Release Notes

March 25, 2003

RIXML Specification Version 2.1

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Overview

Since the RIXML organization released version 2.0 of its specification for public comment last summer, the industry has experienced a broad shift in the way research publishers provide ratings for covered companies. Mostly in reaction to the changing regulatory climate, publishers have been generally converging on a three-tiered rating system combined with some other indicators for volatility, etc. We’ve recognized this change, and considered its impact on RIXML. We believe version 2.1 is better matched to what publishers are doing, and that it will be an improved basis for tagging and classification of research content.

Changes

This section itemizes the changes made between version 2.0 and version 2.1.

Recommendation

- Renamed the Recommendation element to Rating to more closely match the terminology in common use among publishers.
- Renamed the recommendation attribute of the Rating element to rating.
- Updated the descriptions of the timeFrame, priorCurrent, and rating attributes of the Rating element to reflect the new name of the parent.
- Updated the descriptions of the PublisherDefinedValue and Description elements contained in the Rating element to reflect the new name of the parent.
- Renamed the RecommendationEnum enumeration to RatingEnum.
- Updated the description of the RatingEnum enumeration.
- Removed the StrongBuy enumeration value of the RatingEnum enumeration.
- Renamed the Buy enumeration value of the RatingEnum enumeration to PositiveSentiment.
- Renamed the Hold enumeration value of the RatingEnum enumeration to NeutralSentiment.
- Renamed the Sell enumeration value of the RatingEnum enumeration to NegativeSentiment.
- Renamed the NoRecommendation enumeration value of the RatingEnum enumeration to NoRating.
- Updated the descriptions of the PositiveSentiment, NeutralSentiment, NegativeSentiment, NoRating, and PublisherDefined enumeration values of the RatingEnum enumeration.
- Updated the descriptions of the Upgrade, Reiterate, Downgrade, Initiate, Drop, and Revise enumeration values of the RatingActionEnum enumeration.
- Added the RatingRelationshipEnum enumeration with values CoverageUniverse, SectorIndustry, Market, ExpectedTotalReturn, and AbsoluteReturn. This provides a context for the rating.
- Added the optional relationship attribute to the Rating element. The values allowed for this attribute are governed by the RatingRelationshipEnum enumeration.
- Added the RatingVolatilityRiskEnum enumeration with values Low, Medium, and High. This provides an indication of the potential price fluctuation of the rated entity.
- Added the optional volatilityRisk attribute to the Rating element. The values allowed for this attribute are governed by the RatingVolatilityRiskEnum enumeration.
- Added the optional volatile attribute to the Rating element. The values allowed for this attribute are governed by the existing YesNoEnum enumeration.
• Added an aggregation relationship between the Rating and Index elements. One Index may contain zero or more Ratings.

**RatingAgency**

• Renamed the RatingAgency element to RatingEntity to allow for the case where the rating entity is actually the publisher rather than an independent agency.
• Updated the description of the RatingEntity element.
• Renamed the ratingAgency attribute of the RatingEntity element to ratingEntity.
• Updated the description of the PublisherDefinedValue element contained by the RatingEntity element.
• Renamed the RatingAgencyEnum enumeration to RatingEntityEnum.
• Updated the description of the RatingEntityEnum enumeration.
• Added the Publisher enumeration value to the RatingEntityEnum enumeration.

**Weighting**

• Updated the descriptions of the timeFrame and weighting attributes of the Weighting element.
• Added an aggregation relationship between the Weighting and Index elements. One Index may contain zero or more Weightings.

We’ve also made some other changes, unrelated to ratings. These are described below.

**ShortLongTermEnum**

• Renamed the ShortLongTermEnum enumeration to TermEnum for simplicity.
• Changed the definition of the ShortTerm enumeration value of the TermEnum enumeration from < 270 days to < 12 months.
• Changed the definition of the LongTerm enumeration value of the TermEnum enumeration from >= 270 days to >= 12 months.
• Updated the mention of 270 days in the description of the timeFrame attribute of the Rating element to reflect the change in meaning of the ShortTerm and LongTerm enumeration values.

**SecurityFinancials**

• Within the SecurityFinancials element, we’ve changed the way we handle four concepts: security dilution, GAAP basis, and restated and pro-forma values. Before, these were either unhandled, or bundled into the SecurityFinancialQualifierEnum. Now, we’ve split them out as follows…
• Renamed SecurityFinancialQualifierEnum enumeration to SecurityDilutionEnum, leaving values only for Basic, Primary, and Diluted.
• Added FinancialStatementGAAPTypeEnum enumeration with values GAAPUS, GAAPLocal, GAAPIAS, and AnalystAdjustedNonGAAP.
• Added the optional attribute gaapType to the SecurityFinancials element. The values allowed for this attribute are governed by the FinancialStatementGAAPTypeEnum enumeration.
• Added the optional attribute restated to the SecurityFinancials element. The values allowed for this attribute are governed by the YesNoEnum enumeration.
• Added the optional attribute proForma to the SecurityFinancials element. The values allowed for this attribute are governed by the YesNoEnum enumeration.

**IssuerFinancials**

• We’ve changed the IssuerFinancials element in a similar fashion to SecurityFinancials.
• Removed the IssuerFinancialQualifierEnum enumeration.
• Removed the issuerFinancialQualifier attribute from the IssuerFinancials element. The notion of dilution does not apply to issuers.
• Added the optional attribute gaapType to the IssuerFinancials element. The values allowed for this attribute are governed by the FinancialStatementGAAPTypeEnum enumeration.
• Added the optional attribute restated to the IssuerFinancials element. The values allowed for this attribute are governed by the YesNoEnum enumeration.
• Added the optional attribute proForma to the IssuerFinancials element. The values allowed for this attribute are governed by the YesNoEnum enumeration.

**ProductCategory**
• Changed the productCategory element contained by the ProductCategory element into an attribute. We were violating our own, stated, naming convention with this one.
• Updated the descriptions of the productCategory and publisherDefinedValue attributes of the ProductCategory element.

**InstantMessenger**
• Added the PublisherDefined enumeration value to the InstantMessengerTypeEnum enumeration.
• Added the optional publisherDefinedValue attribute to the InstantMessenger element.

**Resource**
• Changed the type of the Data element from xsd:anyType to xsd:base64Binary to support arbitrary payloads. This used to be of type CDATA in the RIXML 1.0 spec, which is no longer part of the W3C XML Schema Definition.
• Removed the encoding attribute, since it became inconsistent with new type of the Data element.

**Examples**
Here we provide a couple of examples showing how the rating-related changes manifest themselves. Note that these examples are fabricated for the purpose of illustration. Also note that they are excerpts, rather than complete, valid RIXML samples.

**Equity**

```xml
<Context priority="Medium" external="Yes">
  <IssuerDetails>
    <Issuer issuerType="Corporate" domicileCountryCode="us" sequence="1" primaryIndicator="Yes" fiscalYearEnd="2000-12-31T00:00:00">
      <SecurityDetails>
        <Security targetPriceAction="Update" ratingAction="Reiterate" estimateAction="Reiterate" sequence="1" primaryIndicator="Yes">
          <SecurityID tradingCountryCode="us" idType="RIC" idValue="OKL">
            <TradingExchange>NYSE</TradingExchange>
          </SecurityID>
        </Security>
      </SecurityDetails>
      <AssetClass>Equity</AssetClass>
      <AssetType>Stock</AssetType>
      <SecurityType>Common</SecurityType>
      <Rating timeFrame="ShortTerm" priorCurrent="Current" rating="PositiveSentiment">
      </Rating>
    </Issuer>
  </IssuerDetails>
</Context>
```
relationship="CoverageUniverse" volatile="No"
volatilityRisk="Medium" />
<Rating timeFrame="ShortTerm" priorCurrent="Current"
  rating="PublisherDefined"
  relationship="CoverageUniverse" volatile="No">
  <PublisherDefinedValue>Outperform</PublisherDefinedValue>
</Rating>
</Security>
</SecurityDetails>
</IssuerID idType="SEDOL" idValue="54321" />
<IssuerName nameType="Legal">
  <NameValue>Oklahoma Energy Corporation</NameValue>
</IssuerName>
<Description>Oklahoma Energy Corporation is one of the 10 largest public independent natural gas producers in the United States with proved reserves of 1.6 trillion cubic feet of natural gas equivalent.
</Description>
</Issuer>
</IssuerDetails>
</Context>

Fixed Income

<Context priority="Medium" external="Yes">
  <IssuerDetails>
    <Issuer issuerType="Corporate" domicileCountryCode="us"
      sequence="1" primaryIndicator="Yes" fiscalYearEnd="2003-12-31T00:00:00">
      <SecurityDetails>
        <Security sequence="2" primaryIndicator="Yes">
          <SecurityID tradingCountryCode="us" idType="RIC"
            idValue="NOC">
            <TradingExchange>NYSE</TradingExchange>
          </SecurityID>
          <AssetClass>FixedIncome</AssetClass>
          <AssetType>CorporateInvestmentGradeCredit</AssetType>
          <SecurityType>Common</SecurityType>
          <Rating timeFrame="LongTerm" priorCurrent="Current"
            rating="PositiveSentiment"
            relationship="SectorIndustry" volatile="No"
            volatilityRisk="Medium" />
          <Rating timeFrame="ShortTerm" priorCurrent="Current"
            rating="PublisherDefined" relationship="SectorIndustry"
            volatile="No">
            <PublisherDefinedValue>Low-BB</PublisherDefinedValue>
          </Rating>
        </Security>
      </SecurityDetails>
    </Issuer>
  </IssuerDetails>
</Context>
<IssuerName nameType="Legal">
  <NameValue>Northrop Grumman Corporation</NameValue>
</IssuerName>

<Description>Senior Debt Rating: Baa3, Stable Outlook / BBB-, Review for an Upgrade SDB Value Opinion: Low-BBB. Stable Credit in an Uncertain Environment.</Description>

Acknowledgements

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