

EESTI PANK
GOVERNOR'S DECREE No. 5

Tallinn, 29 May 2012

Amendments to Decree No. 16 of the Governor of Eesti Pank from 9 November 2007
"Establishment of off-balance-sheet reporting of credit institutions"

The Decree is established under subsection 91 (1) of the Credit Institutions Act.

§ 1. The following amendments shall be made to Decree No. 16 of the Governor of Eesti Pank from 9 November 2007 "Establishment of off-balance-sheet reporting of credit institutions" (RTL 2007, 88, 1479; RT I 2010, 51, 329):

- 1) Section 4 shall be worded as follows:
 "(1) The reporting period for the reports referred to in section 3 is one month.
 (2) The reports referred to in Clauses 3 1) and 3 2) are submitted by the fifth banking day after the end of the reporting period and the report referred to in Clause 3 3) are submitted by the tenth banking day after the end of the reporting period.";
- 2) Subsection 5 (1) shall be worded as follows:
 "(1) The reports are submitted to Eesti Pank electronically as documents in the XML (eXtensible Markup Language) format as provided in the Eesti Pank Governor's Decree No 9 of 9 December 2011 "Requirements for submission of reports formatted as XML documents".";
- 3) Chapter 3 "Security of data exchange" shall be repealed;
- 4) Section 12 shall be worded as follows:
 "Definitions in this decree are within the meaning of Eesti Pank Governor's Decree No. 4 of 25 May 2012 "Supplementary reports on credit institutions' balance sheet".";
- 5) The decree shall be supplemented with section 16¹ in the following wording:
 "**§ 16¹. Definitions used for reports on investment services**
 Custodian is a credit institution or a financial institution providing the service of securities safekeeping, noting and/or settlements with securities.";
- 6) Appendix 3 "REPORT ON INVESTMENT SERVICES" shall be amended and adopted in new wording (as enclosed).

§ 2. The Decree shall be effective from 1 November 2012.

Andres Lipstok
Governor

REPORT ON INVESTMENT SERVICES

1. Purpose of report

Gathering information about financial assets acquired for and on behalf of the customers of a credit institution.

2. Area of report

2.1. The following are subject to coverage in the report:

2.1.1. Balances of securities and other financial assets of customers, acquired in the course of providing the following services:

- 1) Securities portfolio management within the meaning of clause 43 (1) 4) of the Securities Market Act;
- 2) Consultations within the meaning of clause 43 (1) 5) of the Securities Market Act, if this entails management of the customer's securities portfolio so that the customer provides instructions or consent for every transaction;
- 3) Securities safekeeping within the meaning of clause 44 1) of the Securities Market Act;

2.1.2. Financial assets acquired for and on behalf of the customers and subject to safekeeping by the reporting credit institution, which are not the object of the services stated in clause 2.1.1.

2.2. The area of the report does not cover:

2.2.1. Providing of the service of keeping the registry of shares, expressed as the performing of actions listed in section 121 of the Investment Funds Act;

2.2.2. Balances of the customers' assets, which the customers have acquired themselves via various trading platforms and which are not the object of the securities safekeeping service. The reporting credit institution may have information about such assets because it performs the transaction orders of the relevant customers;

2.2.3. the balances of securities in the securities account opened in the name of the customer in the Estonian Central Register of Securities, which are not the object of the services provided by the reporting credit institution as listed in clauses 2.1.1 and 2.1.2;

2.2.4. Derivative instruments being the object of the securities safekeeping service.

3. General requirements for data summarising

The balances, amounts and summary nominal values of these instruments that have coinciding identifiers have to be summarised as one row.

4. Report row structure

- 1) country code of the customer
- 2) customer
- 3) other financial institution
- 4) custodian
- 5) instrument category
- 6) special condition
- 7) country code of the instrument
- 8) service type
- 9) instrument location

- 10) instrument balance
- 11) amount of securities
- 12) summary nominal value of securities
- 13) ISIN code

1) Country code of the customer

The country code is based on customer residency. If identifying a customer's residency is impossible, the code will be XX.

2) Customer identifiers

Central government	1
Local government	2
State social security fund	13
Insurance company and pension fund	4
Other financial institution	5
Credit institution	6
Commercial undertaking of state and local government	7
Other commercial undertaking	8
Non-profit association	9
Private person	10
Central bank	12

3) Other financial institutions' identifiers

Estonian investment firm	1
Estonian management company	2
Estonian investment fund	3

The other financial institution's identifier will be 1 "Estonian investment firm", if the customer is an investment firm active under an Estonian activity license; 2 "Estonian management company", if the customer is a management company active under an Estonian activity license; or 3 "Estonian investment fund", if the financial assets belong to an investment fund managed by a management company active under an Estonian activity license.

For other customers, incl. management companies and investment firms providing cross-border services in Estonia, the identifier will be 0 (zero).

4) Custodian's identifier

Custodian	1
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This indicates a custodian for customer identifiers "credit institution" and "other financial institution". For other customer types and their credit institutions and other financial institutions which are not custodians, the custodian identifier will be 0 (zero). For instruments which are not securities, this identifier will also be 0 (zero).

5) Instrument category identifiers

Share and unit	1
Debt instrument	11
Derivative	3
Deposit	5
Investment fund unit	7
Other	8

This indicates the instrument belonging to the customer and being subject to administration by the reporting credit institution or which the reporting credit institution

has given under administration by another party with a contract, incl. securities which the customer has sold or loaned out with a repurchase transaction.

6) Special condition identifiers

Repurchase	1
Loan	6
Without special condition	4

The special condition 1 “Repurchase” records customer securities that have been sold by a repurchase agreement and 6 “Loan” includes lent securities. If the securities are not subject to any of the aforementioned special conditions or if they are other instruments, then the identifier will be 4 “Without special condition”.

7) Country code of the instrument

This indicates the country code according to the residence of the issuer/counterparty of the instrument stated on the report line.

In case of securities their residence is determined on the basis of the residence of the issuer of the securities; for other instruments it is the residence of the counterparty of the transaction with whom the reporting credit institution performed the transaction on behalf of the customer.

If it proves to be impossible to determine the residence of the issuer/counterparty, then the country code of the instrument may be assigned on the basis of the ISIN code or in case of lack thereof on the basis of the country where the instrument is being kept. If the residence of the issuer/counterparty cannot be determined, then this code will be XX.

8) Service type identifiers

Securities portfolio management service	4
Securities portfolio management service with securities safekeeping	5
Securities portfolio management service with consultations	6
Securities portfolio management service with consultations and securities safekeeping	7
Securities safekeeping	3
Other	8

This indicates the service provided to the customer by the reporting credit institution, regarding the instrument stated on the report line. Service type 4 “Securities portfolio management service” is assigned to instruments regarding which only the service stated in clause 43 (1) 4) of the Securities Market Act is provided. Service type 5 “Securities portfolio management service with securities safekeeping” is assigned if the customer’s securities are simultaneously the object of both the securities portfolio management service and the securities safekeeping service. Service type 6 “Securities portfolio management service with consultations” is assigned to instruments acquired as a result of providing a service described in sub-clause 2 of clause 2.1.1 of the area of the report. Service type 7 “Securities portfolio management service with consultations and securities safekeeping” is assigned if the customer’s securities are simultaneously the object of both the securities portfolio management service with consultations and the securities safekeeping service. If the securities stated on the report line are subject to only securities safekeeping service, then the service type identifier will be 8 “Securities safekeeping”. If other services are provided which entail safekeeping of the acquired instrument (except securities), then the service type identifier will be 5 “Other”.

9) Instrument location identifiers

Credit institution’s securities account	3
Credit institution’s nominee account	4
Customer’s securities account	5
Other	6

The instrument location identifier is assigned only if the securities are located on an account opened in the Estonian Central Register of Securities (ECRS). If the securities are located on a securities account or nominee account of the reporting credit institution, then the instrument location identifier will be 3 "Credit institution's securities account" or 4 "Credit institution's nominee account", respectively. If the securities are located on the customer's securities account, then the identifier will be 5 "Customer's securities account". In case of derivatives the instrument location identifier will be 6 "Other".

If the securities are not located in the ECRS or if the instruments stated on the report line are not securities within the meaning of the Securities Market Act, then the instrument location identifier will be 0 (zero).

10) Instrument balance

This indicates the monetary total value, i.e. the balance of the instruments stated on the report line. The balance of securities is shown as dirty price or fair value as of the end of the reporting period. The balance of securities, the dirty price or fair value of which cannot be determined, will be shown as nominal value or, in case of lack thereof, as the historical value of the securities. For fund units, the unit balance is shown as net asset value (NAV). For derivatives, only positive values are shown. For deposits, the balance will be shown as contractual value together with interests according to the accrual method. The balance will be shown as rounded to two decimal places.

11) Amount of securities

This indicates the number of the securities stated on the report line, as a count, if the securities have an ISIN code and the price of the securities is expressed as a monetary value.

In other cases, i.e. if the instruments are not securities, the securities have no ISIN code or the price of the securities is not expressed as a monetary value, the amount will be shown as 0 (zero).

The amount will be shown as a count, rounded to integer values.

12) Summary nominal value of securities

This indicates the sum of nominal values of the securities stated on the report line, if the securities have an ISIN code and the price of the securities is expressed as a percentage of the nominal value.

The summarised nominal value of the securities is shown in original currency, rounded to two decimal places.

In other cases, i.e. if the instruments are not securities, the securities have no ISIN code or the price of the securities is not expressed as a percentage of the nominal value, this value will be shown as 0 (zero).

13) ISIN code

This indicates the ISIN code of the securities. If the securities have no ISIN code, then the ISIN code will be shown as XX. For instrument types "Derivative", "Deposit" and "Other", the ISIN code will also be shown as XX.