

## **General Terms and Conditions of the Strip Programme**

### **CONDITIONS**

### **EXECUTION**

#### **§ 1 Bond stripping**

Bond stripping is the division of Government Bonds into the bond capital and the bond interest coupons ("**Strips**") by commercial investors. Bond stripping by private investors is not permitted.

#### **§ 7 Handling**

Strip programme transactions are handled by the relevant deposit bank according to the Guidelines of the OeKB CSD GmbH ("**Central Securities Depository**").

#### **§ 2 ISIN - Code**

The Government Bonds, the bond capital and the bond interest coupons are assigned separate international security identification numbers.

#### **§ 8 Management**

The Strips are administered by the Central Securities Depository, whose consent is required for every bond stripping.

#### **§ 3 Strip conditions**

The conditions of Government Bonds (trustee investment status, termination, and the like) also apply to Strips.

#### **§ 9 Time limits**

Bond stripping is possible from the beginning of the term until one week prior to the Maturity of the Strips.

#### **§ 4 Global Bond**

Government Bonds and Strips are represented collectively by a global bond or several global bonds.

#### **§ 10 Reconstitution**

On request Government Bonds are reconstructed from individual Strips within one global bond.

#### **§ 5 Stock exchange listing and eligibility as collateral**

The Strips will be listed at least in the Official Market at the Vienna Stock Exchange at the earliest date possible. An application for inclusion in the list of assets eligible for use as Tier 1 collateral in the System of European Central Banks credit operations will be made.

#### **§ 11 Strip package**

Bond stripping and reconstitution are handled in packages of bond nominals of Euro 5 million.

#### **§ 6 Limitation of claims**

The claims deriving from Strips expire after the lapse of 30 years after Maturity.

#### **§ 12 Maximum volume**

Bond stripping can only be carried out provided that the outstanding unstripped nominal amount of Bonds of an issue of Government Bonds is at least Euro 2 billion for the whole of its term.