

UNOFFICIAL TRANSLATION

Court Record

AMSTERDAM DISTRICT COURT

Private Law Division

bankruptcy number: C/1 3/17/164-F

Today, 1 June 2018, *meester* A.E. de Vos, bankruptcy judge, in the bankruptcy referred to below, pronounced by judgment of the Amsterdam Court of Appeal dated 19 April 2017, in the presence of J.M. Steur as court clerk, in Herzberg courtroom of the District Court at Pamassusweg 222 in Amsterdam, proceeded to hold the first meeting of creditors in the bankruptcy of:

the private company with limited liability

PORTUGAL TELECOM INTERNATIONAL FINANCE B.V.

with its registered seat in Amsterdam

registered with the Chamber of Commerce under number 34108060

business address: 1043 BW Amsterdam, Naritaweg 165,

After the case was called, the following persons appeared:

- *meester* J.L.M. Groenewegen, bankruptcy trustee, accompanied by *meester* M.N. de Groot, *meester* D.J. Bos, J. van der Ee, D. Buter and F. Pameijer, colleagues;
- C. Brandao, A.J.L. Correa and A.R.R. Filho, indirect directors of the bankrupt company;
- *meester* R.D. Vriesendorp, *meester* O. Salah, *meester* C.D. Veldman and *meester* T.L. Ticheloven, on behalf of the bankrupt company;
- *meester* V.R. Vroom, *meester* L.J.J. Kerstens, *meester* H. Zourakhti, H.K. Schrama, *meester* I. Wallace (White & Case) and *meester* S. Savi (Barbosa Müssnich Aragao), on behalf of Oi S.A.;
- *meester* J.R. Berkenbosch, bankruptcy trustee in the bankruptcy of Oi Brasil Holdings Coöperatief U.A., accompanied by *meester* E.J. Schuurs and *meester* Y.S. Beerepoot, colleagues;
- *meester* L.P. Kortmann and *meester* S.W. van den Berg, on behalf of Oi Brasil Holdings Coöperatief U.A.;
- *meester* G.H. Gispén, *meester* D.G.J. Heems and *meester* F. Verhoeven, on behalf of Capricorn Capital Ltd., CV1 EMCVF Lux Securities Trading S.A.R.L., EOC Lux Securities S.A.R.L. Lex Claims L.L.C. and Syzygy Capital Management Ltd., noteholders;
- *meester* R. van Duijnhoven, *meester* B.W.G. van der Velden and *meester* L. Lewis (Allen & Overy London), on behalf of Citicorp L.L.C.;
- C. Rocha (Candeias), on behalf of multiple Portuguese noteholders;
- *meester* P.A. Josephus Jitta, on behalf of Pedra da Gavea Co Ltd.;
- *meester* S. Aarts, accompanied by S. Jobanputra (director) and M. Brescacin (associate director), on behalf of DF King Ltd.;

- A. Burrough and K. van den Berg, English-language interpreters;
- F. Salomons, Portuguese-language interpreter;
- *meester* W.F. Korthals Altes, bankruptcy judge in the bankruptcy of Oi Brasil Holdings Coöperatief U.A.

1. Opening and general announcements.

The bankruptcy judge opens the meeting.

The meeting will be conducted in the Dutch language. The official record of the meeting will only be drawn up in Dutch.

The first creditors' meeting aims to determine the debts of the bankrupt company.

In its decision of 10 April 2018, the bankruptcy judge set additional conditions with regard to the submission of claims and voting rights. A copy of this decision is appended to the minutes of the court record. The content thereof is deemed to be included herein.

Following the meeting, an Article 84 meeting will be held for the purpose of instructing the bankruptcy trustee on how he must vote as creditor on behalf of the bankrupt company with regard to the composition plan offered by Oi Brasil Holdings Coöperatief U.A. A separate court record will be drawn up of the Article 84 meeting.

Noteholders may attend the meeting, but do not have any voting rights, given the outcome of the vote on “extra ordinary resolutions” on 17 May 2018. However, on request, they will be given a few minutes to speak.

When asked, the bankruptcy trustee states that the requirements of Article 115 of the Bankruptcy Act have been satisfied. The noteholders were informed by means of a single electronic/digital notification via the clearing systems, as determined in the decision of 10 April 2018.

2. Admitted claims

The bankruptcy trustee reads the lists of provisionally admitted and disputed claims filed with the court clerk of this district court on 24 May 2018.

The bankruptcy trustee says that no claims were submitted for verification after expiry of the period set for the submission of claims.

When asked, the trustee says – with respect to the admitted claims – that he is upholding his admittance.

When asked, the trustee says that he has seen no indication of a possible subordination of the provisionally admitted unsecured claims.

The aforementioned claims are not disputed and are therefore transferred to a list of admitted claims. After certification by the bankruptcy judge and the court clerk, this list is to be appended to the minutes of this official record and forms part thereof.

3. Disputed claims

The bankruptcy judge then proceeds to handling the list of disputed unsecured claims.

The bankruptcy trustee says that he disputes the claims of Capricorn Capital Ltd of € 173,000,000, Lex Claims L.L.C. of € 11,000,000, Syzygy Capital Management Ltd of € 66,000,000, CVI EMCVF Lux Securities Trading S.A.R.L. of € 10,000,000 and EOC Lux Securities S.A.R.L. of € 10,000,000 “due to insufficient substantiation of the claims”. *Meester Vriesendorp* says that the disputed claims are also disputed by the bankrupt company.

Meester Gispén requests on behalf of the disputed creditors, with the exception of Capricorn Capital Ltd, referral to the cause list of the district court. Civil proceedings between Capricorn Capital Ltd. and the bankrupt company are pending before the commercial court. The proceedings were suspended by this bankruptcy. The proceedings can be continued against the bankruptcy trustee and the bankrupt company as disputers – or if the composition offered is approved – against the bankrupt company.

When asked, none of those present say they have further comments or remarks regarding one of the unsecured claims disputed by the bankruptcy trustee.

The bankruptcy judge refers the parties, with the exception of Capricorn Capital Ltd, to the cause list of this district court, Private Law Division, of **Wednesday, 8 August 2018 at 10:00 AM**.

4. Report

On conclusion of the verification, the bankruptcy trustee reports on the status of the estate. After certification by the bankruptcy judge and the court clerk, the written report is appended to the minutes of this court record and forms part thereof. An (uncertified) English translation of the report is also appended.

5. Composition

The bankruptcy judge then proceeds to handling the draft composition filed with the court clerk of this district court on 10 April 2018. The list of admitted unsecured creditors is assumed as the basis thereof.

Meester Vriesendorp stated, in summary, the following at the meeting: Oi S.A. and Oi Móvel S.A. are currently in judicial restructuring proceedings under Brazilian law (hereinafter referred to as: the RJ Plan). A composition plan has already been offered and approved in Brazil. The approval has become final and binding there, despite appeals still pending against (parts of) the plan. Since there is no automatic recognition of the RJ Plan in the Netherlands, this must occur by means of the composition plan now offered by PTIF. The PTIF draft composition plan is a “mirror composition plan” of the Brazilian composition plan. The composition plan is supported by a large group of noteholders. The “overview of consideration for PTIF creditors under Composition Plan” – *a copy of which is appended to this official record and the content of which must be deemed as included herein* – clearly shows what the different groups of creditors can expect in the future if the composition plan is accepted and approved by the court. It is not clear to any of the creditors at this point what the exact payment will be that they will receive in the future. That is contingent on future developments.

Mr Brandao, indirect director of the bankrupt company, stated the following at the meeting, in summary:

Due to the application of the RJ Plan in Brazil the debt burden has, in the first trimester of this year, already been reduced by BRL 45 billion. This has made the balance sheet of the company healthier. Various steps included in the RJ Plan have already been taken. One of the steps that still must be implemented is the conversion of the debts into shares. After that, a capital injection of BRL 4 billion will be made by investors. This capital injection will function as the basis for a sustainable future for the company. In the United States, a hearing has in the meantime taken place in the context of the Chapter 15 procedure, in which the RJ Plan, as adopted in Brazil, has been recognised.

Meester Josephus Jitta stated on behalf of Pedra da Gavea Co Ltd that the present composition plan is not in the interests of the noteholders and therefore calls on everyone with voting rights to vote against the composition plan. At the meeting, *Meester* Josephus Jitta argued the position advanced in the written pleadings he submitted, which are appended to the minutes of this court record and the content of which is deemed to be inserted here.

Meester Vriesendorp and the bankruptcy trustee each declare that they are not familiar with the Portuguese ruling referred to by *meester* Josephus Jitta. *Meester* Vriesendorp says that if the draft composition plan is not accepted and approved, the bankruptcy trustee will have to proceed to liquidate the assets of the bankrupt company. The expectations for creditors in the event of liquidation are not good.

On 25 April 2018, the bankruptcy trustee issued a written recommendation regarding the composition plan offered. The bankruptcy trustee's recommendation is neutral. The bankruptcy trustee sees no reason to change his recommendation. After certification by the bankruptcy judge and the court clerk, the written recommendation is to be appended to the minutes of this court record and forms part thereof.

The bankruptcy judge establishes that the party(ies) who offered the composition plan on behalf of the bankrupt company is/are actually legally authorised to do so.

The bankruptcy judge then proceeds to the vote.

On behalf of creditors 3, 4 and 5, the bankruptcy trustee – after having received written powers of attorney from said creditors and having submitted these to the court clerk – states that he votes in favour of acceptance of the composition plan offered.

Meester B.W.G. van der Velden declares on behalf of Citicorp Trustee Company Ltd, represented in this matter by the combined noteholders (creditors under number 1A) and Citicorp Trustee Company Ltd itself (creditors under number 1B), that he votes in favour of acceptance of the composition plan offered.

The bankruptcy judge establishes the following:

- The total amount of the admitted claims not covered by priority amounts to € 3,921,601,104.35 (half of which is € 1,960,800,557.18);
- The total number of the creditors admitted appearing at the meeting is 4 (half of which is 2);
- Four of these creditors have voted in favour of acceptance of the composition plan;
- These creditors represent an amount of € 3,921,600,237.85.

The bankruptcy judge therefore determines that the composition plan has been accepted.

Finally, the bankruptcy judge finds that the court approval of the composition plan accepted

will be handled on **Monday, 11 June 2018 at 10:00 AM**. The presence of the bankrupt company and the bankruptcy trustee is required there.

6. Close

The bankruptcy judge closes the meeting. In witness whereof, this court record is drawn up,