

Annex 21 to the GTC of OeKB CSD

# Guideline

# Forwarding of

# Income Payments

Guideline for the Forwarding of Income Payments of  
Securities Held in Safekeeping and Managed by OeKB  
CSD as Issuer CSD or Investor CSD

6 February 2017

**CENTRAL  
SECURITIES  
DEPOSITORY**

**OeKB**   
**CSD GmbH**



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# 1 General

The present document describes the procedure used by OeKB CSD in its function as Issuer CSD or Investor CSD in the context of Income Payments both in EUR and non-EUR with T2S.

Income Payments comprise amongst others the following events:

- DVCA - Cash Dividend
- CAPD - Capital Distribution
- CAPG - Capital Gains Distribution
- DECR - Decrease In Value
- EXWA (Mandatory) – Warrant Exercise Mandatory
- INTR - Interest Payment
- SHPR - Shares Premium Dividend
- MCAL - Full Call/Early Redemption
- PCAL - Partial Redemption With Reduction Of Nominal Value
- PRED - Partial Redemption Without Reduction Of Nominal Value
- REDM - Final Maturity
- WRTH – Worthless

## 2 Announcement of Income Payments to OeKB CSD

### 2.1 Income Payments of Securities Held in Safekeeping and Managed by OeKB CSD as Issuer CSD

The issuer or as the case may be the paying agent announced by him on the security certificate has according to OeKB CSD's GTC to communicate respective Income Payment related information as follows:

- (1) E-Mail to Service Center Asset Servicing of OeKB CSD, E-Mail: [assetservicing@oekb-csd.at](mailto:assetservicing@oekb-csd.at)
- (2) Fax to Service Center Asset Servicing of OeKB CSD, Fax: +43 1 53127-5010
- (3) Publication in Official Gazette of "Wiener Zeitung"

### 2.2 Income Payments of Securities Held in Safekeeping and Managed by a Custodian of OeKB CSD where OeKB CSD is Acting as Investor CSD

Income Payment related information for securities held in safekeeping and managed by a custodian of OeKB CSD where OeKB CSD is acting as Investor CSD is submitted to OeKB CSD by its custodian.

## 3 Redemption upon Maturity

- (1) In case of securities held with OeKB CSD itself, with the exception of Austrian registered shares, OeKB CSD redeems assets falling due unless the Securities Account Holder gave instruction not to redeem. In case due assets cannot be redeemed or cannot be redeemed in full on the maturity date, OeKB CSD will again attempt redemption if deemed successful.
- (2) In case of securities kept by OeKB CSD with a custodian, OeKB CSD has the right to claim vis-à-vis the custodian redemption of due assets and to a credit of the amounts procured.

## 4 Information on Income Payments

Preliminary information on Income Payments based on holdings can be retrieved in the Asset Servicing Online Client and/or obtained via SWIFT MT564 (Corporate Action Notification).

Payment Confirmations can be retrieved in the Asset Servicing Client and/or obtained via SWIFT MT566 (Corporate Action Confirmation) as well as via E-Mail (pdf).

### 4.1 Asset Servicing Online Client

OeKB CSD clients can request current and historic event information in the Asset Servicing Online Client. Notifications can be seen and downloaded as SWIFT and confirmations as SWIFT and/or Reports (pdf).

The registration for the Asset Servicing Online Client is carried out by using the OeKB Group Login Portal ([login.oekb.at](http://login.oekb.at)) with user name, password, PIN and Tokencode.

Further information can be taken from the Asset Servicing Client User Manual.

### 4.2 SWIFT Messages for Income Payments

Preadvices for Income Payments are submitted via SWIFT MT564 (Corporate Action Notification). Payment Confirmations are sent via SWIFT MT566 (Corporate Action Confirmation).

The SWIFT messages contain a continuous Corporate Action Reference (Qualifier CORP) which always starts with the event type followed by a unique number (SWIFT Qualifier for event code e.g. DVCA00100168). The single SWIFT messages for an event are linked by the sender reference.

A description and explanation of the SWIFT structure including examples can be found in the document „OeKB CSD Custody SWIFT Manual for Income“, downloadable from our website.

## 5 Instructions and Information on Income Payments

### 5.1 Instructions not to redeem Securities due which OeKB CSD keeps and administers itself as Issuer CSD (Breakdown Instruction)

Instructions not to redeem a certain amount of securities of a particular category which OeKB CSD keeps and administers itself as Issuer CSD may be issued by securities account holders to OeKB CSD by the Asset Servicing Client pursuant to section 5.3 and Annex 22 (User Manual Asset Servicing Client). Income for securities not collected by OeKB CSD in accordance with the instruction will in the following be considered in the same way by OeKB CSD as income collected for the same category, and therefore be deemed collected by OeKB CSD.

### 5.2 Information to redeem Securities due without Deduction of Austrian Withholding Tax for Securities which OeKB CSD keeps and administers itself as Issuer CSD (Breakdown Information)

(1) Pursuant to the procedure as described in section 5.3 and Annex 22 (User Manual Asset Servicing Client) and stating the statutory exemption (exemptions) invoked securities account holders may inform the OeKB CSD to redeem a certain amount of securities of a particular category which OeKB CSD keeps and administers itself as Issuer CSD without deduction of Austrian withholding tax. In this event OeKB CSD will inform the issuer or his paying agent pursuant to the procedure as described in Annex 11 (Guideline Income Collection for Securities Due) not to deduct Austrian withholding tax for a certain amount of securities.

(2) The securities account holders issuing such information shall be liable to OeKB CSD and the issuer for the correctness and the applicability of the invoked exemption (exemptions) and shall be obliged to verify, by obtaining all the evidence and proof required by applicable statutory provisions, whether such exemption (exemptions) actually apply. In addition, they shall be obliged to keep such documents obtained under this provision for the limitation period of any applicable tax debt and to provide OeKB CSD and the issuer involved with copies of the documents on request. OeKB CSD does not accept liability for the correctness and applicability of invoked statutory exemptions.

(3) Forwarding of information about the redemption of securities due without deduction of foreign withholding tax is not possible.

### 5.3 Event Types for Orders and Information regarding Section 5.1 and 5.2

- “DVCA - Cash Dividend”
  - If a Record Date is available: possibility to place instructions up until the 1st Target-Day, 6 p.m., prior to the Record Date,
  - If only Ex-Day is available: possibility to place instructions up until the 2nd Target-Day, 6 p.m., prior to the Ex-Day,
  - After these deadlines no changes are possible.
- “EXWA (Mandatory) – Warrant Exercise Mandatory”
  - Possibility to place instructions up until the 2nd Target-Day, 6 p.m., prior to the Ex-Day,
  - After this deadline no changes are possible.

#### **-Instructions for all other Event Types:**

- Possibility to place instructions up until the 4th Target-Day, 6 p.m., prior to the Ex-Day.
- After this deadline changes of instructions which have already been placed in the Asset Servicing Client are possible, provided that:
  - The form *Notification of corrections of orders not to redeem matured values, which are held by OeKB CSD itself* is sent via fax
  - The change is made up until the 1st Target-Day, 6 p.m., prior to the Ex-Day
  - Processing is made on a “Best Effort Basis”

#### **5.4 Instructions not to have redeemed Securities due which OeKB CSD keeps and administers as Investor CSD by a Custodian**

If considered administrable by OeKB CSD and if respective agreements have been made with the custodians, securities account holders, pursuant to the procedure as described in Annex 23 (Issuing of Instructions via Fax Form or MT 565), may issue an instruction not to have redeemed a certain amount of securities of a particular category which OeKB CSD keeps and administers as Investor CSD by a custodian. OeKB CSD shall instruct the custodian accordingly. Income for securities not collected in accordance with the instruction will in the following be considered in the same way by OeKB CSD as income collected for the same category, and therefore be deemed collected by OeKB CSD.

#### **5.5 Information to redeem Securities due with Consideration of a reduced Austrian Withholding Tax Rate for Securities which OeKB CSD keeps and administers as Investor CSD by a Custodian**

(1) If considered administrable by OeKB CSD and if respective agreements have been made with the custodians and the tax representatives of OeKB CSD, securities account holders, pursuant to the procedure as described in Annex 23 (Issuing of Instructions via Fax Form or MT 565) and stating the statutory exemption (exemptions) invoked, may inform the OeKB CSD to redeem a certain amount of securities of a particular category which OeKB CSD keeps and administers as Investor CSD by a custodian with consideration of a reduced Austrian withholding tax rate. OeKB CSD shall instruct the custodian accordingly.

(2) The securities account holders issuing such information shall be liable to OeKB CSD, the custodian and the issuer for the correctness and the applicability of the invoked exemption (exemptions) and shall be obliged to verify, by obtaining all the evidence and proof required by applicable statutory provisions, whether such exemption (exemptions) actually apply. In addition, they shall be obliged to keep such documents obtained under this provision for the limitation period of any applicable tax debt and to provide OeKB CSD, the custodian and the issuer involved with copies of the documents on request. OeKB CSD does not accept liability for the correctness and applicability of invoked statutory exemptions or for the corresponding execution.

(3) OeKB CSD will have the collection of income for securities due made in accordance with the allocation instructions issued by the securities account holders. OeKB CSD shall not be liable for withholding taxes retained by a custodian or a tax representative in breach of allocation instructions.

## 5.6 Orders and Information regarding Section 5.4 and 5.5

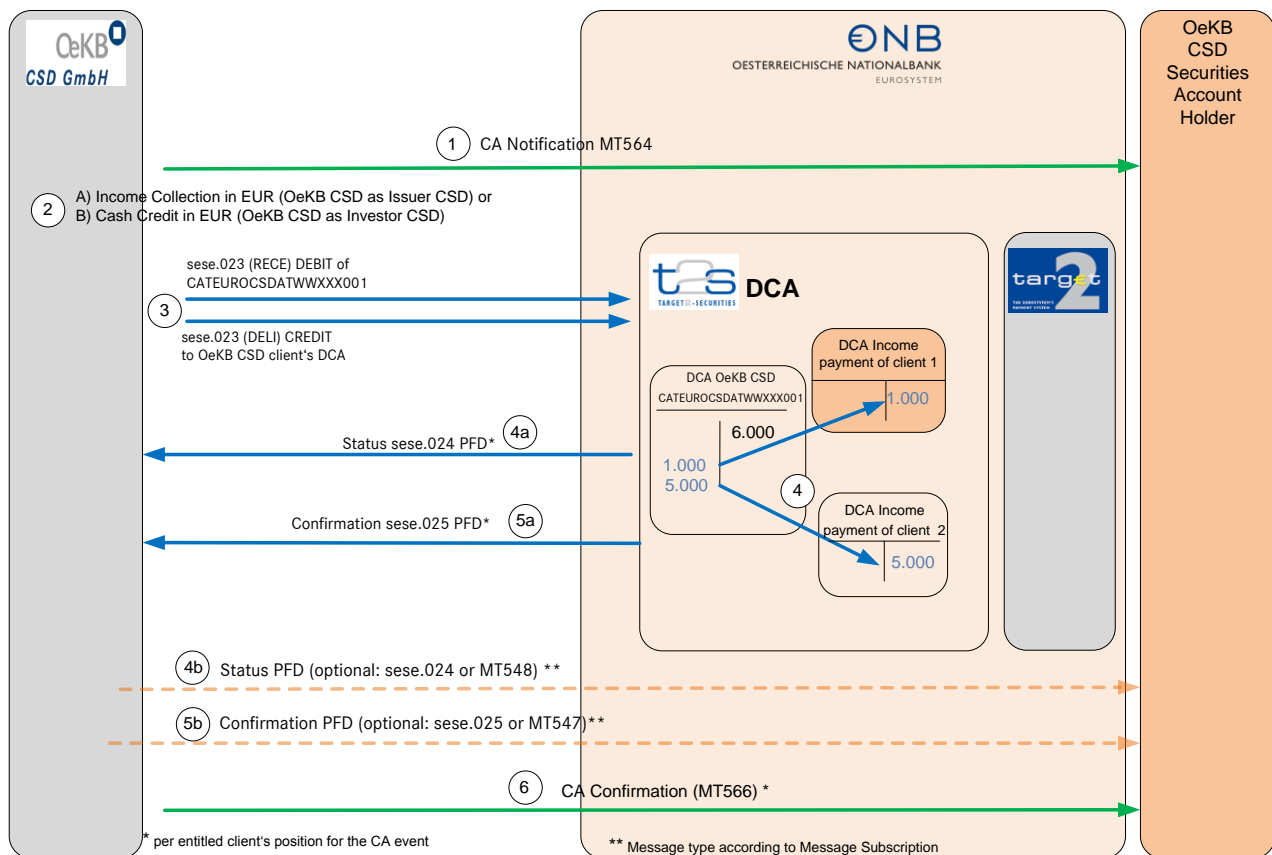
For securities held by OeKB CSD as Investor CSD by a custodian it is not possible to give instructions via the Asset Servicing Online Client. Respective instructions have to be given via SWIFT or fax form.

# 6 Forwarding of Income Payments

- (1) The forwarding of amounts received in the course of Income Payments is made to the Securities Account Holders in proportion to the credit balances booked on the securities accounts at the beginning of business on the respective Ex Date or, as relevant, at the end of business on the respective Record Date.
- (2) These amounts will be forwarded to the Securities Account Holders pro rata to the credits, even if the amount received in the process of redemption does not correspond to the amount due.
- (3) A credit prior to the end of business on Record Date or start of business on Ex Date is not possible.

## 6.1 Income Payments in EUR

Income Payments in EUR take place on the Dedicated Cash Account (DCA) of the respective Securities Account Holder with OeKB CSD.



- Corporate Action Notification to OeKB CSD Securities Account Holder (MT564) (1)



- Under the condition of a successful Income Collection in case of OeKB CSD as Issuer CSD or the credit in case of OeKB CSD as Investor CSD: (2)
  - via PFD DBIT („Payment free of Delivery – Cash Delivery“) with the debit of OeKB CSD’s DCA in favour of the OeKB CSD Securities Account Holder’s DCA (4)
  - via PFD CRDT („Payment free of Delivery – Cash Receipt“) with the credit of the payment on the OeKB CSD Securities Account Holder’s DCA and (4)
- After processing of PFD:
  - PFD-Confirmation-message (MT547)
  - Corporate Action Confirmation (MT566)

Moment of credits on the DCAs of security account holders with a Euro-Central Bank is the payment date, provided that the amount due

- in regard to securities, which are kept by OeKB CSD as Issuer CSD, the amount of proceeds on the cash account notified by OeKB CSD and
- in regard to securities, which OeKB CSD keeps as Investor CSD, the amount of proceeds on the cash account of OeKB CSD at the depository

is made available on payment date until 2:30 p.m. at the latest.

## 6.2 Income Payments in non-EUR

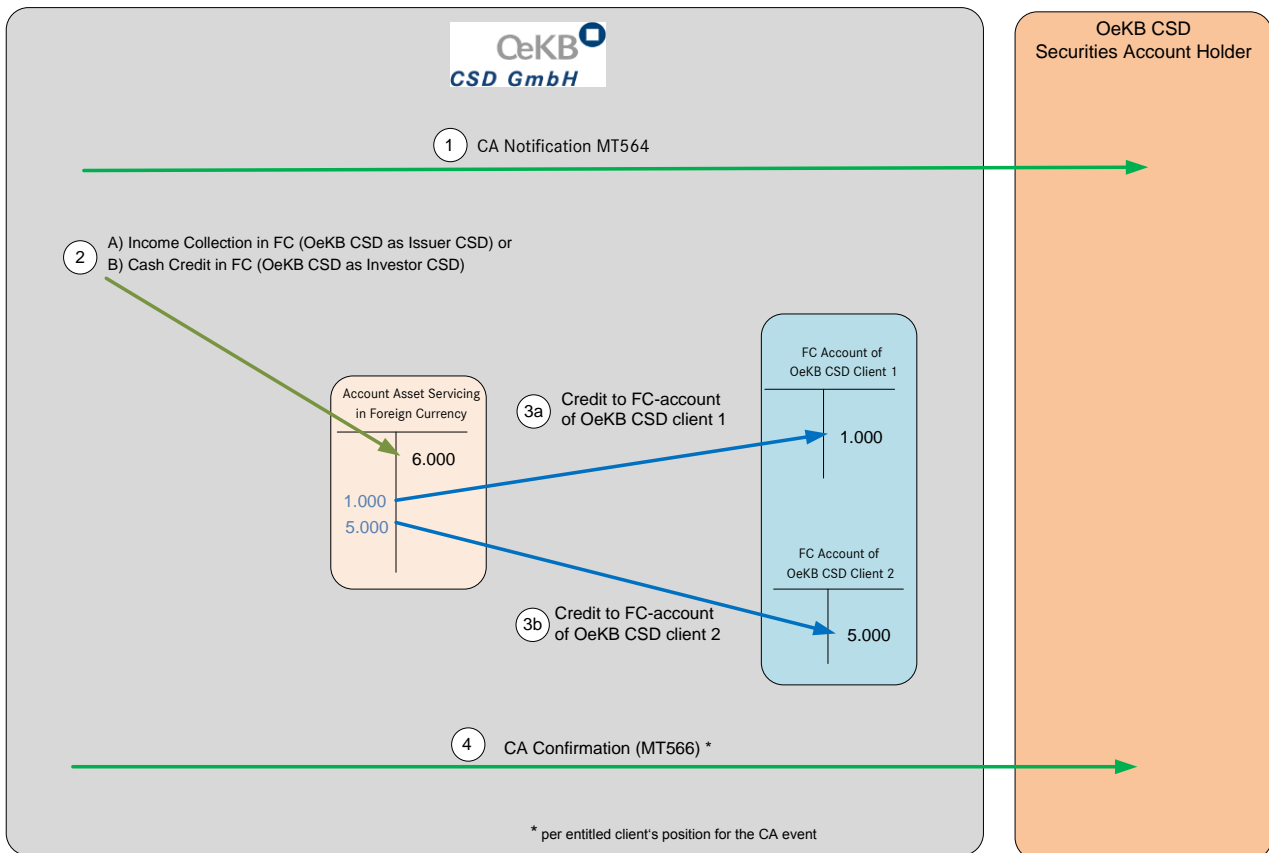
Income Payments in non-EUR take place on the account in foreign currency (FC Account) of the respective OeKB CSD Securities Account Holder kept with OeKB CSD.

In case OeKB CSD receives Income Payments in one of the below mentioned currencies, OeKB CSD processes the Income Payment on the account in foreign currency of the respective Securities Account Holder kept with OeKB CSD:

ARS, AUD, BGN, CAD, CHF, CZK, GBP, HKD, HRK, HUF, JPY, NOK, NZD, PLN, RON, RUB, SEK, TRY, USD, ZAR

All other currencies are converted into EUR (if possible) and the Income Payment is processed on the DCA of the respective OeKB CSD Securities Account Holder (see 6.1).

In case the owner of a Securities Account with OeKB CSD has no respective account in foreign currency and expects an Income Payment in non-EUR, OeKB CSD will automatically open such an account. In such a case the mode of sending the account statement for the new account in foreign currency will be taken over from the existing EUR-account.



- Moment of credits of income payments in non-EUR which are paid in original currency on the accounts of security account holders with OeKB CSD is the payment date, provided that the amount due
  - in regard to securities, which are kept by OeKB CSD as Issuer CSD, the amount of proceeds on the cash account notified by OeKB CSD and
  - in regard to securities, which OeKB CSD keeps as Investor CSD, the amount of proceeds on the cash account of OeKB CSD at the depository

is made available on payment date until 2:30 p.m. at the latest.

- Moment of credits of income payments in non-EUR which are converted into EUR on the DCAs of security account holders with a Euro-Central Bank is the 2. business day after the payment date, provided that the amount due
  - in regard to securities, which are kept by OeKB CSD as Issuer CSD, the amount of proceeds on the cash account notified by OeKB CSD and
  - in regard to securities, which OeKB CSD keeps as Investor CSD, the amount of proceeds on the cash account of OeKB CSD at the depository

is made available on payment date until 11:00 a.m. at the latest.

## 7 Claims and Transformations

A comprehensive description about claims and transformations can be taken from the Annex 25 (Using T2S for Transaction Management), available for download at OeKB CSD's website.



