
Direct Settlement

Advanced (DS.A)

Guide to Dividend Compensation for Transaction Type INTERNAL

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1 General

The present document describes the procedure used by CentralSecuritiesDepository.Austria (CSD.Austria) for the payment of coupon compensation for OTC transactions of type INTERNAL instructed in DS.A.

2 Conditions for Compensation

Payment of coupon compensation is effected under the following conditions:

- successful final settlement of the instruction
- Trade Date < Ex Date
- Value Date (corresponding to the Effective Settlement Date) ≥ Ex Date
- Payment Date has been reached

3 Eligibility for Compensation

Compensation applies to

- dividend payments and
- investment fund payments

in securities which

- have an Austrian ISIN (AT)
- are held directly with OeKB
- are stocks or investment funds and
- have EURO as currency of payment.

4 Form of Compensation

The amount of compensation is calculated as follows:

Settlement Quantity multiplied by Dividend (minus any applicable tax deductions).

Compensation cash amounts are always posted using a customer cash account held with OeKB. This also applies to customers who per default use an OeNB account to settle the cash side of INTERNAL transactions. .

Payment of coupon compensation is effected both for instructions versus payment (instruction type IDVP or IRVP) and for those free of payment (instruction type IRF or IDF).

5 Types of Compensation

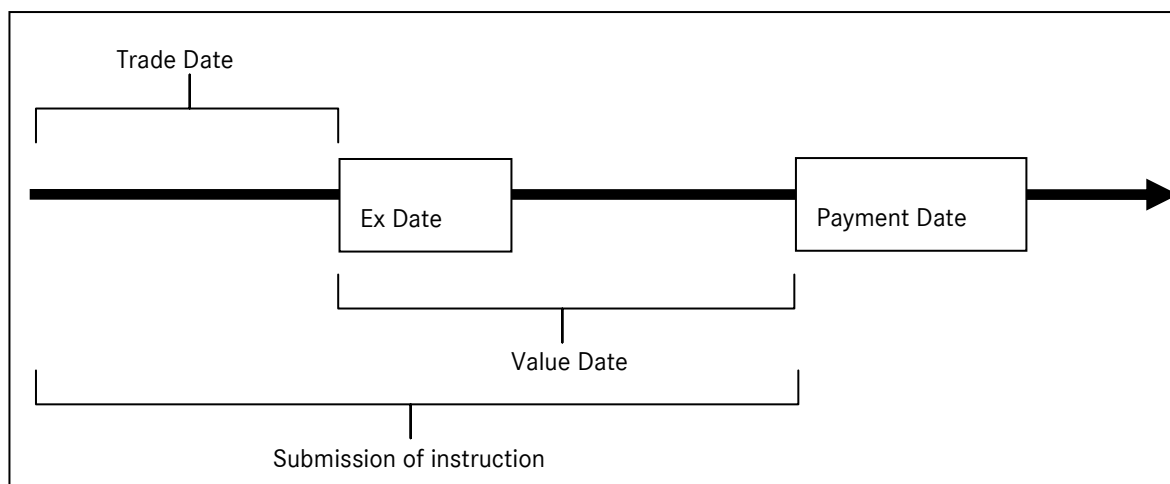
If the underlying transaction is settled before (Value Date < Payment Date) the Coupon Payment Date the resulting compensation is taken into consideration when paying out the main dividend.

If the underlying transaction is settled on/after (Value Date ≥ Payment Date) the Coupon Payment Date the resulting compensation is calculated and notified separately.

5.1 Value Date < Payment Date

Preconditions:

- Instruction is submitted at the latest one day before Payment Date
- Trade Date is prior to Ex Date
- Value Date (Effective Settlement Date) is on / after Ex Date and before Payment Date

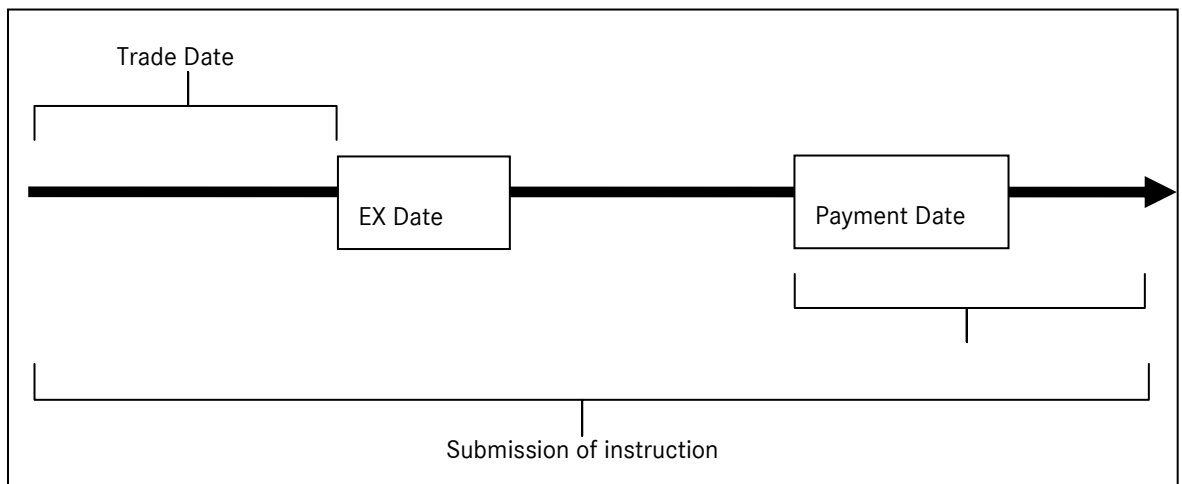


In this case the securities movement resulting from the instruction is taken into consideration when calculating the main dividend payment. The corresponding cash value is debited from the OeKB cash account of the deliverer of the securities and credited to the OeKB cash account of the recipient of the securities. In this case no separate notice of compensation payment is generated since the securities movement resulting from the transaction has already been included in the ex-date position for the calculation of the main dividend payment. Thus the Value Date of the compensation payment corresponds to the Value Date of the main dividend payment.

5.2 Value Date \geq Payment Date

Prerequisites:

- Trade Date prior to Ex Date
- Value Date (Effective Settlement Date) is on / after Payment Date



In this case compensation is calculated and confirmed separately for each trade with information being given on the original transaction. The Value Date for the compensation payment corresponds to that of the Effective Settlement Date of the underlying transaction provided the transaction was settled finally before approx. 2 p.m.

6 Communication with the Customer

Customers are informed of payments of coupon compensation by the same medium (SWIFT, fax, e-mail) as defined for the sending of advices of coupon payments.

The following information is contained in the advice of payment:

- ISIN of the underlying security
- underlying transaction
- Cash amount and quantity
- Value Date
- EX Date
- plus all data relevant to the calculation and posting of the payment (tax, cash account.....)



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