to 30, 60 or 90 days past due – in which case the instrument is typically considered in default).

22. Accounting data

22.1 General aspects

In general, one set of Accounting data belongs to one instrument. The Accounting data can either relate to a fully derecognised instrument being serviced or to a recognized instrument.

22.2 Level of granularity

The Accounting data entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) reporting reference date, (d) contract identifier and (e) instrument identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every single and unique RRE relevant instrument at the level of the observed agent should be included in the Accounting data entity.

22.3 Data attributes

22.3.1 Status of forbearance and renegotiation

Definition: The status of forbearance and renegotiation is the identification of forborne and renegotiated instruments.

The attribute Status of forbearance and renegotiation is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Status of forbearance and renegotiation is a dynamic attribute, i.e. the value of the attribute Status of forbearance and renegotiation could change over time.

This data attribute is intended to capture all modifications of the instrument's terms and conditions, irrespective of whether or not the modifications meet the forbearance criteria as laid down in the ITS.

Specifically, this data attribute identifies (i) instruments forborne in accordance with the ITS and (ii) instruments which are not forborne in accordance with the ITS but are otherwise renegotiated according to Regulation (ECB) No 2013/34.

The value reported represents the latest status of the instrument since an instrument may pass through multiple statuses over its life.

The attribute Status of forbearance and renegotiation can have one of the following domain values: Forborne: instruments with modified interest rate below market conditions; Forborne: instruments with other modified terms and conditions; Forborne: totally or partially refinanced debt; Renegotiated instrument without forbearance measures; Not forborne or renegotiated. Please see below a detailed description of the domain values.

Forborne: instruments with modified interest rate below market conditions is reported if forbearance measures apply to instruments with modified terms and conditions in accordance with the ITS, including a modification of interest rate below market conditions. This category is defined in accordance with Annex I, Part 2.VII.28 Regulation (EU) No 1072/2013 (ECB/2013/34). For the definition of the asset category "bad loans", see the table headed "Instrument categories" in Regulation (EU) No 1071/2013 (ECB/2013/33).

Forborne: instruments with other modified terms and conditions is reported if forbearance measures apply to instruments with modified terms and conditions, excluding a modification of interest rate below market conditions in accordance with Annex V to the ITS.

Forborne: totally or partially refinanced debt is reported if forbearance measures apply to refinanced debt in accordance with Annex V to the ITS. This value is used to identify the new contract ("refinancing debt") granted as part of a refinancing transaction which qualifies as a forbearance measure, as well as the old re-paid contract that is still outstanding in accordance with Annex V to the ITS.

Renegotiated instrument without forbearance measures is reported if the instrument for which the financial conditions have been modified and to which no forbearance measures apply in accordance with Annex V to the ITS.

Not forborne or renegotiated is reported if it is considered that, in accordance with the ITS, forbearance measures do not apply to the instrument, and nor has the instrument been otherwise negotiated.

The five categories mentioned above describe the applicable statuses in which an instrument can be classified concerning its status of forbearance and renegotiation. According to Annex V to the ITS, for the purposes of Annex III and IV, Template 19 ("*Forborne exposures*"), forborne exposures are debt contracts in respect of which forbearance measures have been extended. Forbearance measures according to Annex V to the ITS consist of concessions towards a debtor facing or about to face difficulties in meeting its financial commitments ("financial difficulties"). For details concerning concessions, see Annex V to the ITS. For details of when an exposure is treated as forborne, see Annex V to the ITS.

Moreover, Annex V therein says that a modification involving repayments made by taking possession of collateral is to be treated as a forbearance measure when the modification constitutes a concession.

Please note that an instrument may, over its lifetime, go through different statuses (e.g. from "not forborne or renegotiated" starting at moment *t* through "renegotiated without forbearance measures" starting at moment *t* + x to "forborne: totally or partially refinanced debt" starting at moment *t* + x + y). However, this data attribute captures the latest status of the instrument, i.e. the status that still applies at the reporting reference date. This being said, the forborne status can be changed back to "not forborne or renegotiated" in a subsequent reporting period.

Please note that, while the ITS provides specific requirements regarding when a forborne instrument can be again considered as not forborne, it does not impose any conditions as to when a renegotiated instrument without forbearance measures may be considered as "not forborne or renegotiated". In this connection, it is clarified that, unless any forbearance measures apply in accordance with the ITS, once considered renegotiated without forbearance measures an instrument should remain so until its maturity. Instruments which are not subject to forbearance but whose financial conditions have been otherwise modified excluding prolongations are reported as "renegotiated instrument without forbearance measures". In particular, existing contracts that are renegotiated solely for commercial reasons and where no forbearance measures apply in accordance with the ITS should be considered as renegotiated without forbearance measures. Prolongations of existing contracts that are carried out automatically, i.e. without any active involvement of the debtor, and that do not involve any renegotiation of the terms and conditions of the contract, including but not limited to the interest rate, are not considered as renegotiated. Such a prolongation might have an impact on specific attributes of RRE such as the legal final maturity date. However, it is not generally expected that a renegotiation without a substantial change of the nature of instrument (e.g. simple prolongation of the repayment period) will result in a new assignment of unique identification attributes.

Given the general guidance on renegotiation based on the explanation of the definition, if any material element of a revolving instrument is changed for reasons other than forbearance, then the revolving instrument is reported as “renegotiated instrument without forbearance measures”. For instance, renegotiation of the interest rate (or spread) in response to a lower rate offered by other banks is considered as a sufficient reason to report the instrument as “renegotiated instrument without forbearance measures” for such a qualification, since such a change is considered material.

In the case of instruments refinanced in part or in full where forbearance measures in accordance with the ITS apply (e.g. when a debt restructuring takes place) and the original instrument (or instruments) is effectively redeemed and replaced with a new one (identified by a new contract and instrument identifier), it is clarified that the new instrument (instruments) is reported and is flagged as forborne (by reporting the appropriate forborne value) directly from the inception date. The redeemed instrument is being reported according to the instructions in Part I of the Manual with exit status Exit due to refinancing.

Similarly, as regards renegotiation without forbearance measures (e.g. an increase in the commitment amount or a lower interest rate), it is clarified that these may be carried out in one of the two following broadly defined approaches.
• The original instrument continues to exist but certain conditions of the instrument have been changed (e.g. an increase in the commitment amount or a lower interest rate).
• The original instrument ceases to exist, and a new instrument (with a new instrument identifier) is created instead for the purposes of redemption of the previous instrument. The conditions of the new instrument are different from those of the original one (e.g. the new instrument is associated with a lower interest rate).

Please note that in the context of RRE it is necessary for both the modified instrument in the former case and the newly created instrument in the latter case that the value “renegotiated instrument without forbearance measures” is reported in the data attribute Status of forbearance and renegotiation; in the latter case, the second loan clearly results from the overall debt being renegotiated.

22.3.2 Cumulative recoveries since default

Definition: The cumulative recoveries since default is the total amount recovered since the date of default.

The attribute Cumulative recoveries since default is a mandatory instrument, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Cumulative recoveries since default is considered to be a dynamic attribute, i.e. the value of the attribute Cumulative recoveries since default can change over de lifecycle of the instrument.

This attribute indicates the amount of recoveries received in relation to a defaulted instrument from the start of the latest default of the instrument until the reporting reference date.

It is clarified that the term “default” in the definition of the data attribute refers to default in accordance with Article 178 of the CRR.

The attribute Cumulative recoveries since default captures the amount of recoveries that have been received during the latest default period, i.e. from the start of the default until the end of the default, and only during that period (i.e. the accumulation period).

Consequently, a value is reported if the instrument has been in default prior to a reporting reference date. Otherwise, “Non-applicable” is to be reported.

The following specific rules apply in relation to this data attribute.
• If an instrument is in default in accordance with Article 178 of the CRR at a reporting reference date, then all recoveries of the principal of the instrument (i.e. all inflows) since the start of the default until the reporting reference date are added up and reported as of the reporting reference date.
• Otherwise, if an instrument is no longer in default at a reporting reference date, then all recoveries (i.e. all inflows irrespective of the source of recoveries) since the start of the default until the end of the default are added up and reported as of the reporting reference date.
• If, in accordance with Article 178 of the CRR, the definition of default is only applied at the level of a counterparty rather than at the level of an individual instrument, the accumulation period for the instrument starts when the counterparty default is considered to have occurred.
• In the case of a mixed counterparty/instrument level of the assessment of the default status, the date of the default status of the counterparty is only relevant for those instruments whose default status is assessed at the level of the counterparty and not for those (retail) instruments to which the last sentence of Article 178(1) of the CRR applies.
• For the purposes of calculating the cumulative recoveries after default, all recoveries are taken into account irrespective of their source; for example, the data attribute takes into account any voluntary cash repayments, any proceeds from liquidation of collateral, amounts received as a result of calling guarantees, etc. Moreover, recoveries from any protection securing the instrument are included in this data attribute.
• However, the cumulative recoveries after default should be reported net of any recovery costs – for example, if a cost is incurred when realising proceeds from a collateral (e.g. liquidating a real estate property which serves as protection), only the proceeds as reduced by the costs of the liquidation process are reported in this data attribute.
• Any carrying-over of recoveries from one default to another default is not reported; every time a new default starts, the cumulative recoveries since default is set to zero and the accumulation starts anew.

Conversely, “Non-applicable” is to be reported in relation to an instrument if:

• the instrument has never been in default since the inception, on condition that the definition of default is applied in accordance with the CRR at the level of an instrument;
• any debtor to the instrument has never been in default for the entirety of the business relationship with the observed agent, on condition that the definition of default is applied at the level of a counterparty.

The cumulative recoveries since default are also reported in the period when there is no longer default. This aim of this reporting is in particular to capture recoveries that were received just before the moment at which the instrument was considered not in default, which otherwise would not be captured if the amount recovered was required to be set to 0 during periods of non-default.

The costs incurred in obtaining the recovery are considered when determining the amount of recoveries. Additionally the recoveries which have been collected are then considered in the outstanding nominal amount once the client has recovered.

Please note that for the purposes of calculating the cumulative recoveries, from the moment of default all recoveries are taken into account irrespective of their source; for example, this data attribute takes into account any voluntary cash repayments, any proceeds from liquidating of a collateral, amounts received as a result of calling guarantees, proceeds from selling the instrument, etc., provided that they were received during the period of default.

Otherwise, the amount of recoveries since the last default prior to the reporting reference date is reported.

The attribute Cumulative recoveries since default is always recorded at instrument level and refers either to the default of the instrument (if applied at this level) or the default of the counterparty (if default is not applied at the level of instrument).

The attribute Cumulative recoveries since default always takes the initial moment of default as the starting point, i.e. this attribute always refers to cumulative recoveries over the entire period during which the instrument/counterparty has been in default and not simply to the period since the latest change in the default status. This is especially relevant in cases where observed agents update the default status over the duration of the same default.

If an instrument (or, where applicable, the debtor of an instrument) is in default at the reporting reference date, then an amount of recoveries received in the period since the start of the default is reported. If no recoveries have been received since the start of the default, zero is reported.

Any amounts received after the default period ends are considered regular repayments and are thus not be accounted for in the cumulative recoveries since default.

Please note that the amounts of recoveries since default are not accumulated over multiple defaults of one and the same instrument (i.e. in cases where an instrument defaults, recovers and then defaults again). Accordingly, no carrying-over of recoveries from one default to another takes place. Instead, every time a new default starts, the cumulative recoveries since default is set to zero and the accumulation starts anew.

The cumulative recoveries are reported taking into consideration any costs incurred in the recovery process (legal, etc.). If the institution has multiple instruments with the counterparty and takes into account the amounts collected at the debtor level, then it is expected that the total amount collected will be allocated in a suitable way among different instruments of the debtor, thereby excluding those which are not considered as defaulted (and/or out of the scope of RRE).

22.3.3 Cumulative unsecured recoveries since default

Definition: Cumulative unsecured recoveries since default is the total amount recovered since the date of default based on protection that was not pledged to the instrument.

The attribute Cumulative unsecured recoveries since default is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Cumulative unsecured recoveries since default is to be considered as a dynamic attribute, i.e. the value of the attribute Cumulative unsecured recoveries since default can change of the lifetime of the instrument.

It is clarified that the term “default” in the definition of the data attribute refers to default in accordance with Article 178 of the CRR.

The attribute Cumulative unsecured recoveries since default captures the amount of recoveries that have been received during the latest default period, i.e. from the start of the default until the end of the default, and only during that period (i.e. the accumulation period), based on protection that was not pledged to the instrument.

Consequently, a value is reported if the instrument has been in default prior to a reporting reference date. Otherwise, “Non-applicable” is to be reported.

The attribute Cumulative unsecured recoveries since default is to be considered as an “of which” of the attribute Cumulative recoveries since default. This means that the value reported for the attribute Cumulative unsecured recoveries since default can never exceed the value reported for the attribute Cumulative recoveries since default. In addition, in case the attribute Cumulative recoveries since default is reported as “Non-applicable” then the attribute Cumulative unsecured recoveries since default should also be reported as “Non-applicable”.

In case, the attribute Cumulative recoveries since default is filled out with a value larger than zero, but there are no cumulative unsecured recoveries since default, then the attribute Cumulative unsecured recoveries since default should be reported as “0” (not as “Non-applicable”).

22.3.4 Fully derecognised instrument being serviced indicator

Definition: Fully derecognised instrument being serviced indicator distinguishes instruments into those instruments that are fully derecognised and being serviced by the reporting agent and those that are not fully derecognised and being serviced.

The attribute Fully derecognised instrument being serviced indicator is a mandatory attribute. The attribute Fully derecognised instrument being serviced indicator is considered to be a dynamic attribute, i.e. the value of the attribute Fully derecognised instrument being serviced indicator can change over the lifecycle of the instrument.

The attribute Fully derecognised instrument being serviced indicator can have two values: Fully derecogised instrument being serviced and Recognised instrument.

Fully derecognised instrument being serviced means that the instrument is derecognised in full from the balance sheet by the observed agent, while the observed agent remains responsible for the administrative and financial management of the instrument. In case the instrument is not fully derecognised from the balance sheet, the instrument is a recognised instrument.

22.3.5 Date of forbearance and renegotiation status

Definition: The date on which a forbearance or renegotiation status as reported Under attribute Status of forbearance and renegotiation is considered to have occurred.

The attribute Date of forbearance and renegotiation status is a mandatory attribute. The attribute Date of forbearance and renegotiation status is a dynamic attribute, i.e. the value of the attribute Date of forbearance and renegotiation status could change over time.

The data attribute Date of forbearance and renegotiation status is reported as the date on which the respective status as reported in the data attribute Status of forbearance and renegotiation is considered to have occurred. In the case of instruments which have not had a change of status since the moment of inception, the date of the status of forbearance and renegotiation equals the date of inception of the instrument.

This data attribute is reported as a date indicating the day on which the status as reported in the data attribute "status of forbearance and renegotiation" is considered to have occurred.

For each of the values of the data attribute Status of forbearance and renegotiation, the date of forbearance and renegotiation status is filled in with the date on which the respective status is considered to have occurred.
In particular, if an instrument is considered to be "forborne: instruments with other modified terms and conditions", then the date is reported on which the terms and conditions of the instrument were thus modified.
By contrast, if an instrument is no longer considered "forborne: instruments with other modified terms and conditions", then the date on which the forbearance ceased and the instrument was considered to be "not forborne or renegotiated" is reported.
Moreover, instruments which have not been considered to have been forborne or otherwise renegotiated at any moment in time since they have been originated until the reporting reference date are reported as "not forborne or renegotiated", and the inception date of the instrument is reported as the date of forbearance and renegotiation status as of the reporting reference date.
If an instrument is renegotiated without forbearance measures (e.g. the interest rate is lowered purely for commercial reasons) on date *t* prior to the reporting reference date, *t* is reported as the date of the status of forbearance and renegotiation.
However, if at a later moment *t* + x, the instrument is once again renegotiated without forbearance measures (e.g. the credit line is increased purely for commercial reasons), *t* + x is reported as the date of the status of forbearance and renegotiation at the first reporting reference date after the second renegotiation.

23. Impaired instrument

23.1 General aspects

The entity Impaired instrument is a subtype of the entity Recognised instrument. In general, an impaired instrument can be regarded as an instrument for which events have occurred which can have a negative impact on the future cash flows and therefore on the quality and value of the instrument.

23.2 Level of granularity

The Impaired instrument entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) reporting reference date, (d) contract identifier and (e) instrument identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every single and unique RRE relevant instrument at the level of the observed agent which is recognised and impaired should be included in the Impaired instrument entity.

23.3 Data attributes

23.3.1 Accumulated impairment amount

Definition: Accumulated impairment amount is the amount of loss allowances that are held against or are allocated to the instrument on the reporting reference date. This attribute applies to instruments subject to impairment under the applied accounting standard. Under IFRS, the accumulated impairment relates to the following amounts:
(i) loss allowance at an amount equal to 12-month expected credit losses;
(ii) loss allowance at an amount equal to lifetime expected credit losses.
Under GAAP, the accumulated impairment relates to the following amounts:
(i) loss allowance at an amount equal to general allowances;
(ii) loss allowance at an amount equal to specific allowances.

The attribute Accumulated impairment amount is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Accumulated impairment amount is to be considered as a dynamic attribute, i.e. the value of the attribute Accumulated impairment amount could change over time.

In the case of instruments subject to impairment, a positive amount of accumulated impairment amount is reported if credit losses are expected for the instrument or if general or specific allowances are associated with the instrument (or a portfolio to which the instrument belongs) in accordance with the respective accounting standard.

In the case of instruments for which the impairment is collectively assessed (where the attribute Impairment assessment method is reported as collectively assessed), the accumulated impairment amount that is determined for the total pool of instruments (to which the instrument is assigned for the purpose of the collective assessment) is allocated as appropriate to the individual instrument on the basis that only collectively assessed impairment amounts that are relevant for RRE eligible instruments within the pool assessed are included in the re-distribution (in order to avoid excessive impairments).

In principle, the accumulated impairment amount cannot exceed the principal amount of the instrument plus the accrued interest.

24. Instrument-protection received data

24.1 General aspects

In general, an instrument can have zero or more than zero protections received and a protection received can be related to one or several instruments. In the Instrument-protection received entity every single and unique combination of RRE relevant instrument and RRE relevant protection received at the level of the observed agent should be included.

24.2 Level of granularity

The Instrument-protection received entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) reporting reference date, (d) contract identifier and (e) instrument identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting). Every single and unique RRE relevant instrument at the level of the observed agent which is recognised and impaired should be included in the Impaired instrument entity.

24.3 Data attributes

24.3.1 Protection valuation approach at inception

Definition: Protection valuation approach at inception is the type of protection valuation; method used to determine the protection value at the inception of the instrument.

The attribute Protection valuation approach at inception is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Protection valuation approach at inception is to be considered as a static attribute, i.e. the value of the attribute Protection valuation approach at inception cannot change over time.

The protection valuation approach identifies the type of the protection valuation (or the method used to determine the protection value) from among an exhaustive list of values the attribute may assume. The type of valuation approach is in particular relevant for protection items which are valued at fair values (or market or long-term sustainable values in the case of real estate collateral).

The reporting agent reports the valuation method that was used to establish the protection value as reported in the attribute Original protection value.

Please note that if the original protection value is the notional amount, the value of the attribute Protection valuation approach at inception should be “other type of valuation”.

Otherwise, if the protection is not valued at its notional amount, then the valuation approach that was undertaken in the latest valuation is reported.

The value of the attribute Protection valuation approach can have one of the following domain values: mark-to-market; counterparty estimation; creditor valuation; third party valuation; other type of valuation.

RRE does not specify a priority as regards the protection valuation approach, because there is no intention to restrict the choice of the reporting agents for the appropriate protection valuation approach and thereby to impose an additional constraint.

Accordingly, RRE does not require reporting agents to change or enhance (any step in) the process of protection valuation. On the contrary, the attribute is intended to indicate which kind of valuation process reporting agents actually have in place.

For the sake of consistency, under the term creditor valuation, it is also presumed that the actual valuation is performed by a reporting agent by means of a quantitative valuation model (rather than by an appraiser as such) following a methodology applied by the reporting agent. Similarly, third party valuation, besides valuations carried out by appraisers, includes also valuations by means of quantitative techniques and methodologies of which neither the debtor nor the creditor have any control.

However, reporting agents will naturally face constraints as regards the available valuation approaches. For example, a quoted price, which is the most recent price at which an investment (or any other type of asset) has traded in an active market, will only be available for a subset of protection items which are traded in an active market.

Please find below additional details on each domain value.

Mark-to-market is a valuation method whereby the protection value is based on unadjusted prices quoted at an exchange for identical assets and liabilities in an active market.

Please note that if the original protection value is the fair value and has been established in organised markets, the domain value “mark-to-market” is reported as the protection valuation approach. This in particular regards the following protection items:

- gold is valued at the price established in organised gold markets;
- listed shares are valued at their fair value, represented by the mid-market price observed on the stock exchange or other organised financial markets.

Counterparty estimation is a valuation method whereby the valuation is carried out by the protection provider.

For protection items whose value (other than a notional amount) has been established by the protection provider, other than the creditor, the domain value “counterparty estimation” is reported. This in particular may regard equity and investment fund shares/units that are valued at their fair values.

Creditor valuation is a valuation method whereby the valuation is carried out by the creditor. The valuation may be undertaken by an external or staff appraiser who possesses the necessary qualifications, ability and experience to execute a valuation and who is not independent from the credit decision process.

For protection items whose fair value (or market or long-term sustainable value in the case of real estate collateral) has been established by the creditor (or by a methodology which is controlled by the creditor), then the protection valuation approach is reported as “creditor valuation”.

This in particular may regard the following cases:

- unlisted shares valued at their fair value which is estimated on the basis of a methodology controlled by the creditor;
- leased assets valued at their fair value following a valuation methodology controlled by the creditor where the asset value is calculated with the use of asset valuation curves;
- commercial real estate valued at a long-term sustainable value which was based on an appraisal carried out by an appraiser hired by the creditor;
- residential real estate valued at its market value which was based on an appraisal carried out by an appraiser hired by the creditor.

Third party valuation is a valuation method in which the valuation is provided by an appraiser who is independent of the credit decision process.

For protection items whose fair value (or market or long-term sustainable value in the case of real estate collateral) has been established by a third party (or by a methodology which is not controlled by the creditor), then the protection valuation approach is reported as “third party valuation”.

This in particular may regard the following cases:

- unlisted shares valued at their fair value which is estimated on the basis of a methodology not controlled by the creditor;
- leased assets valued at their fair value following a valuation methodology not controlled by the creditor where the asset value is calculated with the use of asset valuation curves;
- commercial real estate valued at its market value following a valuation carried out by a third party appraiser, over which the creditor has no control;
- residential real estate valued at its market value following a quantitative valuation technique (using a publicly available house price index) developed by a third party over which the creditor has no control.

Other type of valuation is any other type of valuation that is not included in the previous categories of valuation approaches.

Please be aware that this attribute should only be filled out in case the instrument has been granted on 01-01-2012 or later, i.e. the instrument has an inception date of 2012-01-01 or later. In case the instrument was granted prior to 01-01-2012, the attribute should only be reported on a best effort basis when the information is available.

24.3.2 Original protection value

Definition: Original protection value is the amount of the protection value related to the protection received at the inception of the instrument for which the protection was received.

The attribute Original protection value is a mandatory attribute. The attribute Original protection value is to be regarded as static attribute, i.e. as the attribute refers to an original value, the value of the attribute Original protection value cannot change over time.

The protection value is the monetary value of the protection item that was established at the inception of the instrument for which the protection item was received.

The protection value reflects the total value of the protection being either its notional amount, if relevant, or otherwise an amount that best represents the value of the protection, established at the inception of the instrument.

The total protection value without considering any (regulatory) haircuts is reported.

A protection item can have several original protection values in case the protection item is used as protection for several instrument, at different moments in time. This means that each combination of instrument and protection received has its own original protection value.

The total (gross) protection value is reported without applying any (regulatory) haircuts (i.e. deductible percentage that is applicable if certain conditions are met). In other words, no haircuts are applied to protection values.

In line with the general rule that an amount denominated in a currency other than euro is converted into euro using the respective exchange rate as of the date to which the amount refers, the exchange rate on the date of protection value is used to convert the original protection currency into euro and, consequently, the protection value is not updated at a reporting reference date.

24.3.3 Date of original protection value

Definition: Date of original protection value is the date on which the latest appraisal or valuation of the protection was carried out prior to its initial receipt as credit protection.

The attribute Date of original protection value is a mandatory attribute. The attribute Date of original protection value is to be considered as a static attribute, i.e. as the attribute refers to an original value, the value of the attribute Date of original protection value cannot change over time.

This attribute captures the date of the original valuation of the protection as reported in the attribute Original protection value.

24.3.4 Protection allocated value

Definition: Protection allocated value is the maximum amount of the protection value that can be considered as credit protection for the instrument. The amount of the existing third parties or observed agent priority claims against the protection must be excluded in the protection allocated value.

The attribute Protection allocated value is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Protection allocated value is to be considered as a dynamic attribute, i.e. the value of the attribute Protection allocated value can change over time.

In the context of RRE, the protection allocated value is the maximum amount of the protection value that can be considered as credit protection for the instrument. The amount of the existing third party priority claims against the protection or priority claims against the protection of other instruments relating to the same observed agent is excluded when deriving the protection allocated value.

To clarify, RRE stipulates that, in order to determine a protection allocated value, an observed agent follows the collateral allocation principles that it uses internally for the risk management purposes. In this respect, RRE does not provide any standard allocation algorithm according to which observed agents determine the protection allocated value. Conversely, observed agents are not required to report the protection allocated value in accordance with Part 2 of Annex V to the ITS, irrespective of whether or not the protection item in question is eligible for credit risk mitigation in accordance with the CRR. In particular, the protection allocated value may exceed the outstanding nominal amount of the instrument that the protection secures.

The reason why RRE does not require the protection allocated value to be determined in accordance with the ITS is that a broader approach to protection is taken in the context of RRE than in the CRR, where every protection item which secures the instrument is reported, irrespective of its eligibility for the calculation of the minimum capital requirements in accordance with the CRR/ITS. Consequently, it is not advisable to require that the allocation be carried out in accordance with the CRR/ITS while the scope of the protection that can be allocated and the required reporting frequencies are different across the frameworks.

Similarly, RRE does not require that a specific prioritisation of protection items (in cases where several protection items secure a particular instrument) or prioritisation of instruments (in cases where one protection item is associated with several instruments) be carried out. In this connection, it is clarified that banks can choose their own prioritisation rules to allocate received protection items to instruments.

The RRE requirement stipulates in particular that the allocation logic applied by an observed agent also takes into consideration amounts of the protection values that the observed agent allocates to other instruments which, owing to the limited scope of RRE, are not subject to RRE reporting (e.g. strict off-balance sheet instruments).

Generally, in the context of RRE, a distinction is made between the protection value taken in principle at its notional amount and the allocated protection value which takes the notional amount only as a starting point and then considers additional factors affecting the maximum amount of the protection value which can actually be considered as protection for the instrument (e.g. the mortgage inscription value, any third party priority claims, the quality or marketability of the protection, other instruments secured with this protection, etc.).

If a protection item is contractually assigned not to a particular instrument but to a debtor, this implicitly means that the protection item is linked to all instruments in relation to which this counterparty assumes the role of the debtor. Consequently, RRE requires that a record is reported for each combination of the protection item and an instrument in relation to the debtor in the instrument-protection received dataset.

By analogy, any protection item linked to a contract that gives rise to one or more instruments, rather than to individual instruments themselves, is reported in the instrument-protection received dataset in relation to every instrument that arises under the contract and that is subject to RRE reporting.

In both cases, the allocation of the protection value to the individual instruments secured by the protection item via the protection allocated value is carried out as in the standard case, where a protection item is explicitly linked to instruments rather than to a debtor or contract. In particular, any value of the protection item allocated to one instrument of a debtor to which this protection item is attached decreases the allocated value of the same protection item used to secure another instrument in relation to the same debtor.

All protection items received to secure instruments – and not only those that are eligible for the calculation of the minimum capital in accordance with the CRR – are allocated. Furthermore, it is clarified that, if a given protection item can be used to secure an instrument, then the instrument-protection received dataset includes such a link, irrespective of the protection allocated value, even if the protection allocated value amounts to “0”.

Please note, however, that any many-to-many relationship between protection items and instruments which may occur in relation to the so-called claims is also relevant in the context of RRE. In particular, the existence of such claims is implicitly captured in the requirements formulated in respect of the protection allocated value: if the creditor’s right to proceeds from liquidating a protection item (vis-à-vis an instrument) is limited by the amount specified in a claim, this limitation is considered when determining the maximum amount of the protection value that can be considered as credit protection for the instrument. As regards which other factors, besides the protection value, are taken into consideration by an observed agent when determining the protection allocated value, consider the example of a loan secured by a mortgage inscription for an amount lower than the market value/long-term sustainable value.

Please note that a mortgage inscription value may not be the only factor that affects the protection allocated value. Other relevant factors include:

- a third party priority claim that exists in relation to the protection item;
- the market conditions at which the protection item could be liquidated (a fair value of debt securities that would be obtained on the stock exchange or other organised financial market if the debt securities were to be liquated);
- the quality of the protection concerned (e.g. a portfolio of impaired loans pledged whose high notional amount is in principle not a good reflection of the maximum amount that an observed agent could consider as credit protection for the instrument);
- the quality of the issuer of the protection (e.g. for corporate bonds, information is used for the issuer of the bond and remaining tenor).

Please note that protection items are always reported only once in the protection received dataset (which records the information on the value of each item of collateral), irrespective of how many instruments they secure (which is reflected in the instrument-protection received dataset). Hence, there is no double-counting of the protection in the protection received dataset.

25. PD model debtor / contract / instrument

25.1 General aspects

A credit institution can model the probability of default on the level of the debtor, contract or instrument. A PD model specifies an algorithm for calculating an estimate of the probability of default of the debtor, contract or instrument. In general, for each debtor, contract or instrument zero or one PD models could be in use for calculating minimum capital requirements at a certain date. However, different PD models can be in use for the same debtor/contract/instrument at different reporting dates, which could lead to different assessments of the probability of default and other attributes which are the result of the model. This can be the result of a change of the model (e.g., through redevelopment) or of the rating approach (e.g. SA to AIRB) of a debtor/contract/instrument moving in or out of scope of a model, etc. Note also that multiple PD models could be applicable to different debtors/contracts/instruments at the same reporting date. A debtor could have multiple PDs, but these PDs are linked to two separate models (for example one for a credit card instrument and one for a mortgage instrument). In case a debtor has only one instrument, it could never have multiple PD models. Also, in case of multiple instruments, but a PD model on debtor level, could never lead to multiple PDs in one point in time. Always report the PD model that is used for calculating the capital requirements.

25.2 Level of granularity

The PD model debtor entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) counterparty role, (c) counterparty identifier, (d) reporting reference date, (e) PD model identifier. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting).

The PD model contract entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) contract identifier, (d) reporting reference date, (e) PD model identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting).

The PD model instrument entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) contract identifier, (d) instrument identifier (e) reporting reference date, (f) PD model identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting).

25.3 Data attributes

25.3.1 Initial PD

Definition: Initial PD is the model PD estimate excluding conservatism add-ons or overrides on which the PD used for calculating capital requirements for the corresponding exposure at the reporting reference data is based.

The attribute Initial PD is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Initial PD should be regarded as dynamic, i.e. the value of the attribute Initial PD could change over time.

The attribute Initial PD must be the PD estimate on which the regulatory PD used for calculating capital requirements at that reporting date is based. If the credit institution's PD model produces a rating grade which is mapped to a PD using a master scale, use the master scale which is used at the reporting date.

In case this parameter is not calculated in the model or in case capital requirements for the corresponding exposure are not reported under the IRB approach, please report the attribute Initial PD as “Non-applicable”.

In general, in case the debtor (attribute Default status of the counterparty) or instrument (attribute Default status of the instrument) is in default, the Initial PD should have a value of 1.

25.3.2 Regulatory PD

Definition: Regulatory PD is the model PD estimate used for the calculation of RWA using the Basel II formula.

The attribute Regulatory PD is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Regulatory PD should be regarded as dynamic, i.e. the value of the attribute Regulatory PD could change over time.

The regulatory PD should include the margin of conservatism. Taking into account the the loss given default (LGD), exposure type and - if applicable - effective maturity and size adjustment, the value of the attribute Regulatory PD should lead to the actual risk weighted assets (RWA) used for calculating capital requirements using the regulatory formula. Adjustments of the PD for maturities smaller than one year should not be included.

In case the capital requirement for the corresponding exposure are not reported under the IRB approach, please fill out the attribute Regulatory PD as "Non-applicable".

In general, in case the debtor (attribute Default status of the counterparty) or instrument (attribute Default status of the instrument) is in default, the Regulatory PD should have a value of 1.

25.3.3 Regulatory EL

Definition: Regulatory EL is the expected loss of the exposure in accordance with the corresponding probability of default, loss given default and exposure at default estimates.

The attribute Regulatory EL is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Regulatory EL should be regarded as dynamic, i.e. the value of the attribute Regulatory EL could change over time.

In case the capital requirement for the corresponding exposure are not reported under the IRB approach, please fill out the attribute Regulatory EL as "Non-applicable".

25.3.4 Regulatory RWA

Definition: Regulatory RWA is the risk weighted assets amount corresponding to the regulatory PD, as determined by the internal model of the credit institution, in accordance with the credit institution's own estimates of the RWA parameters.

The attribute Regulatory RWA is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Regulatory RWA should be regarded as dynamic, i.e. the value of the attribute Regulatory RWA could change over time.

In case the capital requirement for the corresponding exposure are not reported under the IRB approach, please fill out the attribute Regulatory RWA as "Non-applicable".

26. EAD model debtor / contract / instrument

26.1 General aspects

A credit institution can model the exposure at default on the level of the debtor, contract or instrument. An EAD model specifies an algorithm for calculating an estimate of the exposure at default of the debtor, contract or instrument. In general, for each debtor, contract or instrument zero or one EAD model could be in use for calculating minimum capital requirements at a certain date. However, different EAD models can be in use for the same debtor/contract/instrument at different reporting dates, which could lead to different assessments of the exposure at default and other attributes which are the result of the model. This can be the result of a change of the model (e.g., through redevelopment) or of the rating approach (e.g., SA to AIRB) of a debtor/contract/instrument moving in or out of scope of a model, etc. Note also that multiple EAD models could be applicable to different debtors/contracts/instruments at the same reporting date.

26.2 Level of granularity

The EAD model debtor entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) counterparty role, (c) counterparty identifier, (d) reporting reference date, (e) EAD model identifier. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting).

The EAD model contract entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) contract identifier, (d) reporting reference date, (e) EAD model identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting).

The EAD model instrument entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) contract identifier, (d) instrument identifier (e) reporting reference date, (f) EAD model identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting).

26.3 Data attributes

26.3.1 Regulatory EAD

Definition: Regulatory EAD is the exposure at default used for calculating capital requirements for the corresponding exposure in the reporting reference period. The regulatory EAD should be on gross basis, i.e. without netting of collateral and guarantees.

The attribute Regulatory EAD is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Regulatory EAD should be regarded as dynamic, i.e. the value of the attribute Regulatory EAD could change over time.

In case the capital requirement for the corresponding exposure are not reported under the IRB approach, please fill out the attribute Regulatory EAD as “Non-applicable”.

26.3.2 Regulatory EL

See paragraph 25.3.3

26.3.3 Regulatory RWA

See paragraph 25.3.4

27. LGD model debtor / contract / instrument

27.1 General aspects

A credit institution can model the loss given default on the level of the debtor, contract or instrument. An LGD model specifies an algorithm for calculating an estimate of the loss given default of the debtor, contract or instrument. In general, for each debtor, contract or instrument zero or one LGD model could be in use for calculating minimum capital requirements at a certain date. However, different LGD models can be in use for the same debtor/contract/instrument at different reporting dates, which could lead to different assessments of the loss given default and other attributes which are the result of the model. This can be the result of a change of the model (e.g., through redevelopment) or of the rating approach (e.g., SA to AIRB) of a debtor/contract/instrument moving in or out of scope of a model, etc. Note also that multiple LGD models could be applicable to different debtors/contracts/instruments at the same reporting date.

27.2 Level of granularity

The LGD model debtor entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) counterparty role, (c) counterparty identifier, (d) reporting reference date, (e) LGD model identifier. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting).

The LGD model contract entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) contract identifier, (d) reporting reference date, (e) LGD model identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting).

The LGD model instrument entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) contract identifier, (d) instrument identifier (e) reporting reference date, (f) LGD model identifier. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting).

27.3 Data attributes

27.3.1 LGD best estimate

Definition: LGD best estimate is the best estimate of the loss given default (or economic / estimated long term average LGD) excluding downturn effects and conservatism, as a fraction of the exposure at default exposure at default (regulatory EAD), on which the LGD used for calculating capital requirements for the corresponding exposure is based.

The attribute LGD best estimate is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute LGD best estimate should be regarded as dynamic, i.e. the value of the attribute LGD best estimate could change over time.

If the LGD model does not explicitly distinguish between the best estimate LGD and the downturn LGD, please report the attribute LGD best estimate as "Non-applicable" but do fill out the attributes Regulatory downturn LGD and Downturn LGD excluding add-ons.

For exposures in default, please fill out the applicable ELBE (Expected Loss Best Estimate) used to derive capital requirements.

In case this sub-parameter is not calculated in the model or the capital requirement for the corresponding exposure are not reported under the IRB approach, please fill out the attribute LGD best estimate EAD as "Non-applicable".

27.3.2 Probability of cure

Definition: Probability of cure is the probability that the debtor, contract or instrument – given that it's in default – will result in a return of the debtor, contract or instrument to a non-defaulted status . This should be the estimate on which the LGD used for calculating capital requirements for the corresponding exposure is based.

The attribute Probability of cure is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Probability of cure should be regarded as dynamic, i.e. the value of the attribute Probability of cure could change over time.

In case the capital requirements for the corresponding exposure are not reported under the IRB approach or in case the institution does not base the LGD estimate on a probability of cure of the debtor, contract or instrument, please report the attribute Probability of cure as "Non-applicable".

27.3.3 Downturn LGD excluding add-ons

Definition: Downturn LGD excluding add-ons is the estimate of the downturn loss given default (DLGD) excluding any margin of conservatism or conservative adjustments, on which the LGD used for calculating capital requirements for the corresponding exposure is based.

The attribute Downturn LGD excluding add-ons is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Downturn LGD excluding add-ons should be regarded as dynamic, i.e. the value of the attribute Downturn LGD excluding add-ons could change over time.

For exposures in default, please fill out the applicable in-default downturn LGD estimate. In case this sub-parameter is not calculated in the model or in case capital requirements for the corresponding exposure are not reported under the IRB approach, please report the attribute Downturn LGD excluding add-ons as "Non-applicable".

27.3.4 Regulatory downturn LGD

Definition: Regulatory downturn LGD is the estimate of the downturn loss given default (DLGD) used for calculating capital requirements calculations for the corresponding exposure.

The attribute Regulatory downturn LGD is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Regulatory downturn LGD should be regarded as dynamic, i.e. the value of the attribute Regulatory downturn LGD could change over time.

For exposures in default, please fill out the applicable in-default downturn LGD estimate. In case capital requirements for the corresponding exposure are not reported under the IRB approach, please report the attribute Regulatory downturn LGD as “Non-applicable”.

27.3.5 Regulatory EL

See paragraph 25.3.3

27.3.6 Regulatory RWA

See paragraph 25.3.4

28. LGD model-protection received

28.1 General aspects

A credit institution can develop a loss given default model for exposures with protections. Often, the LGD is based, among others, on (implied) estimates of the expected recoveries on each of the protections in case of default. The estimated recoveries are therefore linked to an LGD model. An LGD model is a mathematical simplified representation of the real world which facilitates the assessment of the loss given default and other relevant variables. In general, for each protection received zero or more LGD model could be developed which could lead to different model results.

28.2 Level of granularity

The LGD model-protection received entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) protection identifier, (c) reporting reference date, (d) LGD model identifier. This indicates that the uniqueness of each record should be assessed at the level of the reporting agent (which coincides with the observed agent in the current setting of RRE reporting).

28.3 Data attributes

28.3.1 Estimated recovery amount

Definition: The estimated recovery amount is the estimated total recovery amount in case of default corresponding to the protection value, according to the credit institution’s best estimate, as used in the LGD best estimate and on which the LGD used for calculating capital requirements for the corresponding exposure is based.

The attribute Estimated recovery amount is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Estimated recovery amount should be regarded as dynamic, i.e. the value of the attribute Estimated recovery amount could change over time.

In case this sub-parameter is not calculated in the model or in case capital requirements for the corresponding exposure are not reported under the IRB approach, please report the attribute Estimated recovery amount as “Non-applicable”.

28.3.2 Estimated downturn recovery amount

Definition: The estimate downturn recovery amount is the estimated total recovery amount during an economic downturn in case of default corresponding to the protection valu and on which the LGD used for calculating capital requirements for the corresponding exposure is based.

The attribute Estimated downturn recovery amount is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Estimated downturn recovery amount should be regarded as dynamic, i.e. the value of the attribute Estimated downturn recovery amount could change over time.

In case this sub-parameter is not calculated in the model or in case capital requirements for the corresponding exposure are not reported under the IRB approach, please report the attribute Estimated downturn recovery amount as “Non-applicable”.

29. Drawn instrument

29.1 General aspects

The entity Drawn instrument is a subtype of the Instrument entity. An instrument can either be drawn instrument or an undrawn instrument. An instrument is drawn in case the credit institution has actually advanced funds to a debtor.

29.2 Level of granularity

The Drawn instrument entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) contract identifier, (d) instrument identifier and (e) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting).

29.3 Data attributes

29.3.1 Settlement date

Definition: Settlement date is the date on which the conditions specified in the contract are or can be executed for the first time, i.e. the date on which financial instruments are initially exchanged or created.

The attribute Settlement date is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Settlement date should be regarded as a static attribute, i.e. the attribute is not considered to change during the lifecycle of the instrument.

The settlement date of an instrument is the date on which the instrument was used or drawn for the first time after the inception date of the instrument. In that regard, the settlement date is the date on which funds are fully or partially disbursed. Please note that the settlement date refers to the instrument rather than to the contract on the basis of which the instrument is created. In other words, in contrast to the inception date - which is specified in the contract - the settlement date is instrument-specific and based on the actual usage of the terms specified in the contract. In particular, the settlement date for fixed sum credit arrangements is the date of the first pay-out of the amounts, if such pay-outs have already taken place.

Further, the settlement date for revolving credit instruments, where the debit balance can be replenished by the debtor, is the first date on which the funds were disbursed to the debtor.

The settlement date for debit balances on current accounts with no credit limit is the date on which the debit balance (as outstanding at the reporting reference date) arose. In this particular case the inception date and settlement date are the same.

In cases where no funds have even been drawn or disbursed under an instrument the settlement date is reported as “Non-applicable”.

29.3.2 Transferred amount

Definition: Transferred amount is the amount of the economic ownership of the financial asset which has been transferred.

The attribute Transferred amount is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Transferred amount should be considered as a dynamic attribute, i.e. the value of the attribute Transferred amount could change over time.

This attribute captures the part of the outstanding nominal amount that has been transferred to another creditor. Please note that this attribute refers to the amount transferred to third parties rather than amounts acquired from third parties. This attribute is primarily relevant in the case of transferred instruments, and in particular transferred as part of a traditional securitisation scheme.

Transferred instruments are those that have been granted or acquired by the observed agent and legally transferred (sold) to third parties but are still subject to RRE reporting vis-à-vis the observed agent because it retains the servicing rights of the instrument, regardless of whether the amount reported is in the balance sheet of the observed agent (i.e. independently of whether the instrument is entirely or partially recognised in the balance sheet). Please also refer to RRE Manual Part I for more information.

If an instrument is not transferred, i.e. if no amount of the instrument has been transferred, “0” is reported under this attribute. Otherwise, if an instrument is transferred, the transferred amount is a part of or the full outstanding nominal amount of the

transferred instrument (as reported at a reporting reference date) rather than the amount transferred at the transfer date. In other words, at any reporting reference date, the transferred amount specifies the part of the outstanding nominal amount which is not held by the observed agent which transferred (the part of) the instrument.
In any case, on a given reporting reference data, the amount reported in this attribute does not exceed the outstanding nominal amount. The transferred amount includes the part(s) of the outstanding nominal amount that have been transferred prior to or at a reporting reference date, i.e. including all amounts transferred before a reporting reference date, and not only the amounts transferred after the previous reporting reference date. The transferred amount does not include the accrued interests.
Regarding instruments that are fully transferred (sold) to a third party and which are no longer serviced by the observed agent, the observed agent generally report such instruments for RRE reporting once more on the reporting reference date which ends the reference period in which the instrument disappears, with the value Exit due to transfer in attribute Exit status. For more information on how to report instruments which disappear from RRE reporting, please refer to Manual Part I.

In case of a transfer of a written-off instrument, the amount received (i.e. the sale price) is in such case considered to be recoveries and is reported in the attribute Cumulative recoveries since default.

Please note that partially transferred instruments may be generally reported following one of the two broadly defined approaches:

- the bank splits a partially transferred instrument into multiple parts which are then considered individual instruments upon the transfer;
- the bank does not split a partially transferred instrument into parts and the partially

Bank splits a partially transferred instrument into multiple parts
In the case of a transferred instrument with multiple creditors (parts of the instrument held by two or more creditors, including the observed agent) where the observed agent actually perceives each transferred part as a separate instrument, each part is reported as an individual instrument accordingly. In fact, each of the transferred parts represents an instrument in its own right, with the observed agent reporting each part as long as it retains the servicing rights over the part (the observed agent does not act as creditor to this transferred part of the instrument), and the transferred amount equals the outstanding nominal amount reported for the part.

If the instrument is not split because of a partial transfer to multiple creditors, the transferred amount of the instrument represents the total of all parts transferred, irrespective of the creditor to which instrument parts were transferred.

However, regarding the non-transferred instrument part, where the observed agent acts as both creditor and servicer, the transferred amount is 0 (as this instrument part is not considered a transferred instrument).

Bank does not split a partially transferred instrument into parts
In cases where the partially transferred instrument is not split, the transferred amount of the instrument represents the total of all parts transferred irrespective of the creditor to which instrument parts were transferred.

Generally, taking the perspective of the observed agent which has transferred an instrument to other creditors, where the observed agent continues to act as servicer of the instrument, all the creditors to which the parts of the instrument are transferred are in principle reported in the creditor-instrument entity.

By contrast, taking the perspective of those creditors to whom the parts of the instrument are transferred, if they are observed agents for RRE themselves, they report their parts of the transferred instrument.

The following instruments are considered transferred:

- traditional securitisations when the servicer is the observed agent;
- other instruments sold, on condition that they remain serviced by the observed agent.

By contrast, the following instruments are in principle not considered as transferred:

- instruments subject to synthetic securitisations;
- instruments used as collateral to issue covered bonds;
- fiduciary loans;
- syndicated loans (which will in general not be very common in the context of RRE reporting).

Transferred amount for instruments in traditional securitisation
The following stylised examples of the treatment of securitisation transactions within the RRE framework serve as an illustration of how instruments transferred in a traditional securitisation are reported in the context of RRE.

The transferred amount reflects the part of the outstanding nominal amount that has been physically (in terms of balance sheet recognition) transferred from one creditor to another or others. It is therefore the amount which was derecognised in the balance sheet of the transferor for the benefit of the transferee.

Fully transferred loan to a financial vehicle corporation (FVC) in a securitisation transaction.

Credit institution Bank#A extends a loan Ins#1 to debtor Deb#1 on the basis of contract Con#A. On 15 December, Bank#A fully transfers the loan to an FVC (FVC#X) in traditional securitisation (true sale). Throughout the whole time considered, Bank#A acts as servicer. From the perspective of Bank#A as an observed agent, the reporting of the data is illustrated in Table A and Table B (before the transfer) and in Table C and Table D (after the transfer).

Table A – indication of financial data entity before transfer

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
1.	Bank#A	30-09-2018	Con#A	Ins#1	50000	0

Table B – indication of creditor/debtor/servicer-instrument date entity before transfer

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
1.	Bank#A	30-09-2018	Con#A	Ins#1	Bank#A	Creditor
2.	Bank#A	30-09-2018	Con#A	Ins#1	Bank#A	Servicer
3.	Bank#A	30-09-2018	Con#A	Ins#1	Deb#1	Debtor

Upon the true sale of the asset, FVC#X assumes the role of creditor of the instrument, while Bank#A ceases to act as creditor as reflected in Table D.

Table C – indication of financial data entity after transfer

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
1.	Bank#A	31-12-2018	Con#A	Ins#1	50000	50000

Table D – indication of creditor/debtor/servicer-instrument date entity after transfer

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
1.	Bank#A	31-12-2018	Con#A	Ins#1	FVC#X	Creditor
2.	Bank#A	31-12-2018	Con#A	Ins#1	Bank#A	Servicer
3.	Bank#A	31-12-2018	Con#A	Ins#1	Deb#1	Debtor
4.	Bank#A	31-12-2018	Con#A	Ins#1	Bank#A	Originator

In this case, Bank#A continues servicing the instrument and, in light of the fact that FVC#X is not an observed agent, Bank#A continues the reporting even after the transfer of the instrument, with the transferred amount indicating that the entire outstanding nominal amount has been transferred to the FVC. Any payment received after the transfer affects both the outstanding nominal amount and transferred amount. For example, Table E gives an illustration of how a payment by Deb#1 of EUR 3,000 in Q1 2019 is reflected in both amounts.

Table E – indication of financial data entity after transfer with payments received

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
1.	Bank#A	31-03-2019	Con#A	Ins#1	47000	47000

Bank#A continues to report the instrument as long as it meets the general criteria for reporting (see Manual Part I). The FVC, which is not an observed agent, does not report the instrument to RRE at all, not even after the transfer.

Partially transferred loan to an FVC in a securitisation transaction – credit institution does not split the instrument upon the transfer

Credit institution Bank#A extends a loan Ins#1 to debtor Deb#1 on the basis of contract Con#A. On 15 December, Bank#A transfers 40% of the loan to an FVC (FCV#X) in traditional securitisation. Throughout the observed time period, Bank#A acts as servicer of the loan. From the perspective of Bank#A as an observed agent, the reporting of the data is illustrated in Table A and Table B above (the situation before the transfer) and in Table F and Table G, where after the transfer Bank#A still considers Ins#1 as one instrument.

Table F – indication of financial data entity after the partial transfer

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
1.	Bank#A	31-12-2018	Con#A	Ins#1	50000	20000

Table G – indication of creditor/debtor/servicer-instrument date entity after the partial transfer

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
1.	Bank#A	31-12-2018	Con#A	Ins#1	FVC#X	Creditor
2.	Bank#A	31-12-2018	Con#A	Ins#1	Bank#A	Servicer
3.	Bank#A	31-12-2018	Con#A	Ins#1	Deb#1	Debtor
4.	Bank#A	31-12-2018	Con#A	Ins#1	Bank#A	Originator
5.	Bank#A	31-12-2018	Con#A	Ins#1	Bank#A	Creditor

Bank#A continues the reporting after the transfer as it continues to service the instrument, whereas FVC#X is not an observed agent. However, both the FVC and the bank act as creditor of Ins#1. The transferred amount specifies the part of the outstanding which is not held by Bank#A (the originator) as it is held by the FVC. Any payment received after the transfer affects the outstanding nominal amount and, depending on the securitisation contract, may also affect the transferred amount. In this example, due to the absence of any particular provisions, payments are distributed pro rata in the transferred amount. For example, a payment by Deb#1 of EUR 3,000 on Q1 2019 is reflected in full in the outstanding nominal amount while only 40% of it affects the transferred amount. This is illustrated in Table J.

Table J – outstanding and transferred amounts after the partial transfer

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
1.	Bank#A	31-03-2019	Con#A	Ins#1	47000	18800

Bank#A continues to report the instrument as long as it meets the general criteria for reporting (see Manual Part I). The FVC, which is not an observed agent, does not report the instrument to RRE at all, even after the transfer.

Securisation transaction – a loan partially transferred to an FVC credit institution does not split the instrument upon the transfer

On the basis of contract Con#A, Bank#A extends Ins#1 to debtor Deb#1. On 15 December, Bank#A transfers 40% of Ins#1 to an FVC (FVC#X) in a traditional securitisation. However, for reporting purposes Bank#A splits the partially transferred instrument into respective parts Ins#1#6 and Ins#1#4 which together replace the original instrument. Throughout the observed time period, Bank#A acts as servicer of the instrument as a whole. From the perspective of Bank#A as an observed agent, the reporting of the data is illustrated in Table A and Table B above (the situation before the transfer) and in Table K and Table L below (after the transfer).

Table K – indication of financial data entity after the partial transfer

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
1.	Bank#A	31-12-2018	Con#A	Ins#1#6	30000	0
2.	Bank#A	31-12-2018	Con#A	Ins#1#4	20000	20000

Table L – indication of creditor/debtor/servicer-instrument date entity after the partial transfer

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role

1.	Bank#A	31-12-2018	Con#A	Ins#1#6	Bank#A	Creditor
2.	Bank#A	31-12-2018	Con#A	Ins#1#6	Bank#A	Servicer
3.	Bank#A	31-12-2018	Con#A	Ins#1#6	Deb#1	Debtor
4.	Bank#A	31-12-2018	Con#A	Ins#1#4	Bank#A	Originator
5.	Bank#A	31-12-2018	Con#A	Ins#1#4	Bank#A	Servicer
6.	Bank#A	31-12-2018	Con#A	Ins#1#4	FVC#X	Creditor
7.	Bank#A	31-12-2018	Con#A	Ins#1#4	Deb#1	Debtor

Bank#A continues servicing both parts of Ins#1, and since FVC#X is not an observed agent, Bank#A reports two instruments in the instrument dataset. Ins#1#4 is the part of the instrument that is transferred (in which the FVC assumes the creditor's role) and is treated as a fully transferred instrument for which a transferred amount matching the outstanding nominal amount is reported. Meanwhile, Ins#1#6 is the part that is not transferred and therefore 0 is reported as the transferred amount. For the purpose of this example, it is assumed that any payment received after the transfer affects both amounts proportionally. For example, a payment by Deb#1 of EUR 3,000 in Q1 2018 is taken pro rata and reduces the outstanding nominal amount of Ins#1#6 by €1,800 and the outstanding nominal amount of Ins#1#4 by €1,200. In relation to Ins#1#4, the payment is also reflected in the transferred amount. This is illustrated in Table M.

Table M – outstanding and transferred amounts after the partial transfer

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
1.	Bank#A	31-03-2019	Con#A	Ins#1#6	28200	0
2.	Bank#A	31-03-2019	Con#A	Ins#1#4	18800	18800

Bank#A continues to report the instrument as long as it meets the general criteria for reporting (see Manual Part I). The FVC, which is not an observed agent, does not report the instrument to RRE at all, even after the transfer.

Transferred amount for sold instruments

Please consider the following stylised examples for an illustration of how the transferred amount is reported for sold (not securitised) instruments.

Sale of a non-performing loan to a third party (servicing stops)

Credit institution Bank#B extends a non-performing loan Ins#3 to debtor Deb#3 on the basis of contract Con#7. On 15 December Bank#B entirely sells off the loan to a third party buyer (BUYER#T) for a fraction (i.e. 15%) of its nominal amount, and at the same time Bank#B writes off the remaining part of the loan. Bank#B ceases to act as servicer of the loan after the sale. From the perspective of Bank#B as an observed agent, the reporting before the sale is analogous to the case illustrated in the example of "Fully transferred loan to an financial vehicle corporation (FVC) in a securitisation transaction" above and is not shown here. After the sale, Bank#B acts as neither creditor nor servicer of Ins#3. The after-sale reporting is illustrated in Table N and Table O.

Table N – indication of financial data entity after the sale

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Outstanding nominal amount	Transferred amount
1.	Bank#B	31-12-2018	Con#7	Ins#3	100000	100000

Please note that at the moment of sale, BUYER#T acquires the ownership of the instrument and assumes the roles of creditor and servicer while Bank#B ceases to act as creditor.

Table O – indication of creditor/debtor/servicer-instrument date entity after the sale

	Observed agent ID	Reporting reference date	Contract identifier	Instrument identifier	Counterparty identifier	Counterparty role
1.	Bank#B	31-12-2018	Con#7	Ins#3	BUYER#T	Creditor
2.	Bank#B	31-12-2018	Con#7	Ins#3	BUYER#T	Servicer
3.	Bank#B	31-12-2018	Con#7	Ins#3	Deb#3	Debtor

Bank#B reports the instrument for December 2018 with the value Exit due to transfer for the attribute Exit Status. Thereafter, the instrument disappears from RRE reporting.

30. Non-fixed interest instrument

30.1 General aspects

The entity Non-fixed interest instrument is a subtype of the Instrument entity. An instrument can either be a fixed interest instrument or a non-fixed interest instrument. An instrument is non-fixed in case the attribute Interest rate type in the Instrument entity is filled out with the value “Variable” or “Mixed”.

30.2 Level of granularity

The Non-fixed interest instrument entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) contract identifier, (d) instrument identifier and (e) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting).

30.3 Data attributes

30.3.1 Reference rate – reference rate value

Definition: Reference rate value is the reference rate value used for the calculation of the actual interest rate.

The attribute Reference rate – reference rate value is a mandatory attribute. The attribute Reference rate – reference rate value should be regarded as a dynamic attribute, i.e. the value of the attribute could change during the lifecycle of the instrument.

The following reference rate values are to be used as domain values: EURIBOR, USD LIBOR, GBP LIBOR, EUR LIBOR, JPY LIBOR, CHF LIBOR, MIBOR, OTHER SINGLE REFERENCE RATES, OTHER MULTIPLE REFERENCE RATES.

EONIA is reported as reference rate value EURIBOR and with maturity value OVERNIGHT.

Single reference rates which are not EURIBOR, USD LIBOR, GBP LIBOR, EUR LIBOR, JPY LIBOR, CHF LIBOR or MIBOR, are registered using the value OTHER SINGLE REFERENCE RATE.

Instruments using multiple reference rates are registered using the value "OTHER MULTIPLE REFERENCE RATES".

30.3.2 Reference rate – maturity value

Definition: Maturity value is the maturity value of the reference rate used for the calculation of the actual interest rate.

The attribute Reference rate – maturity value is a mandatory attribute. The attribute Reference rate – maturity value should be regarded as a dynamic attribute, i.e. the value of the attribute could change during the lifecycle of the instrument.

The following reference rate values are to be used as domain values: OVERNIGHT, ONE WEEK, TWO WEEKS, THREE WEEKS, ONE MONTH, TWO MONTHS, THREE MONTHS, FOUR MONTHS, FIVE MONTHS, SIX MONTHS, SEVEN MONTHS, EIGHT MONTHS, NINE MONTHS, TEN MONTHS, ELEVEN MONTHS, TWELVE MONTHS.

EONIA is reported as maturity value OVERNIGHT and with reference rate value EURIBOR.

30.3.3 Interest rate spread/margin

Definition: Margin or spread (expressed as a percentage) to add to the reference rate that is used for the calculation of the interest rate in basis points.

The attribute Interest rate spread/margin is a mandatory attribute. The attribute Interest rate spread/margin should be regarded as a dynamic attribute, i.e. the value of the attribute could change during the lifecycle of the instrument.

The value to be reported is the margin/spread added to the reference rate to account for the applied interest rate. The margin or spread is reported with a negative sign when it is deducted from the reference rate.

Otherwise, if no interest rate spread/margin applies, then the value to be reported is "Non-applicable".

31. Overdraft instrument

31.1 General aspects

The entity Overdraft instrument is a subtype of the Financial data entity. An instrument can be an overdraft instrument when the instrument complies with the definition of overdraft as mentioned in point 2(1)(c) of the Table in Part 2 of Annex II to Regulation

(EU) No 1071/2013 (ECB/2013/33) (i.e. BSI Regulation). In accordance with Regulation (EU) No 1071/2013 (ECB/2013/33) overdrafts are debit balances on current accounts.

Overdrafts are funds provided to debtors (being no monetary financial institution) in the form of balances on current accounts. An instrument (a debit balance) classified as an overdraft is necessarily one that arises on a current account, i.e. an account created with the primary goal of allowing credit balances mainly, although regular debit balances are also allowed on such an account. By contrast, a regular loan account or a revolving credit other than an overdraft is primarily intended only to have debit balances.

31.2 Level of granularity

The Overdraft instrument entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) contract identifier, (d) instrument identifier and (e) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting).

31.3 Data attributes

31.3.1 Current account type

Definition: Current account type is an indicator which makes a distinction between current account instrument with credit limit and current account instrument with no credit limit.

The attribute Current account type is a mandatory attribute. The attribute can be regarded as a dynamic attribute, i.e. the current account type is allowed to change over time.

The attribute Current account type can have one of the following domain values: current account instrument with credit limit and current account instrument with no credit limit.

Regarding current account instrument with credit limit, it is understood that this credit limit was granted under a credit contract which specifies the conditions on which the funds may be used. Such a contract may either be made at the same time as a current account is created or may be an addendum to the current account agreement made after the current account was created.

As regards current accounts which are not associated with a contractually agreed credit limit, debit balances may arise on such accounts in a number of cases, including:

- unauthorised debits;
- nostro/vostro accounts between two financial institutions other than deposits and reverse repurchase agreements.

32. Recognised instrument

32.1 General aspects

The entity Recognised instrument is a subtype of the Accounting data entity. A recognised instrument is in general an instrument which is on the balance sheet of the observed agent, in contrast to fully derecognised instruments being serviced. A recognised instrument includes entirely recognised instruments in accordance with Implementing Regulation (EU) No. 680/2014 and recognised to the extent of the institution's continuing involvement in accordance with Annex III and IV Template 15 Cell M3 of Implementing Regulation (EU) No 680/2014.

32.2 Level of granularity

The Recognised instrument entity is recorded at the level of the unique combination of the (a) reporting agent identifier, (b) observed agent identifier, (c) contract identifier, (d) instrument identifier and (e) reporting reference date. This indicates that the uniqueness of each record should be assessed at the level of the observed agent (which coincides with the reporting agent in the current setting of RRE reporting).

32.3 Data attributes

32.3.1 Accumulated write-off

Definition: Accumulated write-off is the cumulative amount of principal and past due interest of any debt instrument that the institution is no longer recognising because they are considered uncollectible, independently of the portfolio in which they were included. Write-offs could be caused both by reductions in the carrying amount of financial assets recognised directly in profit or loss and by reductions in the amounts of the allowance accounts for credit losses set off against the carrying amount of financial assets.

The attribute Accumulated write-off is a mandatory attribute. The attribute Accumulated write-off is a dynamic attribute, i.e. the value of the attribute Accumulated write-off can change over the lifecycle of the instrument.

Please note that in the context of RRE, write-off and write-down have the same meaning. Moreover, please note that an asset may also be partly written off.

In cases where the instrument has not been subject to a write-off in the period between the inception date of the instrument and the reporting reference date, the value "0" is to be reported.

Where there are recoveries after the write-off, the accumulated write-offs amount is updated (decreased) to take account of the recovery, provided that the instrument is subject to reporting to RRE at the respective reporting reference dates after the recovery.

As stated in Manual Part I, written-off instruments (and the respective accumulated write-off) should be reported until the instrument is forgiven by the credit institution.

32.3.2 Final loss amount

Definition: Final loss amount is total loss amount realized at the moment the instrument disappears from the balance sheet and/or exits the RRE reporting.

The attribute Final loss amount is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Final loss amount is to be considered as a dynamic attribute, i.e. the value of the attribute Final loss amount can change over de lifecycle of the instrument. As long as the instrument is recognised on the balance sheet of the observed agent ”Non-applicable” should be reported. Once, the instrument disappears from the balance sheet of the observed agent “Non-applicable” is changed to a positive numeric value (including zero).

The final loss amount includes all cumulative write-offs and, if applicable, any impairments up to reporting reference date. Once reported, the final loss amount should not increase afterwards. In the case of loss amounts assessed at the level of debtor (or contract), the loss amount is redistributed as appropriate to all individual instruments which were considered when establishing the debtor’s (or contract's) loss amount, including instruments which are not within the scope of the report.

An instrument could disappear from the balance sheet for several reasons, for example due to full repayment, due to refinancing, due to delinquency, due to transfer,

In case the final loss amount is only known on the level of the contract. The final loss amount for the instrument level should be calculated pro rata.

32.3.3 Impairment assessment method

Definition: Impairment assessment method is the method by which the impairment is assessed, if the instrument is subject to impairment in accordance with applied accounting standards. Collective and individual methods are distinguished.

The attribute Impairment assessment method is a mandatory attribute. The attribute Impairment assessment method is to be considered as a dynamic attribute, i.e. the value of the attribute Impairment assessment method could change over time.

This data attribute identifies the impairment assessment method in accordance with which the accumulated impairment amount is established for an instrument, if the instrument is subject to impairment in accordance with the accounting standard.

The attribute Impairment assessment method can have one of the following domain values: Individually assessed; Collectively assessed; Non-applicable. Please find below a more detailed description of the domain values.

Individually assessed is to be used if the instrument is subject to impairment in accordance with an applied accounting standard and is individually assessed for impairment.

Collectively assessed is to be used if the instrument is subject to impairment in accordance with an applied accounting standard and is collectively assessed for impairment by being grouped together with instrument with similar credit risk characteristics.

Non-applicable is to be reported in case the instrument is not subject to impairment in accordance with an applied accounting standard.

An instrument can be impaired on the basis of either an individually made assessment or a collectively made assessment. An instrument cannot be subject at the same time to an individual and a collective assessment of impairment.

For instruments subject to impairment in accordance with the applicable accounting standard, the attribute Accumulated impairment amount may be either “0” or a positive value.

Similarly to the data attribute Accumulated impairment amount, the attribute Impairment assessment method is reported as “Non-applicable” for instruments that are measured at fair value though profit or loss, i.e. for instruments that are not subject to impairment in accordance with the applied accounting standard.

33. Off-balance sheet amount

Definition: Off-balance sheet amount is the total nominal amount of off-balance sheet exposures. This includes any commitment to lend before considering conversion factors and credit risk mitigation techniques. It is the amount that best represents the institution’s maximum exposure to credit risk without taking into account any protection held or other credit enhancements.

The data attribute off-balance sheet amount is an attribute of the following entities:

- Current account instrument with credit limit
- Credit card debt instrument
- Revolving credit other than overdrafts and credit card debt instrument
- Credit lines other than revolving credit instrument
- Other loans instrument

The attribute Off-balance sheet amount is a mandatory attribute, but is optional in stage 1 of RRE (see Manual part I for more information on stage 1 and 2). The attribute Off-balance sheet amount should be regarded as a dynamic attribute, i.e. the value of the attribute Off-balance sheet amount could change over time.

The off-balance sheet amount of an instrument is the undrawn amount available under the instrument. An amount larger than 0 is reported if the instrument’s outstanding nominal amount may be increased by drawings by the debtor or disbursement to the debtor in accordance with the provisions of the contract, without the need for changing the contract or other credit enhancements. In such cases, the off-balance sheet amount is the total amount that can be still drawn under this instrument in addition to the outstanding nominal amount so that the commitment amount (the credit limit, if relevant) is not exceeded.

If the outstanding nominal amount exceeds the amount which was committed in accordance with the contract under the instrument, the off-balance sheet amount to be reported is EUR 0.

Otherwise, if no amount can be drawn by or disbursed to the debtor without contractual changes, the off-balance sheet amount of the instrument is reported as ”Non-applicable”, i.e. there is no undrawn amount available under the instrument in accordance with the contract.

The off-balance sheet amount is the available undrawn amount of the instrument at the reporting reference date. The off-balance sheet amount does not include any amount effectively withdrawn by or disbursed to the debtor.

For the following types of instrument: credit card debt, revolving credits other than overdrafts and credit card debt, credit lines other than revolving credit and overdraft:

- a positive amount is reported if there is any available amount at the reporting reference date that can be withdrawn vis-à-vis the instrument;
- otherwise, “0” is reported if there is no available amount, given that there had been an off-balance sheet amount that could have been withdrawn vis-à-vis the instrument at the reporting reference date.

For example, for loans which have a fixed disbursement schedule (typically being credit lines other than revolving credit) where the total amount is disbursed to the debtor in a number of subsequent instalments (tranches) whose disbursement may or may not depend on additional conditions (such as progress of the project for which the financing is provided), the still-to-be disbursed amount is reported as the off-balance sheet amount. Please note that as subsequent instalments are disbursed, the off-balance sheet amount is adjusted (i.e. lowered) accordingly and is reported as 0 as soon as the total amount has been disbursed.

Please note that so-called bouwdepots (building deposits) should not be regarded as off-balance sheet amounts, but should be included in the nominal outstanding amount and in the attribute Bouwdepot amount. Please refer to that attribute for more information.

34. Table of references

Implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ%3AJOL_2014_191_R_0001
Regulation (EU) on the balance sheet of the monetary financial institutions sector (ECB/2013/33)	https://www.ecb.europa.eu/ecb/legal/date/2013/html/act_12951_amend.en.html
Regulation (EU) on interest rates applied by monetary financial institutions (ECB/2013/34)	https://www.ecb.europa.eu/ecb/legal/date/2013/html/act_12954_amend.nl.html
Regulation (EU) on the collection of granular credit and credit risk data (ECB/2016/13)	https://www.ecb.europa.eu/stats/money_credit_banking/anacredit/html/index.en.html
Regulation (EU) No 549/2013 on the European system of national and regional accounts in the European Union	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32013R0549
Recommendation on closing real estate data gaps (ESRB/2016/14)	https://www.esrb.europa.eu/mppa/recommendations/html/index.en.html