



**EUROPEAN CENTRAL BANK**  
**BANKING SUPERVISION**

**ECB-RESTRICTED**

Mr Marco Morelli  
Banca Monte dei Paschi di Siena Spa  
Piazza Salimbeni, 3  
53100, Siena  
Italy

27 November 2018

Ref.: TRIM-2019-ITMPS-3917

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**On-site inspection related to the Targeted Review of Internal Models**

Dear Mr Morelli,

We inform you that, pursuant to Article 12 of the Council Regulation (EU) No 1024/2013, and Articles 143 to 146 of the Regulation (EU) No 468/2014 of the ECB, and according to the supervisory examination programme adopted by the ECB, an internal model investigation will take place in your group in the context of the targeted review of internal models (TRIM). It will be related to Credit risk (PD; LGD; CCF) for the following exposure class(es): Corporate - Other. This scope may be modified during the course of the investigation, if necessary. In that case, you will be informed by the Head of Mission on behalf of the ECB.

The on-site inspection is planned to start on 21 January 2019 and will be carried out at Banca Monte dei Paschi di Siena Spa and all affiliated entities and outsourcing service providers. The mission is expected to last 12 weeks. Additional time will be dedicated to the finalisation of the report by the Head of Mission and the discussion with your institution.

The inspection team will be headed by Mr Fabio Turcato (Email: [fabio.turcato@bancaditalia.it](mailto:fabio.turcato@bancaditalia.it)). The Head of Mission will inform you of the members of the inspection team on behalf of the ECB and contact you in the coming days to arrange a first meeting.

We trust you will provide full cooperation during this inspection related to TRIM. Please be reminded that according to Article 143(2b) of the Regulation (EU) No 468/2014 of the ECB "any obstruction to the on-site inspection by the legal person subject thereto shall constitute a breach of an ECB decision within the meaning of Article 18(7) of the SSM Regulation, without prejudice to national law as laid down in Article 11(2) of the SSM Regulation".

Yours sincerely,



François-Louis Michaud  
Deputy Director General  
DG Microprudential Supervision I