

Asset Eligibility  
General Checks

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## Introduction

This document summarises the Asset Eligibility checks to be performed, including in respect of:

- Asset Types
- Exchanges
- Underlying asset class
- Countries
- Security credit ratings
- Deposit takers
- Government Issuers
- Approved Counterparties

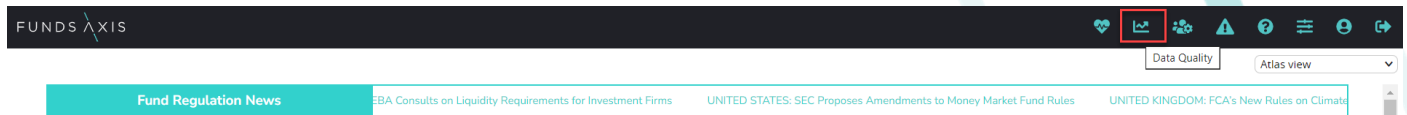
See separate document for CIS Asset Eligibility Checks.

For full regulatory background see the Taxonomy Documentation.

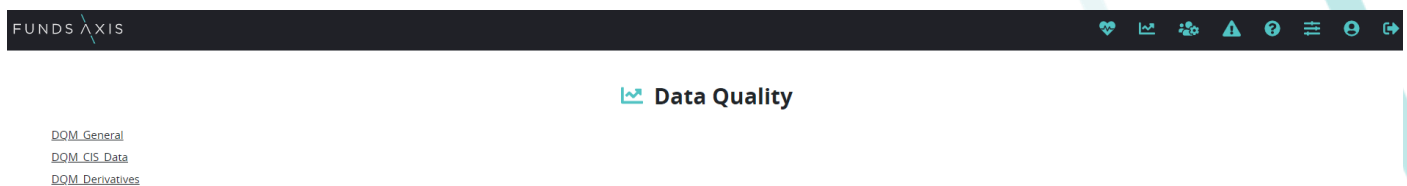
## Asset Eligibility Checks

These checks appear in the data quality module. The data quality module can be found along the top of the Highwire homepage.

The icon highlighted below will take you into the data quality reports.



Within the Data Quality module, you will see several different sub-modules.



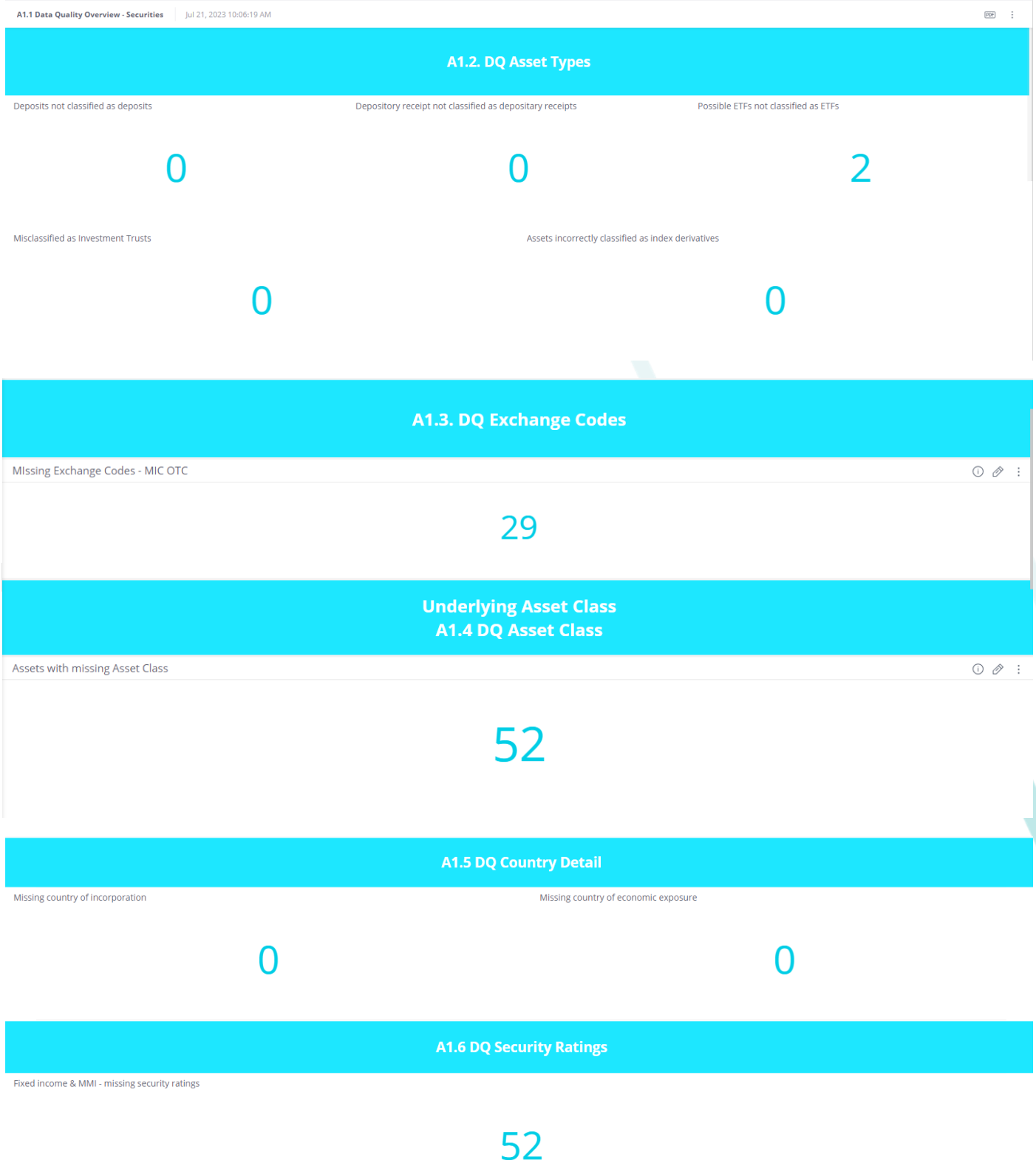
For the purposes of this document, we will focus on the DQM\_General reports.

## A1.1 Data Quality Overview - Securities

This report gives a high-level overview of the overall data quality status for the security data held across your portfolios.

Across the data quality reports we expect to see zero values populated. This indicates that there are no data quality issues across your portfolios.

DQM\_General



## A1.7 DQ Manually set as transferable

Equities - manually marked as transferable

Fixed Income & MMI - manually marked as transferable

0

0

Closed ended funds - manually marked as transferable

Structured products - manually marked as transferable

5

10

## A1.8 DQ Derivatives manually set as reliable valuation

Derivatives & Structured Products manually marked as having reliable valuation

0

You can use the filters on the right-hand side of the screen, to select the date of the data you wish to review, as well as deciding if you want to review specific portfolios.

**Filters** ↻ ⋮

---

▸ Days in date

7/19/23

---

portfoliorulesbatchname

Include all

---

portfoliotypegroup

Include all

---

portfolioname

Include all

To review any of the figures appearing in the data quality overview report, you can select the report filter dropdown and select the report you wish to see the detail of.

Data Quality / DQM\_General / 21

A1.1. Data Quality Overview - Securities

DQM\_General

## A1.2 DQ Asset types

This data quality report can be used to ensure that the set-up of specific types of securities has been completed correctly.

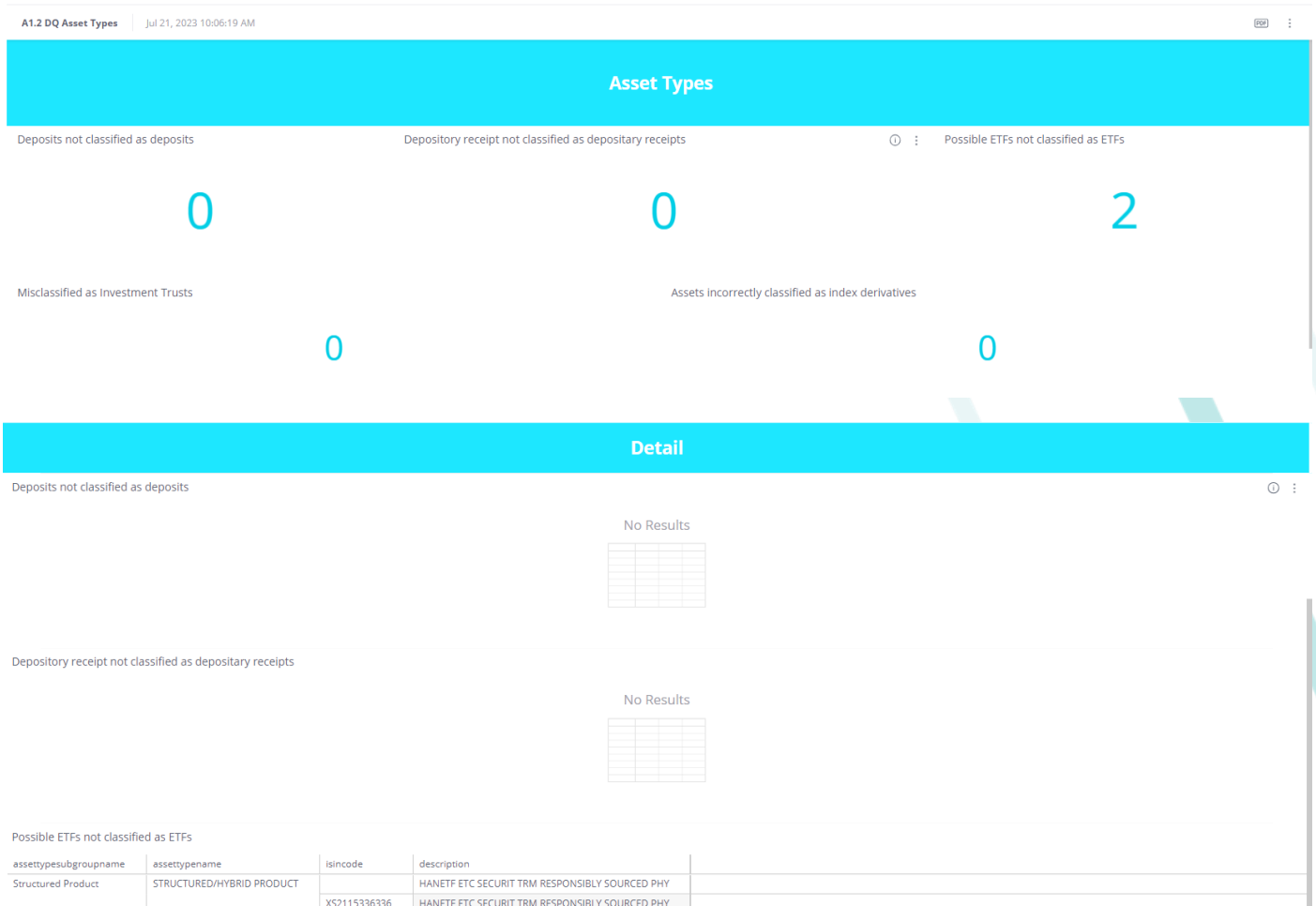
There are five reports to be monitored in this report:

1. Deposits not classified as deposits.
2. Depository receipts not classified as depository receipts.
3. Possible ETFs not classified as ETFs.
4. Misclassified as Investment Trusts
5. Assets incorrectly classified as index derivatives.

The detailed reports will flag any potential data quality issues with securities that are held across your portfolios.

It does not mean that every security that flags within the reports are data quality reports but can be used to identify possible issues.

### DQM\_General



No Results


Assets incorrectly classified as index derivatives

No Results


As we can see from the screenshots, the detailed reports reflect the numbers that are appearing within the overview reports.

### A1.3 DQ Exchange Codes

For UCITS monitoring, we would expect most securities to be on listed exchanges.

The purpose of this data quality report is to flag any securities that we would expect to have an exchange populated e.g., equities, futures, closed ended funds etc that have a blank or OTC exchange populated.

For this report some instruments have been excluded e.g., cash.

As before, not all the instrument's flagging in these reports will be data issues. There could genuinely been OTC or unlisted securities held on your portfolios, but the reports within the data quality section could be used to determine what are data issues and need to be investigated and resolved further.

#### A1.3. DQ Exchange Codes | Jul 21, 2023 10:06:19 AM

The report includes futures, equities, closed ended funds, & structured products.

For UCITS, we will expect most of these securities to be on exchange

The report excludes some instruments that will have exchanges (such as ETFs), index options, and some fixed income (i.e., GOPS).

Number of Securities with missing or 'OTC' exchange code

assetgroupname	assettypesubgroupname	exchange_mic	# of securities
Equities	Other Equities	OTC	11
Fixed Income	Fixed Income	OTC	9
Funds	Funds	OTC	9
# of securities			29

Equities with missing or 'OTC' exchange code

assetgroupname	assettypesubgroupname	assettypename	isincode	description	exchange_mic	Count
Equities	Other Equities	Equity	9000064	Genagro Ltd	OTC	1
			CA4969021985CAD	Kinross Gold Corp CVR	OTC	1
			GB00B0BV8078GBP	SOFIA PROPERTY FUND	OTC	1
			GB00B0D5V538GBP	RAVEN PROPERTY GROUP LIMITED	OTC	1
			GB00B1TR0310GBP	INLAND HOMES SUSP - SUSP. 03/04/23	OTC	1
			GG00B55K7B92GBP	RAVEN PROPERTY GP.PRF. SUSP - 17/03/2022	OTC	1
			IM00B1G3M512GBP	ORIGO PARTNERS SUSP - 28/04/2022	OTC	1
			IM00B3SXF94USD	ORIGO PARTNERS CV.PF.NPV	OTC	1
			JE00BJTLYP93GBP	MJ HUDSON GROUP SUSP - 12/12/2022	OTC	1
			LU0273211432GBP	INVISTA EUR.RLST.TST.	OTC	1
			US33765W1053USD	FIRSTGOLD DEAD - DELIST.13/02/13	OTC	1
Count						11

## Closed-ended Funds with missing or 'OTC' exchange code

assetgroupname	assettypesubgroupname	assettypename	isincode	description	isopenended	exchange_mic	Count
Funds	Funds	INVESTMENT TRUSTS	DUM2255	Highbridge Tactical Credit	false	OTC	1
			DUM2468	Glitner Shares	false	OTC	1
			DUM3359	Kaupthing Shares	false	OTC	1
			GB0001216000GBP	HENDERSON ALT.STGIS.TST.	false	OTC	1
			GB00B13YVW48GBP	HIGHBRIDGE MUGY.FD. - DUMMY	false	OTC	1
			GB00BJP5HK17GBP	HOME REIT SUSP - SUSP.03/01/23	false	OTC	1
			GB00BTLJYS47GBP	GABELLI VALUE PLUS + TRUST	false	OTC	1
			GG00B5NP8N53GBP	TAPESTRY INV.CO.MLT.STGY DEAD - 07/03/11	false	OTC	1
GG00BF243Y95GBP	EF REALISATION COMPANY	false	OTC	1			
Count							9

## Fixed income securities with missing or 'OTC' exchange code

assetgroupname	assettypesubgroupname	assettypename	isincode	description	exchange_mic	Count
Fixed Income	Fixed Income	CONV UNSECURED LOAN STOCK	US03236MAJ09	AMYRIS INC 1.5% CNV SNR 15/11/2026 USD	OTC	1
			US45781MAB72	INNOVIVA INC 2.5% CNV SNR 15/08/2025 USD	OTC	1
			US483379AA17	KALEYRA INC 6.125% CNV SNR 01/06/26 USD	OTC	1
			US695127AF73	PACIRA BIOSCIENCES 0.75% CNV SNR 01/08/25 USD	OTC	1
			US97717PAE43	WISDOMTREE INC 5.75% CNV SNR 15/08/28 USD	OTC	1
		Convertible/Secured	US62886HBD26	NCL CORP LTD 1.125% EXCH 15/02/2027 USD	OTC	1
		Corporate Bonds	DUM1359	Glitner Notes	OTC	1
		Secured/Guaranteed	XS1777698199	NOMURA INTL FDG 0% CRED/LKD 30/12/2023 USD	OTC	1
		Unsecured Loan Stock	US594918BC73	MICROSOFT CORP 3.5% SNR 12/02/2035 USD2000	OTC	1
Count						9

## Structured Products with missing or 'OTC' exchange code

No Results


## Futures with missing or 'OTC' exchange code

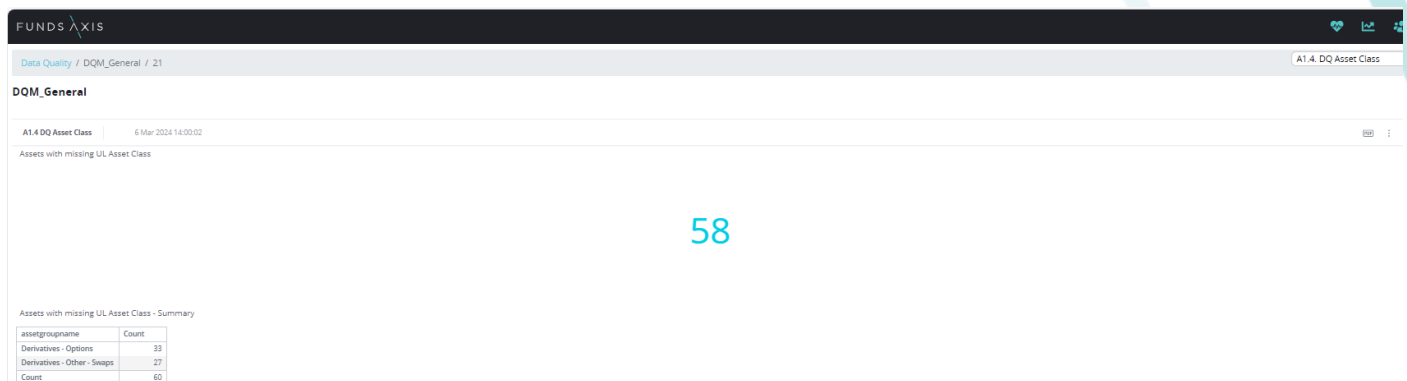
No Results

### A1.4. DQ Asset Class

This report can be used to identify which instruments do not have an underlying asset class assigned to them.

Although the underlying asset class will not impact your regulatory rules, it can be used for prospectus rules, so it is important to ensure that each instrument is assigned to an underlying asset class.

Please see appendix 1 on how to fix blank underlying asset classes.



**A1.4 DQ Asset Class** 6 Mar 2024 14:00:02

Assets with missing UL Asset Class

assetgroupname	Count
Derivatives - Options	33
Derivatives - Other - Swaps	27
Count	60



Assets with missing UL Asset Class - Detailed

assetgroupname	assettypename	securityid	internalcode	isincurrencycode	isincode	securitydescription	usl_assettypename	assetclass	Count
Derivatives - Options	CURRENCY OPTION						Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1
							Cash	N/A	1

### A1.5. DQ Country Detail

This report can be used to identify any securities held across your portfolios that do not have a country of incorporation, or country of economic exposure assigned to them, or have an UNKNOWN value assigned to them.

We would expect every instrument to have a country of incorporation and country of economic exposure assigned to them.

### A1.6. DQ Security Ratings

This report can be used to identify where we do not have a credit rating populated against Fixed Income and money market instruments (MMI). You can also amend the filters applied to the report to consider structured products if you choose to do so.

### A1.7 DQ Manually set as transferable.

This report can be used to identify any equities, fixed income, MMI, closed ended funds, or structured products that have been manually marked as transferable in the system.

Once these securities have been marked as transferable manually, then this should prevent them from flagging as exceptions/breaches in your investment compliance report.

The securities that appear in these reports should be reviewed to ensure that they are in-fact transferable securities.

### A1.8 DQ Derivatives manually set as reliable valuation.

This report can be used to identify which derivative and structured product instrument have been manually marked as having a reliable valuation.

Once these securities have been marked as having reliable valuation manually, then this should prevent them from flagging as exceptions/breaches in your investment compliance report.

The securities that appear in these reports should be reviewed to ensure that they do have a reliable valuation.

## **A2.3. DQ Funds invested into – Closed ended funds.**

This report can be used to review the set-up of your closed ended funds across your portfolios.

We would expect all closed ended funds (including investment trusts) to be listed on an exchange and to have their fund structure marked as closed ended.

## **A3.1. Cash and Deposits Eligible Institutions**

This report can be used to identify which counterparties are being used across your portfolios.

For example, we would not expect to see a counterparty of Tesco or BP used across your portfolios.

This report should be used to ensure that all counterparties used on your portfolios are eligible counterparties and would be considered acceptable deposit takers.

An acceptable deposit taker can be defined as below:

(a) if the account is opened at a branch in the United Kingdom:

(i) the Bank of England; or

(ii) the central bank of a member state of the OECD; or

(iii) a bank; or

(iv) a building society; or

(v) a bank which is supervised by the central bank or other banking regulator of a member state of the OECD; or

(b) if the account is opened elsewhere:

(i) a bank in (a); or

(ii) a bank which is regulated in the Isle of Man or the Channel Islands; or

(c) a bank supervised by the South African Reserve Bank; or

(d) any other bank that:

(i) is subject to regulation by a national banking regulator.

(ii) is required to provide audited accounts.

(iii) has minimum net assets of £5 million (or its equivalent in any other currency at the relevant time) and has a surplus revenue over expenditure for the last two financial years; and

(iv) has an annual audit report which is not materially qualified.

## A3.2. Government Issuers

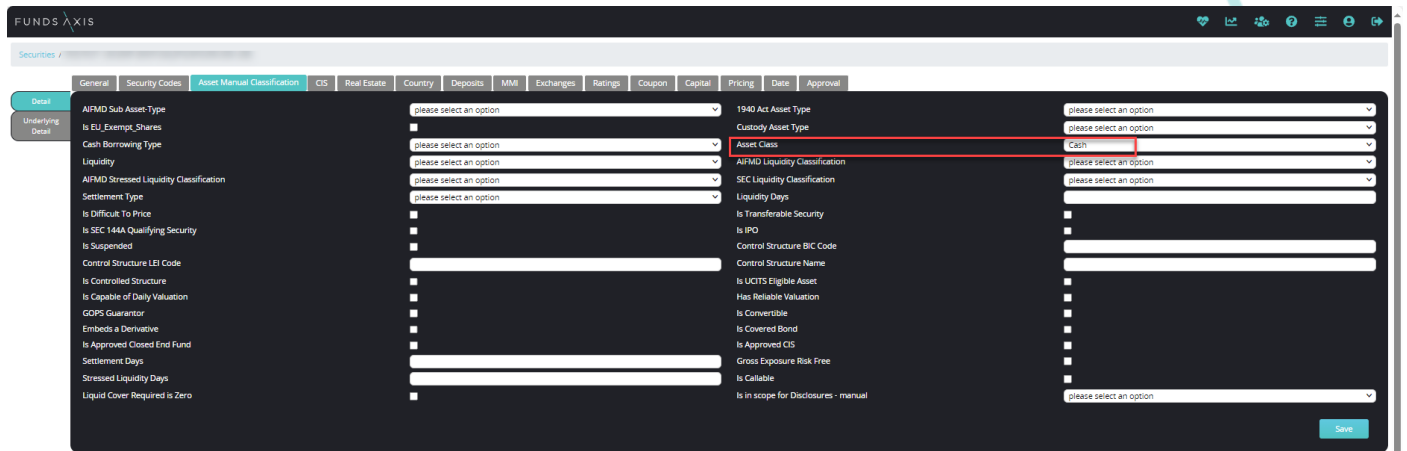
This report can be used to review which issuers are being flagged as Government issuers, and to review any issuers that should be potentially categorised as Government issuers.

Please also see the document GOPS classification which outlines how Government issuers are determined in the security data.

## Appendix 1 – Updating asset class

To update the asset class for a security, you can take the security identifier that appears for the security and search for the security in Manual Data Management, Securities.

Once in the security, go to the asset manual classification tab and update the field asset class with the relevant asset class to be applied.



# FUNDS AXIS




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