As speaking for the buy-side RLB Niederösterreich-Wien likes to give comment especially on the following questions:

Q4 + Q5 + Q12 + Q14

Similar to other regulations the focus of the prudent valuation RTS is set on large banks, representing the sell-side.
For small banks and banks on the buy-side the proposed concept seems to be too sophisticated, as it results in a growing need to set up staff and systems to fulfil the new requirements.
Therefore a proposal for a common **standardized method** would be appropriate so that smaller banks can handle the need of calculating and re-checking the amounts to be deducted form common tier 1 capital with less effort.
Otherwise small banks and their clients would have to face a substantial rise of costs when dealing derivatives, even though they are traded only out of hedging reasons.

Q8

Given the fact, that starting with the implementation of the central counterparty clearing-obligation (CCP/EMIR) the trading of given derivatives is getting close to exchange-trading.
Therefore RLB NOEW suggests, that derivatives which are **priced by a clearing house** should be classified as **marked-to-market (level 1)** and not marked-to-model (level 2) and as a consequence be excluded from the prudent valuation requirements.
Backed up by the factum, that this pricing is the basis for the obligatory daily collateral margining, which purveys security that a quoted price equals the exit price.