

Chapter 1

Commission Delegated Regulation (EU) 2016/101



Article 13 Calculation of investing and funding costs AVA

(1) Institutions shall calculate the investing and funding costs AVA to reflect the valuation uncertainty in the funding costs used when assessing the exit price according to the applicable accounting framework.

(2) Institutions shall include the element of the AVA relating to market price uncertainty within the market price uncertainty AVA category. The element of the AVA relating to close-out cost uncertainty shall be included within the close-out costs AVA category. The element of the AVA relating to model risk shall be included within the model risk AVA category.