DEUTSCHE BUNDESBANK

BaFin

Bundesanstalt für Finanzdienstleistungsaufsicht

April 01, 2007

Explanatory notes on the checklist

There are five different checklists for the IRBA: the checklist for the use of own estimates only for PD (”Foundation IRBA checklist”), the checklist for the use of own estimates for PD, LGD and CF (“Advanced IRBA checklist”), the “IRBA Retail Business checklist”, the “IRBA Internal Model/Simple Risk Weight Equity checklist” and the “Internal Assessment Approach checklist” for IRBA asset-backed securities positions associated with an ABCP program.

Please select the checklist for the approach for which you are requesting approval for that specific portfolio within the overall approval process. If you use the Slotting Approach for Specialised Lending exposures or the PD/LGD approach for parts of your equity portfolio, please fill in the appropriate lines in the checklists ”Foundation IRBA” or “Advanced IRBA”. If you do not use for parts of your equity portfolio the PD/LGD approach, please complete for each of these parts Section I or Section II of the equity checklist. Please note that the checklist has to be completed in German.

In the table header, please enter the internal name of the rating system, if applicable those components(s) of the rating system, for which you are applying for approval, the business units and the internal name of the customer segment in which the rating system is to be applied. A rating system component refers to exactly one of the three risk parameters (PD, LGD, CF) and comprises all procedures to assess the credit risks, to assign exposures to grades or pools and to estimate that credit risk parameter. In case of the checklist for the Internal Assessment Approach, please enter the internal name of the rating system, the business units and the underlying asset classes for which the rating system is to be applied.

In case a rating system is only used for calculating KIRB for IRBA securitisation positions, this rating system is regarded as an independent rating system and a separate checklist is to be completed.

Please complete the fifth and the sixth column in each of the selected checklists.

<u>Notes on the individual columns:</u>

Column 1 Serial line number of the checklist

Column 2 Reference to the Articles/Annexes of the Directive 2006/48/EC of June 14, 2006 (EU-RL)

Column 3 Reference to the sections of the Solvency Regulation (SolvV) of December 14, 2006

Column 4 Requirements

Please consult the Solvency Regulation for the precise requirements. In the checklist, reference is made to the requirements only in note form. The requirements are not described in detail.

Column 5 Compliance with requirements in note form

This description should be as brief and concise as possible and in note form.

Column 6 Reference to documentation and contact person

Please indicate where in your documentation a more detailed description of the respective item may be found. Use the "S. #-#" form and not "S. # ff." to indicate page references. In addition, please number appropriately to indicate as precisely as possible where an item may be found in the documentation.

Further information on completing the table may be found in the respective sections of the checklist.

 Example for a checklist:

Institut oder Institutsgruppe:	XYZ Bank AG
Beantragter IRB-Ansatz:	**Verwendung eigener Schätzwerte für PD, LGD und CF („Fortgeschrittener Ansatz“)**
Name des Ratingsystems:	Großkundenrating
Ggf. Komponente(n) des Ratingsystems	Ausfallwahrscheinlichkeit (PD)
Geschäftseinheiten:	Firmenkunden
Internes Kundensegment:	Global agierende Unternehmen
Antrag vom:	TT.MM.20JJ
Datum:	TT.MM.20JJ

Nr.	Verweis auf EU-RL	Verweis auf SolvV	Anforderung	Anforderungserfüllung in Stichworten	Verweis auf Dokumentation und Ansprechpartner
3 *(aus Teil C3)*	Anh.VII.4 Tz.4-8, 12, 17,18,23, 65	§ 109, § 110 Abs. 1-4, 8, § 112, § 113 Abs. 5, § 130 Abs. 7	Risikoeinstufung von Schuldnern zur PD-Schätzung (einschl. Transferrisiken)	Ratingstufen-Zuweisung erfolgt über statistische Verfahren mit anschließenden manuellen Überschreibungen. Die erklärenden Variablen des statistischen Verfahren enthalten ausschließlich schuldnerspezifische Risikomerkmale, Überschreibungen dürfen weder Besicherung noch andere Geschäftsspezifika berücksichtigen (siehe a), Beschreibung der 12 Ratingstufen (siehe b), Anzahl und aktuelle Verteilung der Ratingstufen (siehe c). Keine Ratingstufe enthält derzeit mehr als 13% der Schuldner. Keine Stufe enthält mehr als 15% des Kreditvolumens. Allen Forderungen an einen Schuldner wird die gleiche Ratingnote zugeordnet unter Berücksichtigung der zulässigen Ausnahmen (siehe d).	a) Rating_Daten.doc, S. 5-8, i.V.m. Kap.3 b) Rating_Daten.doc, Anhang 1 c) Rating_Daten.doc, S.17-19 d) Prozesse.doc, Kapitel 3.4, S. 11-18