

CSDs: OeKB (Austria)

Date: 31 Dec 2009

SMI Markets: Austria

CMIRR Markets: Austria

Modified CCP.A Clearing Rules

Following the approval of the Austrian Financial Authority (FMA), the modified CCP.A Clearing Rules will become effective on 1 January 2010. The amendments include:

- Requirements for Clearing Members: an Exchange Member may hold simultaneous clearing memberships, as a Participating Clearing Member and a Non-participating Clearing Member (NCM);
- A Participating Clearing Member may use the services of a General Clearing Member (GCM) for settlement and take part indirectly in the settlement as a NCM. Transactions are executed only between the Clearing Agent and the Participating Member;
- In instances that it is impossible to deliver the security during the separation procedures for reasons that involve the security and the Clearing Agent becomes aware of these reasons, the Clearing Agent must separate the shortfall and settle the transaction in cash, without applying a mark up;
- Should it be impossible to deliver the underlying security during the clearing period, due to an issue with the underlying security, and the Clearing Agent is advised, the Clearing Agent must transfer the settlement responsibility to the appropriate Participating Member;
- For an open shortfall in subscription rights, the cash settlement amount is valued at 110% (subscription price plus last price of the subscription right, multiplied by the subscription ratio, compared to the first available closing price).

CSD Risk Impact

OeKB (Austria)

CSD Rating: A+

CSD Flash Impact: Positive

Impacted Risk Type: Counterparty Risk

Current Rating = AA

Flash Impact = Positive

The revision to CCP.A Clearing Rules clarifies the treatment of failing transactions due to problems with the underlying security. This will have a 'Positive' impact on Counterparty Risk.

Market Information Impact

Austria

This information affects the data contained in the Settlement sections of the Securities Market Information Service.

Infrastructure Risk Ratings Impact

Austria

Market Rating: A+

Market Flash Impact: Positive

Impacted Risk Type: Counterparty Risk

Current Rating = AA-

Flash Impact = Positive

The revision to CCP.A Clearing Rules clarifies the treatment of failing transactions due to problems with the underlying security. This will have a 'Positive' impact on Counterparty Risk.

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