

To the Bondholders
of Scholz Holding GmbH (formerly Scholz AG)
2012-2017
ISIN: AT0000A0U9J2/WKN A1MLSS

Wien, 18.1.2016

Appointment of court-appointed bondholders' guardian

Dear Madam/Sir,

Based on an application submitted by Scholz Holding GmbH (formerly Scholz AG) on 12 January 2016, I was appointed, by a decision of the Commercial Court of Vienna (in its capacity of court competent to appoint bondholders' guardians) dated 14 January 2016 under GZ 59 Nc 1/16b pursuant to Section 1 of the Act governing court-appointed bondholders' guardians ("Kuratorensgesetz", Imperial Law Gazette 49/1874 of 24 April 1874), guardian of all holders of bonds issued by Scholz Holding GmbH for a maturity from 2012 to 2017, ISIN: AT0000A0U9J2.

The appointment was published in the database of insolvency notifications (www.edikte.justiz.gv.at).

For the sake of clarification I herewith note that Scholz Holding GmbH has not applied for institution of insolvency proceedings either in Austria or in any other country.

1. Responsibilities and competences of a court-appointed bondholders' guardian:

According to the content of the above-mentioned application of Scholz Holding GmbH, appointment by the court of a guardian for the joint representation of the bondholders is necessary because Scholz Holding GmbH is currently in a financial crisis which necessitates restructuring its existing funding – including funding from the bond of 2012–2017 – while attempting to avoid the need to institute insolvency proceedings which would involve a deterioration of the creditors' position. More specific details on how this restructuring of debts is to be carried out have so far not become known.

By virtue of having been appointed bondholders' guardian I am authorised and obliged to represent the bondholders in all matters *“which concern joint rights of the holders of this bond (including exercising termination rights and applying to institute insolvency proceedings against the assets of the issuer (claims concerning those) under the bond), especially for the purpose of negotiating, executing and closing an out-of-court agreement to restructure this bond and other financial debts of the issuer, including the agreement, if any, of (i) a respite of payment obligations of Scholz Holding GmbH which are due now or in the near future, and (ii) a partial waiver by bondholders of payments by Scholz Holding GmbH towards the principal and/or interest of the bond”*.

The rights and duties of the bondholders' guardian are limited/determined by the task for which such guardian was appointed. In this particular case, the task includes in particular all agency activities in connection with the restructuring of funding aimed at by Scholz Holding GmbH. The rights and duties of the bondholders' guardian are determined by the provisions of the Kuratorengesetz (Imperial Law Gazette 49/1874) and the Act Amending the Kuratorengesetz (Imperial Law Gazette 111/1877), as well as the general regulations governing guardianship (Sections 268 ff of the Austrian Civil Code).

The bondholders' guardian is obliged to promptly inform bondholders represented by him/her of any essential facts which affect their rights.

Bondholders themselves must not themselves assert their rights. For the sake of clarification it should be noted that it is not necessary to file a claim with the Commercial Court of Vienna (as the court competent to appoint bondholders' guardians) or with me, since distributions (payments) to bondholders, if any, will be made through the clearing system (as it has been done up to now).

2. Bondholders' hearings:

If the bondholders' guardian takes any legal action which, due to its importance, requires the court's approval the court must set a date for a hearing for the purpose of:

- interrogating the holders represented,
- electing three liaison officers,
- electing three substitute liaison officers.

In this specific case, the Commercial Court of Vienna (in its capacity of court competent to appoint bondholders' guardians) called two such bondholders' hearings, i.e. on:

**9 February 2016, 10 am,
Rooms 707 and 708,
Handelsgericht Wien, Marxergasse 1a, A-1030 Vienna,**

and

**16 February 2016, 1 pm,
Rooms 707 and 708,
Handelsgericht Wien, Marxergasse 1a, A-1030 Vienna.**

2.1. General remarks regarding attendance of the hearings:

In order to attend such meetings, you need to prove your legal status as a holder of the relevant bond by furnishing the original of a document which certifies that you have deposited your bond (statement of deposited securities) with a government authority, an institution under state supervision or an Austrian or foreign bank (the document must not be dated more than ten days before the date of the hearing). Proxies need to submit a written power of attorney.

To ensure a better preparation of the hearings I kindly ask you to inform me in advance in case you are attending the hearings by email (kuratel.scholz@ulsr.at). Additionally I kindly ask you to send a copy of the above mentioned document in advance also by email (kuratel.scholz@ulsr.at).

2.2. The hearing of 9 February 2016 / responsibilities and competences of the liaison officers:

The first of the two hearings, set on 9 February 2016, will be used to interrogate the bondholders regarding a report to be made by the bondholders' guardian and to elect the liaison officers and their substitutes. Such office may be undertaken by any person domiciled at or near the place of the court, and such person need not be him/herself a holder of any of the relevant bonds. The person getting the absolute majority of the votes cast will be elected. The majority of the votes cast will be calculated by the nominal amount of the securities. The outcome of the vote cannot be challenged. A substitute liaison officer will take the liaison officer's place if the latter ceases to hold or is prevented from exercising such office.

It is the duty of the liaison officers to obtain, on an ongoing basis, information of the transactions to be carried out by the joint bondholders' guardian and to support such transactions.

The joint bondholders' guardian must obtain the views of the liaison officers in all important transactions. If the bondholders' guardian applies for an approval by the court s/he needs to sound out the liaison officers and submit their opinions to the court jointly with the application for approval, except when the liaison officers have already signed the application. The court's decision must be delivered to the liaison officers as well who then have the right of appeal.

In the event that the liaison officers differ in their views they need to exercise their rights and duties separately on their own. The term of office for the liaison officers and their substitutes ends when the guardianship is terminated. For the above activities, liaison officers are entitled to have their cash outlays reimbursed, but there is no further entitlement to compensation or payment.

Given the responsibilities to be undertaken by the liaison officers and their substitutes it is recommended to elect individuals who have suitable legal and business know-how and experience.

2.3. The hearing of 16 February 2016

The second hearing, to be held on 16 February 2016, will be used to interrogate bondholders on a report to be furnished by the bondholders' guardian with regard to an application for a restructuring scheme for Scholz Holding GmbH. In this respect I need to point out again that I have so far not obtained any information on the restructuring measures aimed for by Scholz Holding GmbH.

At this hearing I will begin by describing the situation from my point of view as bondholders' guardian. Subsequently, the bondholders represented at the hearing will be entitled to make statements. In the event of a dispute, a vote needs to be taken on the issue in the wording of the court. The court needs to include all of this in the minutes.

3. Next steps:

Once the bondholders have been interrogated and the liaison officers heard – and always providing that the restructurisation measure aimed at is in the bondholders' interests according to the investigations to be made by me up to that time – I intend to apply for the court's approval of the steps to be taken by me within the scope of such restructurisation.

Decisions by the court regarding its full or partial approvals must be notified. Such decisions can be appealed against by any of the bondholders represented by the joint bondholders' guardian. According to Supreme Court rulings (OGH 5 September 1996, 2 ob 2243/96h), individual bondholders may assert in their appeals only such grounds as concern the joint rights of all bondholders. Asserting grounds that concern only individual rights of a given bondholder is not possible.

In the course of the proceedings I will inform you in irregular intervals, whenever circumstances call for such information, by letters published on my office homepage (www.rechterfolgreich.at, under "praktisch", and the homepage of Scholz Holding GmbH (www.scholz-ag.de), of the progress of the matter, and in particular of any restructurisation scheme for Scholz Holding GmbH, as well as supply to you in the same format my reports to the Commercial Court of Vienna as the court in charge of the matter.

Please understand that bondholders cannot be given any information by telephone and that it is not possible to immediately reply to written requests for information. Kindly send any written requests for information to the following e-mail address only: kuratel.scholz@ulsr.at.

Yours sincerely,

Dr. Ulla Reisch
Bondholders' Guardian