

# WL Portfolio Pricing (QPS4)

Worldline Europe  
*The reference  
in Financial Data Services*

## The Company

In 2006, CETREL Securities S.A. has been created as a **regulated company** supervised by the CSSF and dedicated to financial data services and regulatory reporting. In July 2023, CETREL Securities merged into Worldline Europe S.A.

## Main Features

- Common rule set with integration of client specific control and validation points
- Continuous legal observatory to keep in line with changing regulations
- User community driven product
- Optimized for private banking and fund valuation purposes
- Full Audit trail per security per day
- Multi data vendor compatible with cross checks

## Product Description

Portfolio Pricing (QPS4) is an advanced pricing service, enabling the daily establishment of **an appropriate valuation price** (according specific pricing policies or "Fair Value" (IFRS13)) for the portfolio holdings of investment

funds or private banking portfolios as well as continuous monitoring thereof. Portfolio Pricing (QPS4) monitors and determines valuation prices on the basis of client-specific.

A number of provisions and requirements must be taken into account when valuing the portfolio holdings. The aim should be to ensure the uniform and constant valuation of as many assets as possible.

The regulatory framework for e.g. regulated funds includes in particular:

- UCITS IV: European Directive ruling the common standards for Undertakings for Collective Investments in Transferable Securities
- UCITS – EAD: The UCITS Eligible Assets Directive
- IFRS-13: Int'l Financial Reporting Standards
- IAS: Int'l Accounting Standards under the provisions and framework of IFRS. Particularly IAS39 concerning fair value measurement for financial assets.
- KARBV "Kapitalanlage Rechnungslegungs- und Bewertungsverordnung", i.e. the German legislation regarding the accounting & valuation principles applicable to investment vehicles.

SOMEDIA NETWORKS INC.

SUSPECT | price deviation

▼ Suspect Asset Details

Asset: SOMEDIA NETWORKS INC. Price: 0.290000

Asset Group Name: Share, unit, particip. cert. Currency: CAD

Price Date: 2014-04-21 Quotation Type: UNIT

Asset Maturity Date: Price Description:

Suspect Type: price deviation Price Level: 1

Deviation: 9.38 Price Hierarchy: 05010001

Tolerance: 7 Info Market: TMX Group Ltd, TSX Venture Ex

Unit For Tolerance: % Market Level: 1A

Adjustment Factor: 1 Bid Ask Spread:

Provider: IAS39 Volume: 128000

Mandate:

Identifier Value Asset comment

|             |               |  |
|-------------|---------------|--|
| BB_TICKER   | VID CN Equity |  |
| CH          | 21675199      |  |
| DE_WKN      | A1XD3E        |  |
| INTERNAL_ID | A1XD3E        |  |
| ISIN        | CA8344571036  |  |
| MAIN_TK     | CA8344571036  |  |

Price comment:

Comment Date User

▼ Historical Details

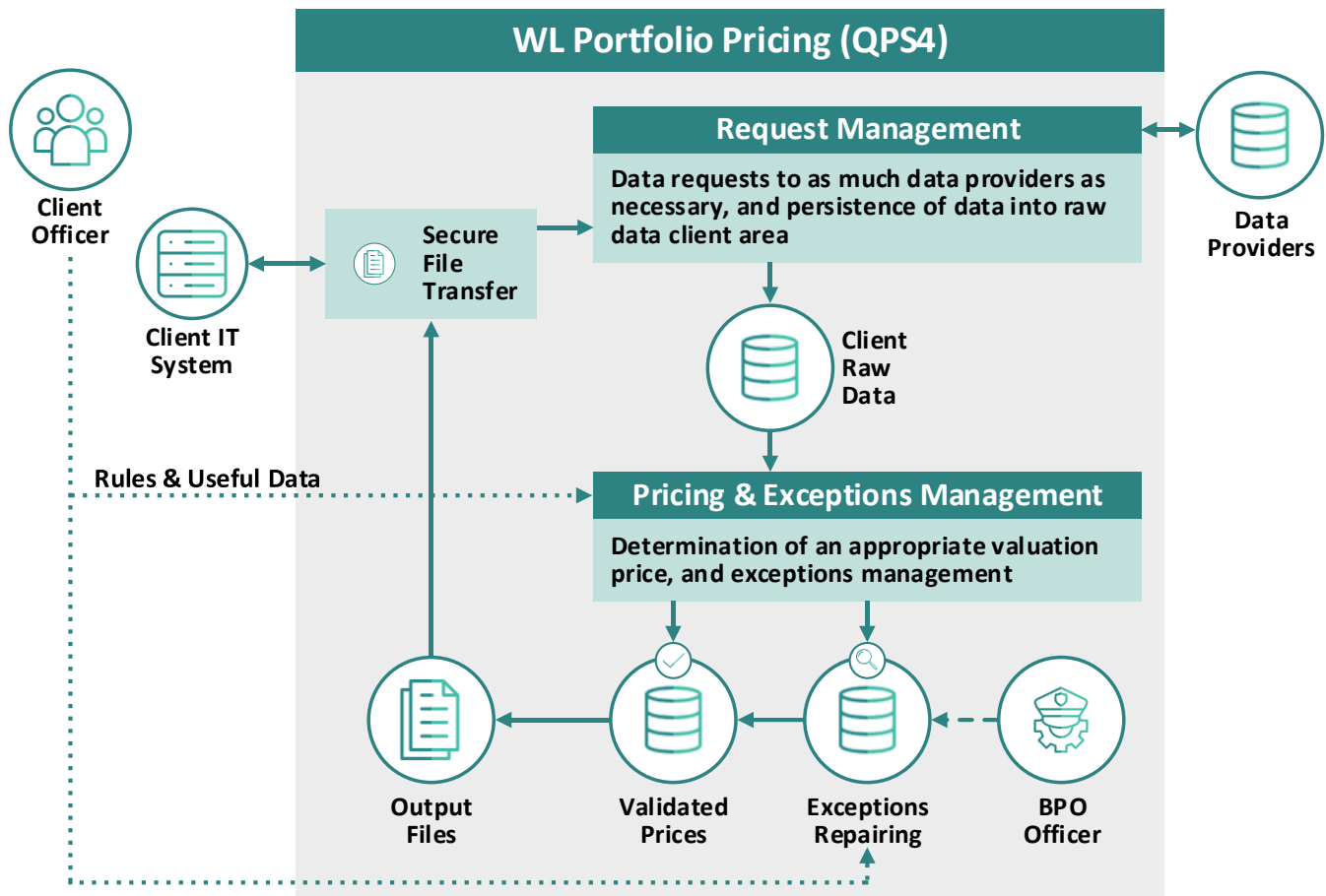
| Last update date    | Last update user | Price    | Quotation type | Currency | Price date | Pricing date | Info market           | Market level | Price Info | Price level | Hierarchy | Provider | Suspect state | Suspect type    |
|---------------------|------------------|----------|----------------|----------|------------|--------------|-----------------------|--------------|------------|-------------|-----------|----------|---------------|-----------------|
| 22/04/2014 00:00:00 | oracle           | 0.290000 | UNIT           | CAD      | 21/04/2014 | 21/04/2014   | TMX Group Ltd, TSX Vi | 1A           |            | 1           | 05010001  | IAS39    | SUSPECT       | price deviation |
| 19/04/2014 00:00:00 | oracle           | 0.320000 | UNIT           | CAD      | 17/04/2014 | 18/04/2014   | TMX Group Ltd, TSX Vi | 1A           |            | 1           | 05010001  | IAS39    | SYSTEM VALID  | OK              |
| 18/04/2014 00:00:00 | oracle           | 0.320000 | UNIT           | CAD      | 17/04/2014 | 17/04/2014   | TMX Group Ltd, TSX Vi | 1A           |            | 1           | 05010001  | IAS39    | SYSTEM VALID  | OK              |
| 17/04/2014 00:00:00 | oracle           | 0.320000 | UNIT           | CAD      | 16/04/2014 | 16/04/2014   | TMX Group Ltd, TSX Vi | 1A           |            | 1           | 05010001  | IAS39    | SYSTEM VALID  | OK              |
| 16/04/2014 00:00:00 | oracle           | 0.330000 | UNIT           | CAD      | 15/04/2014 | 15/04/2014   | TMX Group Ltd, TSX Vi | 1A           |            | 1           | 05010001  | IAS39    | SYSTEM VALID  | OK              |

▼ New Price

Price: Quotation type: UNIT Client Request

Price date: 2014-04-21 OTC Valid until pricing date:

| Price    | Quotation type | Currency | Price date | Provider | Info market                    | Hierarchy | Description | Market level | Price level | Deviation | Pool | Adjustm factor |
|----------|----------------|----------|------------|----------|--------------------------------|-----------|-------------|--------------|-------------|-----------|------|----------------|
| 0.290000 | UNIT           | CAD      | 21/04/2014 | IAS39    | TMX Group Ltd, TSX Venture Exc | 05010001  |             | 1A           | 1           |           |      |                |
| 0.290000 | UNIT           | CAD      | 21/04/2014 | IAS39    | TMX Group Ltd, TSX Venture Exc | 05010001  |             | 1A           | 1           |           |      |                |
| 0.290000 | UNIT           | CAD      | 21/04/2014 | IAS39    | TMX Group Ltd, TSX Venture Exc | 05010001  |             | 1A           | 1           |           |      |                |



On the basis of the above regulatory framework, the following procedure is to be applied when determining the fair value of an asset:

- **Markets:** assessment and hierarchization of appropriate markets, based on UCITS framework
- **Active Market:** assess whether or not the instrument is negotiated / traded under the conditions of an active market according to the specifications of IAS39
- **Price Levels:** assess which price levels are available out of the overall quotations provided by the selected appropriate markets and pricing sources
- **Fair Value Price and Market:** out of the selected, valid markets and prices, select the fair value price and market for the instrument on a given day.

- **Result:** the instrument's daily fair value of the most appropriate market.

Validated pricing data are delivered into the appropriate output format to accounting / portfolio valuation systems.

A detailed PDF with the underlying logic, how the fair value price has been assessed, which parameters and tolerances were set and how the security has been validated, leading to the selected price is delivered for archiving and auditing purposes.

All prices in exception will need to be manually checked, validated and potentially corrected by the end users through a specific Graphical User Interface.

Alternatively, the client may outsource the process of manual validation to Worldline Europe (via BPO).

## Our Offer

- Worldline Europe as single point of contact
- User community driven product (user group)
- 24/7 Supervision and Monitoring
- Business Process Outsourcing facilities

Worldline Europe would be happy to provide you with additional information and a **demonstration of our products and services.**

## Key Benefits

- Reduced Regulatory Risk & Total Cost of Ownership
- Reduced Volatility in Process and Technology
- Reduced Market Data spending and Project risks
- Improved Data Quality
- Increased Straight Through Processing (STP)
- Reduced Operational Risk through increased accuracy for trading, reconciliation, risk reporting, compliance and analytics
- Minimal Project Risk, Costs and Duration