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.