

Chapter

Article 3 Reporting of information for market risk

(1) For internal approaches for market risk, an institution shall submit to its competent authority the information specified in the templates of Annex VII, in accordance with the portfolio definitions and instructions contained in Annexes V and VI, respectively.

(2) As a derogation from paragraph 1, an institution shall not be required to submit the information referred to in paragraph 1 for an individual portfolio in any of the following cases:

- (a) the institution does not have the permission from its competent authority to model the relevant instruments or risk factors that are included in the portfolio;
- (b) there is no internal approval by the management of that institution to operate in one or more instruments or in the underlying assets included in the relevant portfolios;
- (c) one or more of the instruments included in the portfolios incorporate underlying risks or modelling features that are not contemplated in the institution's risk metrics.

(3) An institution that meets the conditions of paragraph 2 and has decided not to submit the information referred to in paragraph 1 on one or more portfolios shall:

- (a) report those portfolios and indicate which of the reasons listed in paragraph 2 is the cause thereof;
- (b) still submit the information for the aggregated portfolios included in Annex V, considering only the individual portfolios that it is able and permitted to model.