

Court Record

AMSTERDAM DISTRICT COURT

Private Law Division

bankruptcy number: C/13/17/163-F

Today, 1 June 2018, W.F. Korthals Altes, supervisory judge in the bankruptcy referred to below, pronounced by judgment of the Amsterdam Court of Appeal on 19 April 2017, in the presence of J.M. Steur as court clerk, in the Herzberg courtroom of the District Court at Parnassusweg 222 in Amsterdam, proceeded to hold the first meeting of creditors in the bankruptcy of:

OI BRASIL HOLDINGS COÖPERATIEF U.A.

with its official seat in Amsterdam

registered with the Chamber of Commerce under number 52578518

business address: 1118 BH Schiphol, Schiphol Boulevard 231, hereinafter referred to as:

After the case was called, the following persons appeared:

- J.R. Berkenbosch, bankruptcy trustee, accompanied by E.J. Schuurs and Y.S. Beerepoot, colleagues;
- L.P. Kortmann and S.W. van den Berg, on behalf of the bankrupt company;
- C. Brandao, A.J.L. Correa and A.R.R. Filho, indirect directors of the bankrupt company;
- J.D. Vriesendorp, O. Salah, C.D. Veldman, T.L. Ticheloven, on behalf of Portugal Telecom International Finance B.V.;
- V.R. Vroom, L.J.J. Kerstens and H. Zourakhti, on behalf of Oi S.A.;
- S. Savi (Barbosa Müssnich Aragao) and I. Wallace (White & Case), on behalf of Oi S.A. and Portugal Telecom International Finance B.V.;
- J.L.M. Groenewegen, bankruptcy trustee in the bankruptcy of Portugal Telecom International Finance B.V., accompanied by M.N. de Groot, J. van der Ee and F. Pameijer, colleagues;
- M.H.R.N. Y. Cordewener and B.A. Keizers, on behalf of The Bank of New York Mellon;
- G.H. Gispen and D.G.J. Heems, on behalf of Canyon Capital Finance S.A.R.L., Citadel Equity Fund Ltd. York Global Finance Fund L.P., Knighthead Master Fund L.P., Knighthead (NY) Fund L.P., Knighthead Annuity' & Life Insurance Company, CVI EMCVF Lux Securities Trading S.A.R.L., Syzygy Capital Management Ltd., DA Brazil Opportunity Fund (Master) L.P., EOC Lux Securities S.A.R.L., Monarch Master Funding 2 (Luxembourg) S.A.R.L. and S.C. Lowy Primary Investments Ltd, noteholders, and Capricorn Capital Ltd. and Lex Claim L.L.C., contested creditors;
- C. Rocha (Candeias), on behalf of Achilli Maria Grazia, noteholder;
- S.R.F. Aarts, accompanied by S. Jobanputra (director) and M. Brescacin (associate director), on behalf of DF King Ltd.;
- H. van den Berg, English-language interpreter;
- F. Salomons, Portuguese-language interpreter;
- A.E. de Vos, supervisory judge in the bankruptcy of Portugal Telecom International Finance B.V.

1. Opening and general announcements

The supervisory judge opens the meeting and imparts the following information.

- The meeting will be conducted in the Dutch language.
- The court 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 a decision of 10 April 2018, the supervisory 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.

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.

2. Allowed claims

The bankruptcy trustee reads the lists of provisionally allowed and contested 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 bankruptcy trustee says that he will maintain the recognitions.

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

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

3. Contested claims

The supervisory judge then proceeds to handling the list of contested unsecured claims.

The bankruptcy trustee states that he contests the claims of Capricorn Capital Ltd in the amount of €173,000,000, Lex Claims L.L.C. in the amount of €11,000,000, Syzygy Capital Management Ltd in the amount of €66,000,000, CVI EMCVF Lux Securities Trading S.A.R.L. in the amount of €10,000,000, and EOC Lux Securities S.A.R.L. in the amount of €10,000,000 due to insufficient substantiation. F. Ivano's claim in the amount of €100,000 is contested because it is an old claim of which it is uncertain that it existed on the voting record date is. Kortmann says that the contested claims are also contested by the bankrupt company.

Gispén requests on behalf of Lex Claims L.L.C., Syzygy Capital Management Ltd, CVI EMCVF Lux Securities Trading S.A.R.L. and EOC Lux Securities S.A.R.L. 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 contestors – or if the composition offered is approved by the court – against the bankrupt company.

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

The supervisory 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

After conclusion of the verification, the bankruptcy trustee reports on the status of the estate. After certification by the supervisory judge and the court clerk, the written report is appended to the minutes of this court record and forms part thereof.

Kortmann says that the assets of the bankrupt company consist of credit balances at Kas Bank and NYC Citibank, claims at the Dutch Tax Authority and inter company claims at the group companies Oi S.A. And Oi Móvel S.A. The memorandum item mentioned in the report from the bankruptcy trustee under 4.1 under assets should be replaced with a total amount of intercompany loans provided by the bankrupt company to Oi S.A. and Oi Móvel S.A. in the amount of €5,518,656,926 (amounts calculated as of 9 August 2016).

The bankruptcy trustee confirms this position.

5. Composition

The supervisory judge then proceeds to hearing the draft composition filed with the court clerk of this district court on 10 April 2018. The list of allowed unsecured creditors is used as a starting point.

Kortmann explained on the basis of a notice that he has submitted what the creditors can expect in the future if an agreement is accepted and approved by the court. A copy of the abovementioned notice is attached to this court record. The content thereof is deemed to be included herein.

The bankruptcy trustee says that Monarch Master Funding 2 (Luxembourg) S.A.R.L. (hereinafter: Monarch) held Coop Notes in multiple series. The entire debt burden of the Coop Notes has been included in the total amount of the recognized and admitted claims (the majority in amount requirement). Monarch has not demonstrated with regard to one series with a value of approximately €4,000,000 that it held Coop Notes on the “voting record date”, so that it is not entitled to vote for that portion. Monarch demonstrated this as yet prior to the meeting.

The (post-sent) claim of Monarch can be processed after all and

be included in the vote or be left out of consideration in the vote for reasons of efficiency. The (post-sent) claim of Monarch does not influence the final outcome of the vote due to the fact that it is a small claim.

Gispén, counsel for Monarch, refers to the decision of the supervisory judge.

The supervisory judge determines that the (fulfilled) claim of Monarch can be left out of consideration for reasons of efficiency.

On 26 April 2018, the bankruptcy trustee issued a written recommendation regarding the composition offered. The bankruptcy trustee's recommendation is neutral. The bankruptcy trustee sees no reason to change his recommendation. After certification by the supervisory judge and the court clerk, the written recommendation is to be appended to the minutes of this court record and forms part thereof.

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

The supervisory judge then proceeds to the vote.

On behalf of creditors 2, 3 and 8, 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 offered:

NUMBER			AMOUNT		
FOR	AGAINST	ABSTENTION	FOR	AGAINST	ABSTENTION
3	-	-	€88,162.35	-	-

Mr Groenewegen, trustee in the bankruptcy of Portugal Telecom International Finance B.V., creditor under number 4, declares to vote as follows:

NUMBER			AMOUNT		
FOR	AGAINST	ABSTENTION	FOR	AGAINST	ABSTENTION
1			€4,001,410,516.47	-	-

With regard to the claim of The Bank of New York Mellon, claimant under number 6:

Mr Aarts speaks on behalf of the 192 voting noteholders, who have issued voting instructions via a tabulation agent (DF King):

NUMBER			AMOUNT		
FOR	AGAINST	ABSTENTION	FOR	AGAINST	ABSTENTION
179	12	1	€968,970,257.32	€20,080,456.32	€59,868,235.29

Mr Gispén speaks on behalf of the 12 voting noteholders who appeared at the meeting but who did not issue voting instructions via a tabulation agent (DF King):

	NUMBER			AMOUNT		
	FOR	AGAINST	ABSTENTION	FOR	AGAINST	ABSTENTION
11	-	-	1	€466,858,253.99	-	€148,328,232

Mr Cordewener speaks on behalf of The Bank of New York Mellon, creditor under 7:

	NUMBER			AMOUNT		
	FOR	AGAINST	ABSTENTION	FOR	AGAINST	ABSTENTION
	-	-	1	-	-	€821,137.75

The supervisory judge establishes the following:

- The total amount of the acknowledged debt claims not covered by any priority equals €6,098,724,219.11 (half of which is €3,049,362,159);
- The total number of the acknowledged creditors appearing at the meeting equals 209 (half of which is 106);
- 194 of these creditors have voted in favour of adoption of the agreement;
- These creditors represent an amount of €5,437,327,190.13.

The supervisory judge therefore determines that the composition has been accepted.

Finally, the supervisory judge finds that the court approval of the adopted agreement will be handled on **Monday, 11 June 2018 at 10:00 AM.** The presence of the insolvent company and the trustee is required there.

6. Close

The supervisory judge closes the meeting.

Of which this court record was drawn up.

[signature]

[signature]

[signature]

ISSUED AS A TRUE COPY

THE CLERK OF THE AMSTERDAM DISTRICT COURT [signature]

