

Executive Board

Mr. Andrea Enria
Chair
European Banking Authority
One Canada Square (Floor 46)
Canary Wharf
London E14 5AA| UK

Vienna, 10 April 2016

Notification of the application of resolution measures in respect of HETA ASSET RESOLUTION AG according to Article 116 para 5 BaSAG

Dear Mr. Enria,

The Austrian Financial Market Authority (FMA) in its function as the resolution authority under the Austrian Bank Recovery and Resolution Act (BaSAG) transposing the Bank Recovery and Resolution Directive (BRRD) into national law hereby notifies in respect of HETA ASSET RESOLUTION AG of the application of further resolution measures. With the emergency administrative decision of 10 April 2016 (enclosed) the FMA has applied the bail-in tool and several additional resolution powers.

The Common Equity Tier 1 positions, the principle amount of Tier 2 capital and all other subordinated debt as well as the interest accrued thereon up to 28 February 2015 has been written down to zero.

The principal amount or outstanding amount of the remaining eligible liabilities, including for those liabilities, for which the facts had already been substantiated as of 01 March 2015, but for which the eligibility or amount remains unclear, as well as the interest accrued thereon up to 28 February 2015 has been written down to a quota of 46.02 percent.

The maturity of all debt instruments issued by HETA ASSET RESOLUTION AG, other eligible liabilities and outstanding amounts, which already existed before 01 March 2015, has been altered to the date when the decision to liquidate HETA ASSET RESOLUTION AG pursuant to Art. 84 para. 9 BaSAG will be taken or 31 December 2023, whichever is earlier.

The interest rate for eligible liabilities and relevant HETA-issued capital instruments was set at zero percent with effect from 01 March 2015.

The rights and obligations attached to the existing shares and other instruments of ownership in HETA ASSET RESOLUTION AG have been cancelled except for the rights of interest that have been conferred upon the FMA. The FMA has exercised the power to take control of HETA ASSET RESOLUTION AG and exercises the rights of influence conferred upon its shareholders.

In accordance with Article 116 para 5 BaSAG, pursuant to Article 83(2) BRRD please find a copy of the emergency administrative decision attached which also includes a more detailed enumeration of the capital instruments and eligible liabilities concerned.

We would also ask you to kindly publish the emergency administrative decision on the EBA website as required pursuant to Article 83 (4) BRRD.

Yours sincerely,



Helmut Ettl



Klaus Kumpfmüller