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Frauenfeld, May 30th, 2002 Sti

**Spring AG Metallwarenfabrik Eschlikon in Moratorium
Information Regarding the Moratorium and Invitation to the Meeting of the Creditors**

Dear Ladies and Gentlemen

With regard to the creditors meeting being held on July 2nd, 2002 in 8360 Eschlikon (3 p.m. in the „Mehrzweckhalle“ Schulanlage Bächelacker, door opening 2:30 p.m.) and in our quality as legally assigned administrator of the Spring AG Metallwarenfabrik Eschlikon in moratorium, we now inform you about the previous development of the moratorium as follows:

1. Moratorium

By decree dated October 18th, 2001, the judge of the district court of Münchwilen granted Spring AG a provisional moratorium. Provida Consulting AG, Frauenfeld was appointed as provisional administrator. By decree dated December 17th, 2001, the same judge granted a definitive moratorium until June 18th, 2002 and appointed the provisional administrator as definitive. A grant for extension purposes implementing the meeting of the creditors will be made available in the next few days.

2. Main Duties and Activities of the Administrator and the Debtor during the Moratorium

2.1 Principles

The main duties of the administrator, on the one hand, consist of forgiving the debtors reputation, assemble the claims and submit to the debtor for examination as well as to acquire the statement of assets and liabilities and, on the other hand, to supervise the debtor's business activities.

Immediately after appointment of the Provida Consulting AG, first talks with the responsible individuals of the Spring AG were held in order to get an overview of the actual situation.

The debtor was informed of the court assigned limitations and their rights and obligations in a moratorium. The rules regarding signatures relating to accounts were examined as well as the appropriate business situation being newly regulated and the set-up of a controlling system. Payment of old claims were clearly forbidden, new obligations result only after request and through the administrators consent.

2.2 Business Activities

With going concern activities until the end of March 2002, the debtor persecuted several objectives. The high inventory (raw material, half-finished and completely finished products) is to be put on the market under good conditions for the creditors. At the same time value was laid in the market presence in order to achieve attractive negotiations regarding the selling of the capitalization. Gradually the staff was reduced.

The administrator had to partially take over management duties because the management was no longer completely occupied due to the debtors.

As of the end of March 2002, operations had to be discontinued. Essentially, only cleaning up and preparatory liquidation work has since taken place.

The above described business activity led to a generate income of CHF 2.4 million which covers the open claims. Salary and social costs have been taken into account in the operational business.

2.3 Selling of the Capitalization

Normally, selling of the capitalization takes place in the moratorium after the liquidation stage. Because the value of the debtor is first of all dominated by the market position and the market presence, it was necessary to arrange for the selling of the main capitalization during the moratorium in order to intercept the constant rising asset losses. Simultaneously it was possible to save some employment.

The administrator closely watched over the negotiations and took them over themselves when they thought it was necessary in order to avoid any possible conflicts of interest with the parties and especially with the stockholder's family.

The following resulted after failure of various negotiations regarding total and partial solutions.

Closing of the contract on April 11th, 2002, led to the assets of the sector Spring Gastro and Spring Retail being sold to All-Clad Metalcrafters LLC, a member of the Waterford-Westwood Group, as of May 2nd, 2002 for CHF 4'975'740.--.

The brand rights regarding SIGG Elektro are shortly before closing of a contract with SIGG Switzerland AG.

In view of closing the establishment as of the end of March 2002, and in order to minimize a machinery standstill, a contract covering the marketing of the not yet sold machinery was closed after intensive clarification with the firm ProdEq GmbH. An optimal sale of the machinery would benefit the liquidation rate.

3. Statement of Assets and Liabilities

Enclosed is a copy of the statement of assets and liability compiled by the administrator at the time of the commencement with explanatory remarks pertaining to the individual positions.

The debits were seized during the moratorium because of the submitted claims, books of account and the debtors point of view. The statement of assets and liabilities will be listed in detail in an up to date version after the meeting of the creditors. Your questions in this respect may be submitted beforehand in writing (see point 8)

4. Expected Liquidation Results

The attached status of the administrator dated October 18th, 2001 is a calculation of the presumed coverage quota for the claims of the third class creditors of an approximately 33% addition.

This quota requires specification. Due to the fact that the sale of the brand SIGG Elektro not being closed yet, the uncertain situation about the extent and validity of various privileged pledges being claimed as well as divers disputed claims and, last but not least, the uncertainty about the chances of selling the real estate with environmental risks which still have to be cleared, can change the liquidation rate immensely. A dividend of approximately 50% results in the best case, a payment of approximately 25% results in the worst case. A more reliable statement is not possible up to this date. Nevertheless, it is important to observe that from the perspective of the creditors the out come is clearly more benign than it would have been in a bankruptcy.

5. Meeting of the Creditors

The meeting of the creditors takes place on Tuesday, July 2nd, 2002, 3 p.m. (door opening 2:30 p.m.) in the „Mehrzweckhalle“ Schulanlage Bächelacker in 8360 Eschlikon.

The meeting of the creditors will be held in German. In consideration of the necessary admission control we kindly request you to come early. The route to the meeting will be signalized in Eschlikon.

You may perceive the items of the agenda from the enclosed agenda. The meeting of the creditors primarily serves the information of the creditors. A vote on the approval or rejection of the moratorium contract will not take place; this will be done in a written procedure (see 6 below). Nevertheless, the filled in declaration of consent may be submitted to the administrator subsequent to the meeting of the creditors.

Regarding the attendance at the meeting of the creditors and the carrying through of the same we point out to you the following:

a. Admission

Only individuals who can identify themselves as creditors of Spring AG are admitted to the meeting of the creditors. Enclosed you will receive an admission card that you absolutely have to present at the entrance to the meeting on July 2nd, 2002.

b. Right to Vote

At the meeting of the creditors, all creditors have the right to vote (elections for the creditor committee, liquidator). All creditors means the secured and the privileged creditors as well as the third class creditors, irrespective of whether the claim is filed on time, belated or not filed at all. Each creditor has the right to one vote regardless of the number or amount of the claim. Enclosed each creditor receives a red voting card.

The delivery of the voting card does not constitute as an acknowledgement of the filed claim or privileges against the debtor. By no means is the voting card valid for the written vote on the moratorium contract (see 6 below).

The elections regarding the creditor committee and liquidator will take place only if the moratorium contract has been accepted.

6. Consent to the Moratorium Contract / Further Steps

Enclosed you will find the moratorium contract with assignment of assets submitted by Spring AG.

For the acceptance of the moratorium contract the consent of:

a) the majority of the creditors of the third class who have filed their claims on time and who simultaneously represent two thirds of the decisive sum of claims

or

b) a quarter of the creditors of the third class who have filed their claims on time and who simultaneously represent three quarters of the decisive sum of claims

is required (Art. 305 Federal Statute on Debt Enforcement and Bankruptcy).

In order to achieve the required quorums, we kindly request you to hand in subsequent to the meeting of the creditors or to deliver at the latest July 13th, 2002 to Provida Consulting AG, Post Office Box, 8501 Frauenfeld the moratorium contract submitted to you for examination and duly signed declaration of consent.

The creditors who have filed their claim on time receive a draft moratorium contract with a prepared declaration of consent. All other creditors receive only a draft moratorium contract without the declaration of consent, for their personal information.

7. Inspection of Files

Between June 7th and June 27th, 2002, the moratorium files may be inspected during usual working hours and upon appointment beforehand (Tel. +41 (0)52 723 03 80) at our premises at Bahnhofplatz 68 in Frauenfeld.

8. Proceedings with Regard to Questions

Creditors have the possibility to ask questions at the meeting of the creditors. In order to organize the meeting in an efficient manner and to enable us to prepare eventual questions pertaining to details we require your questions until June 27th, 2002, at the latest (upon receipt; preferably by e-mail: pascal.straessle@provida.ch). The questions will be answered orally at the meeting of the creditors.

Yours sincerely

Pascal Strässle
Certified Trustee Expert
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Enclosures:

- Agenda
- Moratorium Status as of October 18th, 2001
- Draft of Moratorium Contract
- Declaration of Consent (yellow for creditors who filed claims on time)
- Entrance Card (green for all creditors)
- Voting Card (red for all creditors)

