

**EN
ANNEX V**

MARKET RISK BENCHMARK INSTRUMENTS AND PORTFOLIOS

1. Common Instructions.....	2
2. Instruments.....	8
3. Individual Portfolios	18
4. Aggregated Portfolios	21
5. Instrument additional specifications	22

1. Common Instructions

Institutions shall apply all of the following:

- (a) For the purposes of this Annex, the following definitions shall apply:
- (i) 'booking date' means the date and time on which institutions book the transactions for the purposes of this benchmarking exercise;
 - (ii) 'Initial Market Valuation (IMV)' means the marked-to-market value of the instruments as defined in Section 2 of this Annex, at the IMV reference date;
 - (iii) 'IMV reference date' means the date and time with reference to which institutions shall determine the IMV of the transactions in the benchmarking portfolio;
 - (iv) 'IMV remittance date' means the date by which institutions shall submit the results of the IMV of the transactions in the benchmarking portfolio;
 - (v) 'VaR' means the Value at Risk;
 - (vi) 'sVaR' means the Stressed Value at Risk;
 - (vii) 'IRC' means the Incremental Risk Charge;
 - (viii) 'CTP' means the Correlation Trading Portfolio;
 - (ix) 'APR' means the All Price Risk in accordance with Article 377 of Regulation (EU) No 575/2013;
 - (x) 'Risk Measures' (RM) means the value of the VaR, sVaR and, when required, IRC and APR for the portfolios, as defined in Section 3 of this Annex, between the RM initial and RM final reference date;
 - (xi) 'RM initial reference date' means the date on which institutions shall start computing the RM values;
 - (xii) 'RM final reference date' means the date on which institutions shall finish computing the RM values;
 - (xiii) 'RM remittance date' means the date by which institutions shall submit the results of the RM of the transactions in the benchmarking portfolio;
 - (xiv) 'Present Value (PV)' means the marked-to-market value of the portfolios, as defined in Section 3 of this Annex, at the RM final reference date;
 - (xv) 'ATM' means 'at the money' and it refers to a relative position of the current or future price of a derivative's underlying asset which is identical to the strike price of that derivative;
 - (xvi) 'OTM' means 'out of the money' and it refers to a relative position of the current or future price of a derivative's underlying asset which is more favourable with respect to the strike price of that derivative;
 - (xvii) 'ITM' means 'in the money' and it refers to a relative position of the current or future price of a derivative's underlying asset which is less favourable with respect to the strike price of that derivative;
 - (xviii) 'long' means 'bought' and 'short' means 'sold';
 - (xix) 'CDS' means Credit Default Swaps;
 - (xx) for CDS, 'long' means 'bought protection' and 'short' means 'sold protection';
 - (xxi) 'MLN' means millions;
 - (xxii) 'OTC' means over-the-counter.
- (b) The following dates shall apply for the exercise:
- (i) The booking date shall be the 3rd Thursday of September of Year T-1;

- (ii) the IMV reference date shall be 5 working days after the booking date referred to in point (i) at 5:30 pm CET - 4.30 pm GMT;
- (iii) the IMV remittance date shall be the 1st Friday of October of year T-1;
- (iv) the RM initial reference date shall be the 3rd Monday of January of Year T;
- (v) the RM final reference date shall be 10 working days after the RM initial reference date referred to in point (iv)];
- (vi) the RM remittance dates shall be the 4th Friday of February of Year T;
- (vii) for (i-iii) IMVs references dates “year T-1” is equal to “every single calendar year”. For the RMs reference dates shall be the year T where “year T” is equal the following year after the year T-1, as defined in (i) the booking date.
- (viii) Where any of the dates specified in points (i) to (vi) is a festive day, the submitter shall use the first non-festive day after that date.

Explanatory text for consultation purposes

The EBA aims at generalisation of the reference dates for the submission of the IMVS and RMs, therefore in place of the usual specification, such as: (i) The booking date shall be 17 September 2020; (ii) the IMV reference date shall be 24 September 2020 at 5:30 pm CET; (iii) the IMV remittance date shall be 02 October 2020; (iv) the RM initial reference date shall be 18 January 2021; (v) the RM final reference date shall be 29 January 2021; (vi) the RM remittance dates shall be 26 February 2021., EBA is suggesting a more general way of specifying the reference dates in the letter “b” of the instructions. EBA would appreciate to collect feedback on the new version of the reference dates specification:

Q: Stakeholders are invited to express their view on the new reference date specification with respect the precedent method to specify the reference dates for the exercise.

- (c) Unless explicitly specified otherwise in the instruments’ description under Section 2, all positions shall be booked on the booking date referred to in point (b) (i). Once positions have been booked, each portfolio shall age for the duration of the benchmarking exercise. The calculation shall be done under the assumption that the institution does not take any action to manage the portfolio in any way during the entire period of the benchmarking exercise. Unless explicitly stated otherwise in the specifications for a particular instrument, strike prices for option positions shall be determined relative to prices for the underlying as observed at market close on the booking date.
- (d) For the purpose of the IMV, the valuation of each instrument shall be submitted to the institution’s competent authority by the IMV remittance date. By that day, institutions shall submit an explanatory note accompanying the results, that covers all of the points referred to in point (e). The IMV shall be provided in accordance with the institution’s front office valuation. Where this is not possible, the institution shall report in the explanatory note who is the IMV data source provider.
- (e) The explanatory note that institutions shall submit together with the IMV shall include all of the following for each instrument:
 - (i) the risk factors used to calculate the instrument’s IMV ;

- (ii) the pricing model used to calculate the instrument's IMV and a description of this pricing model;
 - (iii) the risk factors included in the VaR model for the instrument;
 - (iv) the risk factors included in the VaR model that are also valuation inputs for the IMV of the instrument;
 - (v) the VaR model specifics in relation to the instrument;
 - (vi) available reference data for the instrument in the institution's own format;
 - (vii) the aspects referred to in the following points (h), (i), (l), (n), (o), (p), (w), (x), (z), (hh) and (ll).
- (f) For the purposes of the VaR model specifics referred to in point (e) (v), at least all of the following shall be reported:
- (i) concise VaR model descriptions;
 - (ii) revaluation methods applied;
 - (iii) functional form applied for modelling of returns (such as absolute, relatives, other methods to be specified by the institutions);
 - (iv) qualitative information on the time series used to calibrate the VaR model in relation to the instrument including the source, the methodology for normalisation, the buckets applied, and any other information deemed relevant to be specified in order to explain the results provided.
- (g) The explanatory note referred to in point (d) shall be updated with each resubmission of any values, reflecting the changes between submissions. The explanatory note shall contain one section which lists all submission dates and the reasons for resubmissions, where relevant.
- (h) The risks of the positions shall be calculated without taking into account the funding costs. Where applicable, institutions shall use the overnight rate of the instrument currency as the discount rate. Collateral agreement shall be considered to be in place for the derivatives instruments referred to in Section 2. Where this is not possible, it shall be mentioned and explained in the explanatory note referred to in point (d).
- (i) Counterparty credit risk and credit valuation adjustment ('CVA') risk shall be excluded when carrying out the valuation of the risks of the portfolios. Where that is not possible, institutions shall report it and explain the reasons in the explanatory note referred to in point (d). Where other typologies of Valuation Adjustments are included in the IMV institutions shall report them and explain the methodology and the impact, per instrument, in the explanatory note referred to in point (d).
- (j) The 10-day 99% VaR shall be calculated on a daily basis. The sVaR and the IRC may be calculated on a weekly basis. The sVaR and IRC shall be based on end-of-day prices for each Friday in the time window of the benchmarking exercise.
- (k) For transactions that include long positions in CDS, institutions shall assume an immediate up-front fee is paid to enter the position as per the market standards and conventions. The maturity date for all CDS shall follow conventional quarterly termination dates.
- (l) Additional specifications needed in order to carry out pricing calculations required for CDS positions shall be done in a way that is consistent with commonly used market standards and conventions and shall be explained in the explanatory note referred to in point (d).

- (m) The maturity date that ensures that the transaction is closest to the term-to-maturity specified shall be used, in accordance with market standards and conventions.
- (n) For material details of the instrument specification that are not explicitly stated in Section 2, the assumptions that have been used, including the day count convention and the choice for a tradable and liquid instrument, where permitted, shall be provided along with the results in the explanatory note referred to in point (d).
- (o) Where the institution is required to make additional assumptions beyond those specified here that it believes are relevant to the interpretation of the results of its exercise including close of business timing, coupon rolls, mapping against indices and others, it shall submit a description of those specifications in the explanatory note referred to in point (d).
- (p) The explanatory note referred to in point (d) shall include explanations for risks not captured by the model for the instruments detailed in this Annex.
- (q) All options shall be treated as if they are traded OTC unless explicitly specified otherwise.
- (r) The standard timing conventions for OTC options shall be followed. The time to maturity for an 'n-month' option shall be in n months. If options expire on a non-trading day, institutions shall adjust the expiration date per business date, in accordance with market standards and conventions.
- (s) All OTC options shall be treated as follows:
 - (i) as American for single name equities and commodities;
 - (ii) as European for equity indices, foreign exchange and swaptions.
- (t) All OTC options shall be considered 'naked' so that the premium shall be excluded from the initial market valuation.
- (u) Regarding the CTP, institutions that have permission to use the APR model for CTP shall provide details about their most relevant assumptions, market standards and conventions regarding the CTP instruments n. 74 and n. 75, including the hedge ratios they have calculated to make the CTP instruments CS01 neutral at the booking date.
- (v) The IMV for each instrument shall be provided in the base currency of the instrument as specified in Section 2.
- (w) For the positions denominated in a common base currency but composed of one or more instruments denominated in a different currency, the result provided shall be converted in the reported base currency of the portfolio using the appropriate foreign exchange spot rate as per standard market practice and explained in the explanatory note referred to in point (d).
- (x) When booking all positions, institutions shall follow appropriate market conventions unless otherwise specified in these common Instructions or in the Instruments' descriptions (Section 2 of this Annex).
- (y) Where an instrument or the underlying instrument of a derivative is subject to a corporate action that affects this benchmarking exercise including in case of a call from the issuer, or a default or similar actions, institutions shall exclude it from the exercise together with any related CDS or option.

- (z) 'On-the-run', with regard to an Index Series, shall refer to the most liquid and tradable series of that specific index available in the market. Institutions shall explain their choice of 'on-the-run' series along with the related results in the accompanying explanatory note referred to in point (d).
- (aa) The Euro Interbank Offered Rate ('EURIBOR') means the rate calculated by the European Money Markets Institute at different maturities for EURO interbank term deposit. The London Interbank Offered Rate ('LIBOR') means the rate calculated by the Intercontinental Exchange at different maturities for interbank term deposit in different currencies.

Explanatory text for consultation purposes

The EBA acknowledges the necessity to update the references to EURIBOR and LIBOR in the definition of the instruments in Section 2, following the EU Benchmarks Regulation.

It is understood that for the IBORs, Competent Authorities are encouraging efforts to develop robust alternative benchmark rates while also pursuing current IBOR reforms, and it is acknowledged that the transition to such rates may take longer than 2021.

In order to consider the EU Benchmarks Rate Regulation within the Benchmark exercise, EBA is considering this alternative drafting proposal for point (aa):

(aa) The Euro Interbank Offered Rate ('EURIBOR') shall refer to the rate calculated by the European Money Markets Institute at different maturities for EURO interbank term deposit. The London Interbank Offered Rate ('LIBOR') is the rate calculated by the Intercontinental Exchange at different maturities for interbank term deposit in different currencies. Institutions shall apply the EU Benchmarks Regulation for the interest rate in order to substitute the reference rate ('EURIBOR') and ('LIBOR') stated in Section 2 of this Annex. Institutions shall specify the alternative rate they use instead of the reference rate ('EURIBOR') and ('LIBOR') in the explanatory note referred to in point (d) of these instructions.

Q: Stakeholders are invited to express their view on the implementation of the Benchmarks Regulation, in terms of which rate to apply to the instruments in the market risk exercise.

- (bb) RM, along with the PV, for the portfolios, as defined in the 'Individual Portfolios' (Section 3 of this Annex), shall be computed from the 'RM initial reference date' to the 'RM final reference date'. Institutions shall submit these results to their competent authority by RM remittance date.
- (cc) The IMV shall be reported for each instrument. RM and PV, where applicable, shall be reported for each portfolio, both individual and aggregated. All results shall be reported with respect to the base currency.
- (dd) Credit spread portfolios shall only be considered by institutions which have been granted permission to model specific risk. Interest rate portfolios, even if specific risk is part of certain instruments and individual portfolios, shall be modelled by 'partial use' institutions as well.

- (ee) The results for both the individual and aggregated portfolios shall be submitted only where the results of all components, instruments in the portfolios, are also being submitted.
- (ff) In Section 2 (Instruments): 'Year T' = As specified in letter b(vii); Year T + X = As specified in letter b(vii) + X, with X as specified for each instrument in Section 2.
- (gg) In Section 2 (Instruments), the day of expiry/maturity shall follow these rules:
 - (i)
 - (ii) where the day is not specified, it shall be determined in accordance with market convention, where available. , e.g. 'June Year T' means the 3rd Friday of the month of the year T;
 - (iii) where, in relation to a month, it is specified 'End of', it shall mean the 30 of June;
 - (iv) Fix period of time following the 'Booking date' , e.g.: 'Booking date + 1 month' is the same day of the following month with respect to the booking date or 'Booking date + 1 year' is the same day of the following year with respect to the booking date; where the resulting date is a holiday, then the following working day shall be selected.
- (hh) In Section 2 (Instruments), for all CDS, unless explicitly specified otherwise, the following generic requirements shall apply :
 - (i) Coupon frequency: Quarterly;
 - (ii) Coupon(bps): 100;
 - (iii) Day count : ACT/360;
 - (iv) ISDA Definitions year: 2014;
 - (v) Restructuring clause: Modified-Modified Restructuring (MMR);
 - (vi) Maturity: December Year T+4;
 - (vii) Debt type: Senior;
 - (viii) Tenor: 5 Year;
 - (ix) Effective date as booking date;
 - (x) The used discount curve and recovery rate are to be indicated in the explanatory note referred to in point (d).
- (ii) The IMV for an index future shall be reported as the market price at the IMV reference date, multiplied by the number of contracts.
- (jj) A number of 100 contracts, for instruments 1, 3-17, as defined in Section 2, shall be used uniformly for the purpose of calculating the IMV.
- (kk) For Credit Spread Instruments n. 52-67 and 69, as defined in Section 2, standard ISDA definitions and standard restructuring clauses shall apply.
- (ll) Institutions shall provide the information related to the time of valuation of the PV, at close of business (COB). Where that is not possible, they shall specify it in the explanatory note referred to in point (d).

2. Instruments

Institutions shall provide the IMV of the following financial instruments in accordance with the common instructions:

EQUITY

1. Long EURO STOXX 50 index (Ticker: SX5E) Future (1 point equals 10 € movement).
Exchange: Eurex
Expiry date: June Year T
Base currency: EUR
2. Long 10000 BAYER (Ticker: BAYN GR) shares.
Exchange: Xetra
Base currency: EUR
3. Short Future BAYER (Ticker: BAYN GR) (1 contract = 100 shares).
Exchange: Eurex
Expiry date: June Year T
Base currency: EUR
4. Short Future, PEUGEOT PSA (Ticker: UG FP) (1 contract = 100 shares).
Exchange: Euronext
Expiry date: June Year T
Base currency: EUR
5. Short Future, ALLIANZ (Ticker: ALV GR) (1 contract = 100 shares).
Exchange: Eurex
Expiry date: June Year T
Base currency: EUR
6. Short Future BARCLAYS (Ticker: BARC LN) (1 contract = 100 shares).
Exchange: Eurex
Expiry date: June Year T
Base currency: GBP
7. Short Future DEUTSCHE BANK (Ticker: DBK GR) (1 contract = 100 shares).
Exchange: Eurex
Expiry date: June Year T
Base currency: EUR
8. Short Future CRÉDIT AGRICOLE (Ticker: ACA FP) (1 contract = 100 shares).
Exchange: Euronext
Expiry date: June Year T
Base currency: EUR
9. Long Call Option. Underlying BAYER (Ticker: BAYN GR), ATM (1 contract = 100 shares).
Expiry date: June Year T

Base currency: EUR

10. Short Call Option. Underlying BAYER (Ticker: BAYN GR), ATM (1 contract = 100 shares).
Expiry date: December Year T
Base currency: EUR
11. Long Call Option. Underlying PFIZER (Ticker PFE US) 10% OTM, (1 contract = 100 shares).
Expiry date: June Year T
Base currency: USD
12. Long Put Option. Underlying PFIZER (Ticker PFE US) 10% OTM, (1 contract = 100 shares).
Expiry date: June Year T
Base currency: USD
13. Long Call Option. Underlying BAYER (Ticker: BAYN GR), 10% OTM (1 contract = 100 shares).
Expiry date: December Year T
Base currency: EUR
14. Short Call Option. Underlying BAYER (Ticker: BAYN GR), 10% OTM (1 contract = 100 shares).
Expiry date: June Year T
Base currency: EUR
15. Long Call Option. Underlying AVIVA (Ticker: AV/LN), 10% OTM (1 contract = 100 shares).
Expiry date: December Year T
Base currency: GBP
16. Long Put Option. Underlying AVIVA (Ticker: AV/LN), 10% OTM (1 contract = 100 shares).
Expiry date: December Year T
Base currency: GBP
17. Short Future NIKKEI 225 (Ticker NKY) (1 point equals 500 JPY).
Exchange: CME
Expiry date: 11 June Year T
Base currency: JPY
18. Auto-callable Equity product
Long position
Booking on 'Booking date'
Notional amount ('Capital'): 1MLN
Underlying: Index EURO STOXX 50® (Ticker: SX5E)
Base currency: EUR
Maturity: 5 years
Annual Payout and annual observation ('Booking date + 1 year', 'Booking date + 2 years', 'Booking date + 3 years', 'Booking date + 4 years', Booking date + 5 years). Payout occurs 10 days after reference date.
Coupon: 6%
Autocall level ('Initial value'): End of day Booking date + 1 month
Barrier coupon payment 60% of autocall level
Protection barrier: 55% of autocall level

- Capital not guaranteed if index is below the protection barrier (capital returned on year 5 will be pro-rata if the level is below the protection barrier: for instance, if the SX5E = 40% of its initial level then the capital returned is 40%);
- If SX5E \geq 60% (barrier coupon) of initial value at the end of any year then the coupon is paid out 6%;
- If SX5E \geq 100% of initial value at the end of any year then the product is called and the payout is the coupon plus the capital (100%);
- If SX5E $<$ 60% (barrier coupon) of initial value at the end of any year then no coupon is paid;
- If SX5E $<$ 55% (protection barrier) of initial value at the end of year 5 then the capital is only paid pro-rata. Else if SX5E \geq 55% (protection barrier) of initial value at the end of year 5 then the capital is fully paid.

IR

19. 5-year IRS EUR – Receive fixed rate and pay floating rate.

Fixed leg: receive annually.

Floating rate: 3-month EURIBOR, pay quarterly

Notional: EUR 10 MLN

Roll convention and calendar: standard

Effective date as booking date (i.e. the rates to be used shall be those at the market close as of the booking date).

Maturity: September Year T+4.

Base currency EUR

20. Two-year EUR swaption on 5-year interest rate swap.

Notional: EUR 10 MLN.

The institution is the seller of the option on the swap. The counterparty of the institution buys the right to enter a swap with the institution; if the counterparty exercises its right, the counterparty shall receive the fixed rate while the institution shall receive the floating rate.

Swaption with maturity of two years (Booking date + 2 years) on IRS defined in instrument n. 19

Maturity of the underlying swap: Booking date + 7 years

Premium paid at the booking date (Booking date). Cash settled

The strike price is based on the IRS rate defined in instrument n. 19 (i.e. the strike price is the fixed rate as IRS defined in instrument n. 19)

Base currency: EUR

21. 5-year IRS USD. Receive fixed rate and pay floating rate.

Fixed rate: receive annually

Floating rate: 3-month USD LIBOR rate, pay quarterly

Notional: USD 10 MLN

Roll convention and calendar: standard

Effective date as booking date (i.e. the rates to be used shall be those at the market as of the booking date) Maturity date: September Year T+4.

Base currency: USD

22. 2-year IRS GBP. Receive fixed rate and pay floating rate.

Fixed rate: receive annually

Floating rate: 3-month GBP LIBOR rate, pay quarterly

Notional: GBP 10 MLN

Roll convention and calendar: standard

Effective date as booking date (i.e. the rates to be used shall be those at the market as of the booking date) Maturity: Booking date + 2 years

Base currency GBP

23. Long position on 'Cap and Floor' 10-year UBS AG (Ticker: UBSG VX) Notes.

Notional (Principal) Amount: USD 1 MLN.

Floating Rate Notes (the 'Notes') are senior unsecured obligations of UBS AG ('UBS').

- The Notes shall bear interest equal to USD 3-Month LIBOR plus 1.5% per annum (the 'Floating Interest Rate'), subject to a maximum interest rate of 7.5% per annum (the 'Interest Rate Cap') and a minimum interest rate of 2.5% per annum (the 'Interest Rate Floor').
- Any payment on the Notes, including interest and principal at maturity, shall be subject to the creditworthiness of UBS AG. Institutions shall use an appropriate discounting curve, motivating that in the explanatory note.
- Income: The Notes shall pay interest quarterly at a rate equal to the Floating Interest Rate, provided that, if on any Coupon Determination Date (i) the Floating Interest Rate is less than the Interest Rate Floor, then the applicable interest rate for the related Interest Period shall be equal to the Interest Rate Floor, or (ii) the Floating Interest Rate is greater than the Interest Rate Cap, then the applicable interest rate for the related Interest Period shall be equal to the Interest Rate Cap.

Interest Payment Amount The amount of interest to be paid on the Notes for an Interest Period shall be equal to the sum of (a) the principal amount of the Notes, (b) the Applicable Interest Rate for that Interest Period and (c) a fraction, the numerator of which is the number of days in the Interest Period (calculated on the basis of a 360-day year of twelve 30-day months) and the denominator of which is 360.

Trade and

Settlement Date 'Booking date'

Interest Payment Dates Quarterly, on the Booking date + 3 months, Booking date + 6 months, Booking date + 9 months and Booking date + 1 year, commencing on Booking date + 3 months, during the term of the Notes (subject to adjustments, as described herein).

Maturity Date Booking date + 10 years

Currency USD

Daycount Basis 30/360

Business Day

Convention Following Unadjusted

Coupon Determination Date For each Interest Period, the second London Banking day immediately preceding the relevant Interest Date.

Date 'London Banking Day' means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London and on which dealings in U.S. dollars are transacted in the London interbank market.

24. Long GERMANY GOVT EUR 5 MLN (ISIN DE0001135085)

Maturity: 04 July 2028

Base currency: EUR

25. Short GERMANY GOVT EUR 2 MLN (ISIN DE0001102358)
Maturity: 15 May 2024
Base currency: EUR
26. Long ITALY GOVT EUR 5 MLN (ISIN IT0005246134)
Maturity: 15 May 2028
Base currency: EUR
27. Long ITALY GOVT EUR 1 MLN (ISIN IT0004953417)
Maturity: 1 March 2024
Base currency: EUR
28. Long SPAIN GOVT EUR 5 MLN (ISIN ES00000124C5)
Maturity: 31 October 2028
Base currency: EUR
29. Short FRANCE GOVT EUR 5 MLN (ISIN FR0011317783)
Maturity: 25 October 2027
Base currency: EUR
30. Short GERMANY GOVT EUR 10 MLN (ISIN DE0001102390)
Maturity: 15 February 2026
Base currency: EUR
31. Long UNITED KINGDOM GOVT GBP 5 MLN (ISIN GB0002404191)
Maturity: 07 December 2028
Base currency: GBP
32. Long PORTUGAL GOVT EUR 5 MLN (ISIN PTOTETOE0012)
Maturity: 21 July 2026
Base currency: EUR
33. Short UNITED STATES GOVT USD 10 MLN (ISIN US9128283P31)
Maturity: 31 December 2024
Base currency: USD
34. Long BRAZIL GOVT 5 MLN USD (ISIN US105756BT66)
Maturity: 05 January 2024
Base currency: USD
35. Long MEXICO GOVT 5 MLN USD (ISIN US91086QBC15)
Maturity: 02 October 2023
Base currency: USD
36. 10-year IRS EURO – Receive floating rate and pay fixed rate.
Fixed leg: pay annually.
Floating rate: 3-month EURIBOR, receive quarterly
Notional: EUR 10 MLN
Roll convention and calendar: standard

Effective date at the booking date (i.e. rates to be used are those at the market close on booking date).
Maturity: Booking date + 10 years
Base currency: EUR

37. 5-year IRS EURO – Receive floating rate and pay fixed rate.
Fixed leg: pay annually
Floating rate: 6-month EURIBOR, receive every 6 months.
Notional: EUR 10 MLN
Roll convention and calendar: standard.
Effective date at the booking date (i.e. rates to be used are those at the market close on booking date).
Maturity: Booking date + 5 years
Base currency: EUR

FX

38. 6-month USD/EUR forward contract. Cash settled. Notional USD 10 MLN USD purchased at the EUR/USD ECB reference spot rate as of end of the booking date.
Base currency: EUR
39. 6-month EUR/GBP forward contract. Cash settled. Notional 10 MLN GBP purchased at the EUR/GBP ECB reference spot rate as of end of the booking date.
Base currency: EUR
40. Long 1 MLN USD Cash.
Cash position
Base currency: EUR
41. Long Call option. EUR 10 MLN. Equivalent amount based on EUR/USD ECB reference spot rate as of end of the booking date.
Strike price: 110% of EUR/USD ECB reference rate as of end of the booking date.
Expiry date: Booking date + 1 year
Base currency: EUR
42. Long Call option. EUR 10 MLN. Equivalent amount based on EUR/USD ECB reference spot rate as of end of the booking date.
Strike price: 90% of EUR/USD ECB reference rate as of end of the booking date.
Expiry date: Booking date + 1 year
Base currency: EUR
43. Short Call option. EUR 10 MLN. Equivalent amount based on EUR/USD ECB reference spot rate as of end of the booking date.
Strike price: 100% of EUR/USD ECB reference rate as of end of the booking date.
Expiry date: Booking date + 1 year
Base currency: EUR

44. Short Call option. EUR 10 MLN. Equivalent amount based on EUR/GBP ECB reference spot rate as of end of the booking date.
Strike price: 110% of EUR/GBP ECB reference rate as of end of the booking date.
Expiry date: Booking date + 1 year
Base currency: EUR
45. Long Put option. EUR 10 MLN. Equivalent amount based on EUR/JPY ECB reference spot rate as of end of the booking date.
Strike price: 110% of EUR/JPY ECB reference rate as of end of the booking date.
Expiry date: Booking date + 1 year
Base currency: EUR
46. Short Put option. EUR 10 MLN. Equivalent amount based on EUR/AUD ECB reference spot rate as of end of the booking date.
Strike price: 110% of EUR/AUD ECB reference rate as of end of the booking date.
Expiry date: Booking date + 1 year
Base currency: EUR
47. 5-year Mark to Market (MtM) Cross Currency EUR/USD SWAP. Receive USD and pay EUR.
EUR: 3-month EURIBOR, pay quarterly
USD: 3-month USD LIBOR rate, receive quarterly
Notional EUR 10 MLN adjusted on a quarterly basis
Roll convention and calendar: standard
Effective date as booking date
Maturity: Booking date + 5 years
Base currency: EUR
See also Section 5 – Instrument additional specifications

COMMODITIES

48. Long 3,500,000 6-month ATM London Gold Forwards contracts (1 contract = 0.001 troy ounces, notional: 3,500 troy ounces).
Cash Settlement
Base currency: USD
49. Short 3,500,000 12-month ATM London Gold Forwards contracts (1 contract = 0.001 troy ounces, notional: 3,500 troy ounces).
Cash Settlement
Base currency: USD
50. Long 30 contracts of 6-month WTI Crude Oil Call option with strike equals 12-month end-of-day forward price on the booking date (1 contract = 1000 barrels. Total notional 30000 barrels).
Cash Settlement
Base currency USD
51. Short 30 contracts of 6-month WTI Crude Oil Put option with strike equals 12-month end-of-day forward price on the booking date (1 contract = 1000 barrels. Total notional 30000 barrels).

Cash Settlement
Base currency USD

CREDIT SPREAD

52. Long (i.e. Buy protection) USD 1 MLN CDS on PORTUGAL.
Restructuring clause: FULL
Base currency: USD
53. Long (i.e. Buy protection) USD 1 MLN CDS on ITALY.
Restructuring clause: FULL
Base currency: USD
54. Short (i.e. Sell protection) USD 1 MLN CDS on SPAIN.
Restructuring clause: FULL
Base currency: USD
55. Long (i.e. Buy protection) USD 1 MLN CDS on MEXICO.
Restructuring clause: FULL
Base currency: USD
56. Long (i.e. Buy protection) USD 1 MLN CDS on BRAZIL.
Restructuring clause: FULL
Base currency: USD
57. Long (i.e. Buy protection) USD 1 MLN CDS on UK.
Restructuring clause: FULL
Base currency: USD
58. Short (i.e. Sell protection) EUR 1 MLN CDS on AXA (Ticker CS FP).
Base currency: EUR
59. Long (i.e. Buy protection) EUR 1 MLN CDS on AXA (Ticker CS FP).
Maturity: December Year T+2
Base currency: EUR
60. Short (i.e. Sell protection) EUR 1 MLN CDS on Aviva (Ticker AV LN).
ISDA Definitions year 2003
Base currency: EUR
61. Long (i.e. Buy protection) EUR 1 MLN CDS on Aviva (Ticker AV LN).
ISDA Definitions year 2003
Maturity: December Year T+2
Base currency: EUR
62. Short (i.e. Sell protection) EUR 1 MLN CDS on Vodafone (Ticker VOD LN).

Base currency: EUR

63. Short (i.e. Sell protection) EUR 1 MLN CDS on ENI SpA (Ticker ENI IM).
Base currency: EUR
64. Short (i.e. Sell protection) USD 1 MLN CDS on Eli Lilly (Ticker LLY US).
Restructuring clause: No restructuring (XR14)
Base currency: USD
65. Short (i.e. Sell protection) EUR 1 MLN CDS on Unilever (Ticker UNA NA).
Base currency: EUR
66. Long (i.e. Buy protection) EUR 1 MLN CDS on Total SA (Ticker FP FP).
Base currency: EUR
67. Long (i.e. Buy protection) EUR 1 MLN CDS on Volkswagen Group (Ticker VOW GR).
Base currency: EUR
68. Long position on TURKEY Govt. notes USD 1 MLN (ISIN US900123CF53)
Maturity: 22 March 2024
Base currency: USD
69. Long (i.e. Buy protection) USD 1 MLN CDS on TURKEY. Effective date as booking date.
Restructuring clause: FULL
Base currency: USD
70. Long position on AXA notes EUR 1 MLN (ISIN FR0011524248)
Maturity: 29 January 2024
Base currency: EUR
71. Long position on Volkswagen Group notes EUR 1 MLN (ISIN XS1586555861)
Maturity: 02 October 2023
Base currency: EUR
72. Short position Volkswagen Group notes EUR 1 MLN (ISIN XS1586555606)
Maturity: 30 March 2021
Base currency: EUR
73. Long position on Total SA notes EUR 1 MLN (ISIN XS0830194501)
Maturity: 15 March 2023
Base currency: EUR

CTP

74. Short position in spread hedged Super Senior tranche of iTraxx Europe index on-the-run series.
Attachment point: 25%
Detachment point: 100%
Notional: EUR 5 MLN

Maturity: 5 years.

Running spread 100 bps. The portfolio shall be constructed by hedging the index tranche with the iTraxx Europe index on-the-run series to achieve a zero CS01 as of booking date. No further re-hedging is required.

Base currency: EUR

75. Long (i.e. Buy protection) USD 1 MLN First to Default Basket Swap on {Brazil, Mexico and Turkey}.
Effective date as booking date.
Restructuring clause: FULL.
Maturity: September Year T+4
Base currency: USD

3. Individual Portfolios

Institutions shall provide the required RM, along with the PV, of the following individual portfolios:

Portfolio	<i>Combination of instruments:</i> The first figure represents the instrument (as referred to in section 2 above) – the second figure represents the quantity of each instrument or number of contracts as applicable	Base Currency	Risk measures required
1	1 – 1000 instruments	EUR	VaR and Stressed VaR
2	3 – 1000 instruments 4 – 1000 instruments 5 – 1000 instruments	EUR	VaR and Stressed VaR
3	13 – 100 instruments 10 – 100 instruments	EUR	VaR and Stressed VaR
4	15 – 100 instruments 16 – 100 instruments	GBP	VaR and Stressed VaR
5	17 – 1000 instruments	JPY	VaR and Stressed VaR
6	9 – 500 instruments 10 – 500 instruments	EUR	VaR and Stressed VaR
7	18 – 1 instrument	EUR	VaR and Stressed VaR
8	11 – 1000 instruments 12 – 1000 instruments	USD	VaR and Stressed VaR
9	2 – 1 instruments 14 – 100 instruments	EUR	VaR and Stressed VaR
10	6 – 1000 instruments 7 – 1000 instruments 8 – 1000 instruments	EUR	VaR and Stressed VaR
11	19 – 1 instrument	EUR	VaR and Stressed VaR
12	20 – 1 instrument	EUR	VaR and Stressed VaR
13	21 – 1 instrument	USD	VaR and Stressed VaR
14	22 – 1 instrument	GBP	VaR and Stressed VaR
15	23 – 1 instrument	USD	VaR; Stressed VaR; IRC
16	24 – 1 instrument 25 – 1 instrument	EUR	VaR; Stressed VaR; IRC
17	24 – 1 instrument 25 – 1 instrument 26 – 1 instrument	EUR	VaR; Stressed VaR; IRC

18	24 – 1 instrument 25 – 1 instrument 26 – 1 instrument 27 – 1 instrument 28 – 1 instrument 29 – 1 instrument 30 – 1 instrument	EUR	VaR; Stressed VaR; IRC
19	19 – 1 instrument 36 – 1 instrument	EUR	VaR and Stressed VaR;
20	19 – 1 instrument 37 – 1 instrument	EUR	VaR and Stressed VaR;
21	36 – 1 instrument 37 – 1 instrument	EUR	VaR and Stressed VaR;
22	19 – 1 instrument 20 – 1 instrument	EUR	VaR and Stressed VaR;
23	31 – 1 instrument	GBP	VaR; Stressed VaR; IRC
24	33 – 1 instrument 34 – 1 instrument 35 – 1 instrument	USD	VaR; Stressed VaR; IRC
25	21 – 1 instrument 33 – 1 instrument	USD	VaR and Stressed VaR
26	26 – 1 instrument 27 – 1 instrument 28 – 1 instrument 32 – 1 instrument	EUR	VaR; Stressed VaR; IRC
27	38 – 1 instrument 39 – 1 instrument	EUR	VaR and Stressed VaR
28	40 – 1 instrument 41 – 1 instrument	EUR	VaR and Stressed VaR
29	41 – 1 instrument 42 – 1 instrument 43 – 1 instrument	EUR	VaR and Stressed VaR
30	44 – 1 instrument 45 – 1 instrument	EUR	VaR and Stressed VaR
31	46 – 1 instrument	EUR	VaR and Stressed VaR
32	47 – 1 instrument	EUR	VaR and Stressed VaR
33	48 – 1 instrument 49 – 1 instrument	USD	VaR and Stressed VaR
34	50 – 1 instrument 51 – 1 instrument	USD	VaR and Stressed VaR
35	48 – 1 instrument 51 – 1 instrument	USD	VaR and Stressed VaR
36	52 – 1 instrument 53 – 1 instrument 54 – 1 instrument	USD	VaR; Stressed VaR; IRC
37	55 – 1 instrument 56 – 1 instrument	USD	VaR; Stressed VaR; IRC
38	58 – 1 instrument 59 – 1 instrument	EUR	VaR; Stressed VaR; IRC
39	54 – 1 instrument 55 – 1 instrument	USD	VaR; Stressed VaR; IRC
40	60 – 1 instrument 61 – 1 instrument	EUR	VaR; Stressed VaR; IRC

41	62 – 1 instrument 63 – 1 instrument 65 – 1 instrument 66 – 1 instrument 67 – 1 instrument	EUR	VaR; Stressed VaR; IRC
42	68 – 1 instrument 69 – 1 instrument	USD	VaR; Stressed VaR; IRC
43	70 – 1 instrument 71 – 1 instrument 73 – 1 instrument	EUR	VaR; Stressed VaR; IRC
44	71 – 1 instrument 72 – 1 instrument	EUR	VaR; Stressed VaR; IRC
45	70 – 1 instrument 59 – 1 instrument	EUR	VaR; Stressed VaR; IRC
46	66 – 1 instrument 73 – 1 instrument	EUR	VaR; Stressed VaR; IRC
47	64 – 1 instrument	USD	VaR; Stressed VaR; IRC
48	71 – 1 instrument 72 – 1 instrument 67 – 1 instrument	EUR	VaR; Stressed VaR; IRC
49	57 – 1 instrument 54 – 1 instrument	USD	VaR; Stressed VaR; IRC
50	53 – 1 instrument 27 – 1 instrument	EUR	VaR; Stressed VaR; IRC
51	55 – 5 instruments 35 – 1 instrument	USD	VaR; Stressed VaR; IRC
52	56 – 5 instruments 34 – 1 instrument	USD	VaR; Stressed VaR; IRC
53	55 – 5 instruments 35 – 1 instrument 56 – 5 instruments 34 – 1 instrument	USD	VaR; Stressed VaR; IRC
54	74 – 1 instrument	EUR	VaR; Stressed VaR; APR
55	75 – 1 instrument	USD	VaR; Stressed VaR; APR
56	75 – 5 instruments 68 – 5 instruments 34 – 1 instrument 35 – 1 instrument	USD	VaR; Stressed VaR; APR

4. Aggregated Portfolios

Institutions shall provide the required RM, along with the PV, of the following financial aggregated portfolios:

Aggreg. Portfolio	Description	Combination of Individual Portfolios (individual portfolios as stated by their numbers as referred to in Section 3 above)	Base Currency	Risk Measures required
57	ALL-IN no-CTP	1, 2, 6, 7, 9, 11, 12, 18, 21, 27, 28, 30, 31, 32, 33, 34, 38, 41, 43	EUR	VaR; Stressed VaR; IRC
58	EQUITY Cumulative	1, 2, 6, 7, 9	EUR	VaR and Stressed VaR
59	IR Cumulative	11, 12, 18, 21	EUR	VaR and Stressed VaR
60	FX Cumulative	27, 28, 30, 31, 32	EUR	VaR and Stressed VaR
61	Commodity Cumulative	33, 34	USD	VaR and Stressed VaR
62	Credit Spread cumulative	38, 41, 43	EUR	VaR; Stressed VaR; IRC
63	CTP cumulative EUR	54, 56	EUR	VaR; Stressed VaR; APR

5. Instrument additional specifications

Institutions shall apply these additional specifications to the financial instruments described in Section 2 (Instruments).

Instrument:	47
Description:	5-year Mark to Market (MtM) Cross Currency EUR/USD SWAP. Receive USD and pay EUR. Notional: EUR 10 million, USD (EUR 10 million * FX USD/EUR)
Pay:	Float leg 2
Rec:	Float leg 1
Notional Exchange and Reset:	On effective date and maturity date. Further, on every coupon payment date, an additional payment corresponding to adjustment of the USD notional on Float leg 2 is made. The USD notional is adjusted to equal 10 Million EUR, at spot rate 2 business days in advance of each payment date.
Cash balance	Included
<i>Float Leg 1</i>	
Notional:	10,000,000 EUR converted to USD at spot on effective date
Effective Date:	Booking date
Maturity Date:	Booking date + 5 years
Payment Date Generation:	Forward from Effective Date
Coupon Payment Frequency:	Quarterly
Coupon Rate:	3M USD LIBOR + 0bps.
Coupon Rate Reset Freq:	Quarterly
Coupon Rate Fixing Convention:	2 days in advance of each coupon period
Coupon Rate Compounding Frequency:	Simple Interest
Day Count:	ACT/360
Payment Business Day:	LON, NYC, TARGET
Payment Business Day Convention:	Modified Following
Notional Reset Business Day:	LON, NYC, TARGET
Notional Reset Business Day Convention:	Previous
Coupon Rate Reset Business Day:	LON, NYC, TARGET
Coupon Rate Reset Business Day Convention:	Previous
<i>Float Leg 2</i>	
Notional:	10,000,000 EUR
Effective Date:	Booking date
Maturity Date:	Booking date + 5 years
Payment Date Generation:	Forward from Effective Date
Coupon Payment	Quarterly

Frequency:	
Coupon Rate:	3M EURIBOR + 0 bps.
Coupon Rate Reset Frequency:	Quarterly
Coupon Rate Fixing Convention:	2 days in advance of each coupon period
Coupon Rate Compounding Frequency:	Simple Interest
Day Count:	ACT/360
Payment Business Day:	LON, NYC, TARGET
Payment Business Day	Modified Following
Notional Reset Business Day:	LON, NYC, TARGET
Notional Reset Business Day Convention:	Previous
Coupon Rate Reset Business Day:	LON, NYC, TARGET
Coupon Rate Reset Business Day Convention:	Previous