

Unofficial translation from the German language. Only the German language version is authentic.

OFFER

and

WAIVER

regarding the redemption or repayment of non-contentious, non-subordinated bonds and other obligations of HETA ASSET RESOLUTION AG

Valid from 15 November 2017, 8 a.m. Central European Time, until 7 December 2017, 5 p.m. Central European Time (each inclusive)

To:

HETA ASSET RESOLUTION AG
attn: Treasury
Alpen-Adria-Platz 1
9020 Klagenfurt/Wörthersee

If sent by e-mail:

invitation@heta-asset-resolution.com

I / We

[For natural persons: first and last name; in case of legal entities: full name or full company name]

[For natural persons: Address with street, postal code, town, state; in case of legal entities: address with street, postal code, town, state and in addition the register (companies' register, commercial register or other public register) and registration number where the legal person is registered in its home state and a register excerpt]

make reference to the invitation by HETA ASSET RESOLUTION AG ("**HETA**") published on 15 November 2017 to submit offers for the redemption or repayment of certain obligations to HETA at the redemption amounts (*Rückzahlungsbeträge*) as set out therein (the "**Invitation**"). Abbreviations, terms and definitions used in the Invitation and not otherwise defined in this statement have the same meaning herein as in the Invitation.

Based on and being aware of the Invitation, I / we make the following statements:

1 Preamble

I am / We are a creditor of HETA with respect to the following non-contentious, non-subordinated and unsecured eligible (*berücksichtigungsfähige*) obligations of HETA (please mark with a cross as appropriate):

Bonds

[*Short form designation*]

[*ISIN*]

[*Nominal value of the own holdings (original nominal value as at 1 March 2015, i.e. before write-down (Herabschreibung))*]

A current statement of securities deposit (*Depotauszug*) is attached.

Other obligation of HETA, not represented by securities, which is non-contentious, non-subordinated and unsecured at 31 October 2017, 12 p.m. Central European Time.

[*Legal basis*]

[*Reference such as e.g. invoice number and date (if available)*]

[*Nominal value of the obligation as at 1 March 2015 (original nominal value before write-down (Herabschreibung))*]

- other obligation of HETA, not represented by securities, which is non-subordinated and unsecured, which according to a domestic or foreign legally binding arbitral or court decision or a legally binding settlement in court or out of court becomes non-contentious until 7 December 2017, 5 p.m. Central European Time.

[Legal basis]

[Information on legally binding domestic or foreign arbitral or court decision or on the legally binding settlement in court or out of court (court, reference number)]

[Nominal value of the obligation (according to decision or settlement)]

A copy of the legally binding domestic or foreign arbitral or court decision or the legally binding settlement in court or out of court is attached,

(the "**Offer Obligation**").

2 Offer; repayment price or redemption amount

I / We herewith offer to HETA legally binding, unconditionally and irrevocably to sell my / our entire Offer Obligation to HETA at the following terms and conditions (redemption of bonds simultaneously with (*Zug um Zug*) their transfer to HETA) or in case of an Offer Obligation not represented by securities to waive my / our entire Offer Obligation against payment of a redemption amount (*Rückzahlungsbetrag*) as follows:

Fixed repayment price or fixed redemption amount of 19,364 % of my / our Offer Obligation calculated on basis of the nominal value of the Offer Obligation as at 1 March 2015 (concerning bonds according to lit (i) of the Offer Obligations including interest accrued until 1 March 2015; as for details please also see the Invitation and Annex 1 *Overview payment amounts and bonds (Übersicht Zahlungsbeträge und Schuldverschreibungen)*).

EUR

[other currency]

Exclusively for bond ISIN CH0028623145

CHF _____

3 Covenants, representations and warranties

I / We represent and warrant that I am / we are the sole owner(s) and have the exclusive right to dispose of the Offer Obligation, that the Offer Obligation is free from any encumbrance or rights of third parties, in particular free from any pledge, lien, security right, security assignment or other *in rem* or contractual encumbrance or right of a third party, as well as that there are no acquisition rights or option rights of third parties in respect of the Offer Obligation.

I / We undertake not to dispose of the Offer Obligation up to and including *22 December 2017* in whole or in part, in particular not to transfer it against consideration or for no consideration and not to sell, dispose, donate or to transfer it by means of a corporate restructuring.

4 Offer period; settlement

- 4.1 I / We acknowledge that the offer period starts at *15 November 2017, 8 a.m. Central December European Time*, and ends at *7 December 2017, 5 p.m. Central European Time*, each inclusive, and that Offers which do not arrive until *7 December 2017, 5 p.m. Central European Time*, at HETA as original or via e-mail will not be considered; in case of submission of the Offer via e-mail, the e-mail must be accompanied by the duly signed (for legal entities: duly signed by authorized representatives) offer form as pdf. I am / We are bound by my / our Offer until *22 December 2017, 12 p.m. Central European Time*, inclusive and can neither amend or modify nor revoke it until then, unless HETA agreed to this in writing.
- 4.2 If and to the extent that HETA accepts Offers, the settlement of the repurchase or repayment shall take place in relation to all Offers accepted at the same date probably with value date (*Wertstellung*) on *20 December 2017* (the "**Settlement Date**"); HETA reserves the right to change the Settlement Date (especially if more time should be necessary or advisable for the review of the Offers received).
- 4.3 In case of the acquisition of bonds, the transfer of the bonds for which HETA has accepted Offers, will take place simultaneously with (*Zug um Zug*) the payment of the repurchase price by HETA as a delivery vs. payment transaction (*Lieferungs-/Zahlungsgeschäft*); if I am / we are a holder of bonds which are subject to the Offer, I commit myself / we commit ourselves to give appropriate instructions via my / our custodian bank until *18 December 2017* at the latest to allow the settlement to occur as a delivery vs. payment transaction (*Lieferungs-/Zahlungsgeschäft*) at the Settlement Date. I / we will provide the full settlement details in accordance with Annex 2 hereto.

4.4 If bonds are subject of the Offer:

The details of my / our deposit / securities account with respect to the Offer Obligation are as follows (also see Annex 2):

[Bank]

[Number of deposit/securities account]

4.5 In case of the acceptance of the Offer, the details of my / our account to which the redemption price or repayment amount in relation to my / our Offer Obligation is to be transferred are as follows:

[Bank]

[IBAN]

[BIC]

4.6 I / We explicitly agree that HETA or one or more of the banks commissioned by HETA to handle the accepted Offer may contact the afore mentioned bank for purposes of the settlement, and I / we explicitly agree that my / our bank is released from the obligation to maintain the banking secrecy for this purpose.

5 Waiver and other declarations

In connection with my / our Offer, I / we explicitly, legally binding and irrevocably declare the following:

If as HETA accepts my / our Offer, my / our Offer Obligation is completely, irrevocably and finally paid and redeemed and all my / our rights, claims (*Ansprüche*) and receivables (*Forderungen*) in relation thereto (including all accessory rights (*Nebenrechte*) and all rights to alter a legal relationship (*Gestaltungsrechte*) and including all accessory security (*akzessorische Sicherheit*)) are comprehensively, irrevocably and finally extinguished upon full payment of the price or redemption amount. I / We waive any existing rights, claims or receivables arising out of or in connection with my / our Offer Obligation (including all accessory rights (*Nebenrechte*), all rights to alter a legal relationship (*Gestaltungsrechte*) and including all accessory security (*akzessorische Sicherheiten*)), provided that the redemption price or repayment amount is paid in full.

- 5.1 The repurchase price or redemption amount for the Offer Obligation is fixed and under no circumstances subject to an adjustment upwards or downwards, especially no improvement or increase shall occur in case that in the future HETA may distribute a higher quota (*Verwertungserlös*) to its creditors (or any of them).
- 5.2 I / We acknowledge that I / we do not submit the Offer on the basis of a recommendation or investment advice by HETA (or persons commissioned by HETA) and that the information published in the Invitation or otherwise provided by HETA in connection therewith (e.g. in the forms provided for the offers) are no recommendation and no investment advice, but instead are exclusively for my / our information to decide whether I / we want to submit an offer for repurchase or redemption to HETA or not. I / We confirm that I submit my / we submit our Offer exclusively after our own independent evaluation (or after having obtained business, legal and / or tax advice from my / our bank, financial adviser and / or legal or tax adviser). I / We confirm that the information provided to me / us has been sufficient to submit my / our Offer and that HETA is not liable that the information provided is current, correct or complete.
- 5.3 In the event that my / our Offer will be accepted by HETA, I / we waive any and all rights to challenge, cancel, terminate, rescind, amend or modify my / our Offer or the resulting agreement, in particular (but not exclusive) because of frustration of contract (*Wegfall der Geschäftsgrundlage*) or *laesio enormis* (*Verkürzung über die Hälfte des wahren Werts*), as well as compensation for any and all claims for damages (*Schadenersatz*) or other claims due to omitted (*unterlassener*), inadequate (*nicht ausreichender*) or inaccurate (*unrichtiger*) information (with the exception of wrongful intent (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*) of HETA).

6 Compensation Payment by Kärntner Ausgleichszahlungs-Fonds

- 6.1 I / we want to process the settlement of the compensation payment according to § 2a of the Financial Markets Stability Act (*Finanzmarktstabilitätsgesetz*) for the *Class A Instruments (Klasse A Schuldtitel)* according to the Offer by Kärntner Ausgleichszahlungs-Fonds ("**KAF**") dated 6 September 2016 (the "**KAF Offer**") via HETA.
- Yes
- No

- 6.2 If the settlement via HETA is selected,
- 6.2.1 I / we attach the waiver declaration towards KAF;
- 6.2.2 I / we acknowledge that the proper form of the waiver will be verified solely by KAF and that HETA does not owe the compensation payment owed by KAF according to the KAF Offer, does not guarantee it and is not otherwise liable for it;
- 6.2.3 the settlement of the compensation payment takes place together with the settlement of the repurchase of the relevant bonds by delivery of *Class A Instruments (Klasse A Schuldtitel)* against payment of (i) the repurchase price and (ii) the compensation payment and I commit myself / we commit ourselves to give instructions until 18 December 2017 by way of my / our custodian bank that the settlement may take place on the Settlement Date as delivery vs. payment transaction (*Lieferungs-/Zahlungsgeschäft*).

7 Governing Law and Jurisdiction

- 7.1 This Offer as well as in case of acceptance of my / our Offer by HETA the resulting agreement, any contractual and non-contractual rights, claims and obligations thereunder, are governed by the laws of the Republic of Austria excluding its conflict of law rules. The United Nations Convention on Contracts for the International Sale of Goods is not applicable.
- 7.2 Place of jurisdiction for all disputes arising out of or in connection with this Offer as well as in the event of the acceptance of my / our Offer by HETA from the resulting agreement, including disputes relating to the validity or invalidity (*gültiges Bestehen oder Nicht-Bestehen*) or valid coming into existence (*Zustandekommen*), the violation (*Verletzung*), dissolution (*Auflösung*) or nullification (*Nichtigkeit*) of the Offer or the resulting agreement is the court competent for Klagenfurt am Wörthersee.

8 Waiver of declaration of acceptance

I / We expressly waive the need of a written declaration of acceptance of my / our Offer. HETA may accept my / our Offer with legal effect for me / us and for HETA by transferring the redemption price or repayment amount on the Settlement Date.

Annexes:

Offeror is a legal entity:

Companies' register, commercial register or other excerpt from public register, or in the case of a legal entity not registered in a public register, other documentary proof of the authority to sign, in each case not older than five days

Offer Obligation is a bond:
Current statement of securities deposit (*Depotauszug*)

Disputed obligation becomes non-contentious:
Copy of the legally binding domestic or foreign arbitral or court decision or a legally binding settlement in court or out of court

Optional in case of selection of settlement of the KAF compensation payment via HETA:
Waiver with respect to KAF

_____, this _____
[Place] [Date]

[Signature (if applicable in the name and on behalf of the company)]

[Name(s) of the signatories in CAPITAL LETTERS]

Annex 1

Overview payment amounts and bonds

ISIN	Currency	Nominal value in currency at 1 March 2015	Nominal value of individual bond (<i>Teilschuldverschreibung</i>) in currency at 1 March 2015 (100%)	Accrued interest of individual bond (<i>Teilschuldverschreibung</i>) in currency at 1 March 2015 (100%)	Nominal value after write-down (<i>Herabschreibung</i>) of individual bond (<i>Teilschuldverschreibung</i>) in currency at 2 May 2017 (64,4%)	Accrued interest after write-down (<i>Herabschreibung</i>) of individual bond (<i>Teilschuldverschreibung</i>) in currency at 2 May 2017 (64,4%)	Interim distribution (<i>Zwischenverteilung</i>) at 20 July 2017 of 69% of the nominal value at 2 May 2017 per individual bond (<i>Teilschuldverschreibung</i>) in currency	Interim distribution (<i>Zwischenverteilung</i>) at 20 July 2017 of 69 % of the accrued interest at 2 May 2017 per individual bond (<i>Teilschuldverschreibung</i>) in currency	Offered amount of nominal value per individual bond (<i>Teilschuldverschreibung</i>) in currency at 1 March 2015 (19,364%)	Offered amount of accrued interest per individual bond (<i>Teilschuldverschreibung</i>) in currency at 1 March 2015 (19,364%)	Amount of the payment by HETA (Offer number 2.)	OPTIONAL Amount of the payment by KAF (Offer number 6.)	Total amount of the payments by HETA and KAF of each individual bond (<i>Teilschuldverschreibung</i>) in currency
											Offered amount of individual bond (<i>Teilschuldverschreibung</i>) (nominal value plus accrued interest) in currency (19,364%)	KAF compensation payment of nominal value plus accrued interest (each of then at 1 March 2015) per individual bond (<i>Teilschuldverschreibung</i>) in currency (10,97%)	
XS0232733492	EUR	25.000.000,00	100.000,00	1.083,00	64.400,00	697,45	44.436,00	481,24	19.364,00	209,71	19.573,71	11.090,12	30.663,83
XS0272401356	EUR	1.250.000.000,00	1.000,00	14,09	644,00	9,07	444,36	6,26	193,64	2,73	196,37	111,26	307,63
XS0281875483	EUR	2.000.000.000,00	50.000,00	215,75	32.200,00	138,95	22.218,00	95,87	9.682,00	41,78	9.723,78	5.509,32	15.233,10
XS0292051835	EUR	500.000.000,00	50.000,00	14,28	32.200,00	9,20	22.218,00	6,35	9.682,00	2,77	9.684,77	5.487,22	15.171,99
CH0028623145	CHF	600.000.000,00	5.000,00	76,01	3.220,00	48,95	2.221,80	33,77	968,20	14,72	982,93	556,90	1.539,83

Annex 2

Datasheet for the settlement of the repurchase of bonds

HETA ASSET RESOLUTION AG

Cedel (Clearstream) – Account No.: 12467

in the name of Raiffeisen Bank International AG (SWIFT: RZBAATWW)

Offeror/creditor

The settlement details have to be filled in by the custodian bank (*Depotbank*) and are as follows:

in the name of _____