

[Company Name]

[Department Name]

[Company Address]

[Date]

[Recipient Name/Title]

[Regulatory Authority Name]

[Regulatory Authority Address]

Subject: Formal Application for Internal Models Approach (IMA) Approval

Dear [Recipient Name],

Pursuant to [Insert Relevant Regulation/Article Number], [Company Name] hereby submits this formal application for the approval to use the Internal Models Approach (IMA) for calculating market risk capital requirements.

We are seeking approval for the following risk categories:

- [e.g., General Interest Rate Risk]
- [e.g., Foreign Exchange Risk]
- [e.g., Equity Risk]
- [e.g., Commodity Risk]

In support of this application, we have attached the required documentation, which includes:

1. Detailed description of the risk management system and internal model architecture.
2. Proof of the model's integration into the daily risk management process (the "Use Test").
3. Back-testing results and validation reports for the previous [Insert Number] months.
4. Internal audit reports confirming the adequacy of the control environment.
5. Technical specifications of the Value-at-Risk (VaR) and Stressed VaR engines.

We confirm that our internal models meet the qualitative and quantitative standards set forth in the [Name of Regulatory Framework, e.g., Basel III/CRR]. We are prepared to facilitate an on-site inspection and provide any additional information required for your review process.

Please contact [Contact Person Name] at [Phone Number] or [Email Address] for any queries regarding this submission.

Yours sincerely,

[Signature]

[Name of Senior Officer]

[Job Title, e.g., Chief Risk Officer]