

Chapter 2

Commission Delegated Regulation (EU) 2018/171



Article 3 Level of risk

A competent authority shall consider that a materiality threshold reflects a reasonable level of risk, pursuant to the requirements in Article 178(2)(d) of Regulation (EU) No 575/2013, where that threshold neither leads to the recognition of an excessive number of defaults that are due to other circumstances than financial difficulties of an obligor nor to significant delays in the recognition of defaults that are due to financial difficulties of an obligor.