Dear Sirs,

I'm a Romanian valuer, and I want to use the opportunity to comment on IVS 2017 released Exposure Drafts

I suggest to include in IVS 104 the definition for market capitalization. You can link it to discounts and premiums definition, in order to explain the difference from the company's value.

Also in IVS 104, you define synergetic value, useful for fusions, M&A's. You also must mention that the combined value of the companies resulting in a division can be greater than the value of the initial company.

In para. 90.5 (b) of IVS 105 you must mention also some other methods for establishing the physical obsolescence, like: mileage for cars; exceptions for running-in period; the nonlinear variation of assets prices with their age; the residual value; different depreciations for various components of a complex asset.

As a curiosity, a museum piece is an example where the economic life can exceed the physical life of a machinery (para. 90.3 (b) in IVS 105).

Mutual funds must evaluate minority shares in unlisted companies on monthly bases, in a mark-to-model pattern. The only practical possibility is to consider these shares at their net asset value. This exception must be added to para. 70.1 in IVS 200. From para. 70.1 (b), I understood that you consider only that the fund’s value itself is estimated based on the summations method.

In my opinion, in IVS 105 (para. 50 to 60) you must specify the exact formulas and rates definitions. After all, the ultimate scope of a standard must be to provide a uniform, unambiguous calculation algorithm.

Qualified labor force and key management persons are also intangible (human resources) you must mention in para. 20.3 of IVS 210.

Thanks’ for your attention.

Yours faithfully,
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