

IMPORTANT NOTICE

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached Information Statement, whether received by e-mail or otherwise received as a result of electronic communication, and you are therefore advised to read this disclaimer page carefully before reading, accessing or making any other use of the attached document. In accessing the Information Statement, you agree to be bound by the following terms and conditions, including any modifications made to them from time to time, each time you receive any information from Oi S.A. – In Judicial Reorganization (“*Oi*”) (the former “*Guarantor*” under the Notes) and Portugal Telecom International Finance B.V. – In Judicial Reorganization (“*PTIF*”, or the “*Issuer*”). Capitalized terms used but not otherwise defined in this disclaimer shall have the meaning given to them in the Information Statement or the Amended and Restated Information and Election Statement dated February 14, 2018 (the “*Election Statement*”), as the case may be.

The Information Statement should not be forwarded or distributed to any other person and should not be reproduced in any manner whatsoever. Failure to comply with these instructions may result in a violation of the applicable laws and regulations of the United States, the United Kingdom or other jurisdictions.

Confirmation of your representation: By accessing the Information Statement you shall be deemed to have represented to Oi, the Issuer and Lucid Issuer Services Limited, as Information Agent (the “*Information Agent*”), that:

- you are a Non-Qualified Holder;
- you have made all the representations, warranties and covenants as set forth in the Information Statement (see “Procedures for Surrendering Notes—Representations, Warranties and Covenants of Non-Qualified Holders”); and
- you consent to delivery of the Information Statement by electronic transmission to you.

The Information Statement has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of Oi, the Issuer, the Information Agent or any person who controls, or is a director, officer, employee or agent, of any of them, or any affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between the Information Statement distributed to you in electronic format and the hard copy version available to you on request from the Information Agent at the address specified on the back cover of the attached Information Statement.

You are reminded that the Information Statement has been delivered to you on the basis that you are a person into whose possession the Information Statement may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located or resident and you may not, nor are you authorized to, deliver, transmit, forward or otherwise distribute the Information Statement, directly or indirectly, to any other person.

You must comply with all laws that apply to you in any place in which you possess this Information Statement. You must also obtain any consents or approvals that you need in order to participate in the Non-Qualified Recovery Settlement and surrender Notes. Neither Oi nor the Issuer nor the Information Agent is responsible for your compliance with these legal requirements.

Neither the communication of the Information Statement nor any other offer material relating to the Non-Qualified Recovery Settlement is being made, and the Information Statement has not been approved, by an authorized person for the purposes of section 21 of the UK Financial Services and Markets Act 2000. Accordingly, the Information Statement is not being distributed to, and must not be passed on to, the general public in the United Kingdom. Rather, the communication of the Information Statement as a financial promotion is being made to, and is directed only at: (i) persons outside the United Kingdom; (ii) persons falling within Article 43(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “*Order*”), (iii) investment professionals to whom a financial promotion may be made in accordance with Article 19 of the Order; (iv) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order; or (v) any person to whom it may otherwise lawfully be made in accordance with the Order (such persons together being “relevant persons”). The Information Statement is only available to relevant persons and the transactions contemplated therein will be available only to, or engaged in only with relevant persons, and this financial promotion must not be relied or acted upon by persons other than relevant persons.

CONFIDENTIAL INFORMATION STATEMENT

Portugal Telecom International Finance B.V. – In Judicial Reorganization

(Organized in the Netherlands)

and

Oi S.A. – In Judicial Reorganization

(Incorporated in the Federal Republic of Brazil)

Procedures for **Non-Qualified Holders that have made a Non-Qualified Recovery Election** to Surrender their Outstanding Notes for the Non-Qualified Recovery in respect of:

PTIF's 6.25 per cent. Notes due 2016 (ISIN No.: PTPTCYOM0008)

(the "Notes")

THIS NOTICE IS ADDRESSED TO THE NON-QUALIFIED HOLDERS OF NOTES THAT HAVE VALIDLY MADE A NON-QUALIFIED RECOVERY ELECTION AND TO THE INTERBOLSA PARTICIPANTS, AS DEFINED HEREIN

THE DEADLINE FOR NON-QUALIFIED HOLDERS TO VALIDLY PARTICIPATE AND SURRENDER THEIR NOTES IN CONNECTION WITH THE NON-QUALIFIED RECOVERY SETTLEMENT IS 10:00 A.M., LISBON TIME, ON 13, JULY, 2018, UNLESS EXTENDED BY OI AND THE ISSUER (SUCH DATE AND TIME, AS THE SAME MAY BE EXTENDED, THE "EXPIRATION DATE").

HOLDERS WHO DESIRE TO RECEIVE THE NON-QUALIFIED RECOVERY MUST:

(1) APPEAR ON THE LIST (THE "NON-QUALIFIED ELECTION LIST") MAINTAINED BY LUCID ISSUER SERVICES LIMITED AS THE "INFORMATION AGENT" SPECIFICALLY FOR THIS NON-QUALIFIED RECOVERY SETTLEMENT (AND WHICH IS BASED ON THE INFORMATION PROVIDED BY NON-QUALIFIED HOLDERS TO THE ELECTION TABULATION AGENT (AS DEFINED IN THE ELECTION STATEMENT) AND (FOR HOLDERS ENTITLED TO BONDHOLDER CREDITS OF R\$50,000 OR LESS) TO OI) OF NON-QUALIFIED BONDHOLDERS (AS DEFINED IN THE ELECTION STATEMENT) THAT MADE A VALID NON-QUALIFIED RECOVERY ELECTION (AS DEFINED IN THE ELECTION STATEMENT) AT OR PRIOR TO 11:59 BRASILIA TIME ON MARCH 8, 2018, IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN THE AMENDED AND RESTATED INFORMATION AND ELECTION SOLICITATION STATEMENT DATED FEBRUARY 14, 2018 (THE "ELECTION STATEMENT") (THE "NON-QUALIFIED HOLDERS"); AND

(2) VALIDLY PARTICIPATE AND SURRENDER A PRINCIPAL AMOUNT OF NOTES EQUAL TO OR LESS THAN THE PRINCIPAL AMOUNT OF NOTES THAT APPEAR ON THE NON-QUALIFIED ELECTION LIST FOR SUCH HOLDER IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN THIS INFORMATION STATEMENT.

THE NON-QUALIFIED ELECTION LIST INCLUDES THE NAMES OF NON-QUALIFIED TRANSFEREES AND THE PRINCIPAL AMOUNTS OF THE NOTES THAT WERE VALIDLY AND PROPERLY TRANSFERRED FOLLOWING THE ELECTION DEADLINE AND PRIOR TO THE DATE OF THIS INFORMATION STATEMENT IN ACCORDANCE WITH A NON-QUALIFIED RECOVERY ELECTION TRANSFER AND THE NON-QUALIFIED TRANSFER PROCEDURES SET FORTH IN THE ELECTION STATEMENT.

Upon the terms and subject to the conditions set forth in this Information Statement (as it may be supplemented and amended from time to time and together with the Exhibits hereto, the "Information Statement"), Oi S.A. – In Judicial Reorganization ("Oi") (the former "Guarantor" under the Notes) and Portugal Telecom International Finance B.V. – In Judicial Reorganization ("PTIF", or the "Issuer") are offering each Non-Qualified Holder a participation interest in the principal amount of US\$500 under the Non-Qualified Credit Agreement (as defined herein) for each US\$1,000 of Bondholder Credits held by such Non-Qualified Holder (the "Non-Qualified Recovery") if such Non-Qualified Holder validly participates and surrenders a principal amount of Notes equal to or less than the principal amount of Notes issued by the Issuer that appear on the Non-Qualified Election list for such Non-Qualified Holder (the "Non-Qualified Recovery Settlement").

The Non-Qualified Recovery Settlement is being provided only to Non-Qualified Holders and only Non-Qualified Holders are authorized to receive or review this Information Statement or to participate in the Non-Qualified Recovery Settlement.

Concurrently with this Non-Qualified Recovery Settlement, holders of beneficial interests in other notes issued by PTIF (the "PTIF Wholesale Notes") that appear on the Non-Qualified Election List may validly participate and surrender their PTIF Wholesale Notes pursuant to the procedures set forth in a separate information statement relating to the Non-Qualified Recovery with respect to the PTIF Wholesale Notes (the "PTIF Wholesale Notes Non-Qualified Recovery Settlement"). Copies of the information statement relating to the PTIF Wholesale Notes Non-Qualified Recovery Settlement are available on the website of D.F. King as information agent for PTIF Wholesale Notes, at <https://sites.dfkingltd.com/oisettlement>.

In addition, concurrently with this Non-Qualified Recovery Settlement, holders of the notes issued by PTIF with the same ISIN as the Notes that appear on the Qualified Election List (as defined in the Election Statement) compiled by the Election Tabulation Agent may validly participate and surrender such notes pursuant to the procedures set forth in a separate information statement relating to the Qualified Recovery (as defined in the Election Statement).

NON-QUALIFIED HOLDERS THAT DO NOT PARTICIPATE AND VALIDLY SURRENDER THEIR NOTES IN ACCORDANCE WITH THE SETTLEMENT PROCEDURES SET FORTH IN THIS INFORMATION STATEMENT OR THE SETTLEMENT PROCEDURES RELATED TO THE PTIF WHOLESALE NOTES NON-QUALIFIED RECOVERY SETTLEMENT WILL ONLY BE ENTITLED TO RECEIVE THE DEFAULT RECOVERY (AS DEFINED HEREIN).

Notwithstanding, Oi and the Issuer may, at their full discretion, accept to postpone the settlement of Non-Qualified Recoveries in respect of Holders who have provided a Website Instruction (as defined below) by the Expiration Date, but have not by then delivered a Transfer Order (as defined below), in order to allow the relevant Holders to deliver such Transfer Order for settlement to take place. In any event, any such postponement of settlement shall not fall beyond 31 July 2018.

The Non-Qualified Recovery will consist of a participation interest under a credit agreement to be entered into by and among the Oi, the Issuer, Oi Brasil Holdings Coöperatief U.A. – In Judicial Reorganization (“Oi Coop”), Telemar Norte Leste S.A. – In Judicial Reorganization (“*TelemaDeadr*”), Oi Móvel S.A. – In Judicial Reorganization (“*Oi Mobile*”), Copart 4 Participações S.A. – In Judicial Reorganization (“*Copart 4*”), and Copart 5 Participações S.A. – In Judicial Reorganization (“*Copart 5*” and, together with Oi, the Issuer, Oi Brasil Holdings Coöperatief U.A. – In Judicial Reorganization, Telemar, Oi Mobile and Copart 4, the “*Debtors*”) and Lucid Agency Services Limited, as facility agent (the “*Facility Agent*”) substantially in the form of Exhibit A hereto (the “*Non-Qualified Credit Agreement*”). The principal amount of the Non-Qualified Recovery that each Non-Qualified Holder that validly participates in the Non-Qualified Recovery Settlement will receive will be determined based on the amounts of credit evidenced by the Notes (the “*Bondholder Credits*”), which is the sum of the (i) principal amount of the Notes held by such Non-Qualified Holder, subject to reduction by the amount that any Non-Qualified Holder received in the Small Creditor Program (as defined in the Election Statement) plus (ii) accrued and unpaid interest in respect of the Notes held by such Non-Qualified Holder (other than any Non-Qualified Holder that validly participated in the Small Creditor Program) from the last interest payment date on which the Issuer made an interest payment on such Notes to, but not including, June 20, 2016 (the “*Accrued Interest*”, in the amount indicated in the Election Statement in respect of the Notes), converted into U.S. dollars at the exchange rate for Euros into U.S. Dollars on December 11, 2017 as published by Bloomberg. Bondholder Credits of Non-Qualified Holders that participated in the Small Creditor Program (as defined in the Election Statement) shall not include Accrued Interest. Each Non-Qualified Holder that validly participates and surrenders their Notes in accordance with the procedures set forth in this Information Statement will receive a participation interest in the principal amount of US\$500 under the Non-Qualified Credit Agreement for each US\$1,000 of Bondholder Credits held by such Non-Qualified Holder. There will be no minimum denominations of the Non-Qualified Recovery. When any distribution would otherwise result in a Non-Qualified Recovery that is not a whole number of U.S. dollars, such Non-Qualified Recovery will be rounded to the next lower whole number of U.S. dollars.

Participating in the Non-Qualified Recovery Settlement involves risks. See the “Risk Factors” section beginning on page 16 of this Information Statement.

The date of this Information Statement is June 15, 2018

Unique Token Number

In order for a Non-Qualified Holder to validly participate in the Non-Qualified Recovery Settlement, such Non-Qualified Holder must include in its Website Instruction its unique identification code, which has been assigned to it by the Information Agent (the “*Unique Token Number*”), following the information lists received by it from Oi or by D.F. King, as applicable. Each Unique Token Number will be sent by the Information Agent, together with this Information Statement, to each holder of Notes to such holder’s email address, and will in addition be made available to each holder of Notes upon request from the Information Agent by email to oi@lucid-is.com. Further information will be available through the website operated by the Information Agent for this Information Statement: www.lucid-is.com/oi (the “**Website**”).

IT WILL NOT BE POSSIBLE FOR THE INFORMATION AGENT TO CONFIRM THIS INFORMATION IF A NON-QUALIFIED HOLDER FAILS TO INCLUDE ITS UNIQUE TOKEN NUMBER IN ITS WEBSITE INSTRUCTION.

Procedures for Surrendering Notes

Persons who are shown in the records of Interbolsa Participants¹ as holders of the Notes must surrender their Notes by submitting (i) a valid instruction of participation to the Information Agent, through the Website (the “**Website Instructions**”), and (ii) a valid transfer order to the relevant Interbolsa Participant, in accordance with the customary procedures of such Interbolsa Participant (the “**Transfer Order**”).

Each Website Instruction must include (i) the name and contact information of the holder (email, address and telephone number), (ii) the aggregate principal amount of Notes with respect to which the Non-Qualified Holder wishes to surrender, (iii) the name of the relevant Interbolsa Participant and the securities account number in which the Notes are held, (iv) the Unique Token Number, (v) confirmation that a Transfer Order has been duly delivered in connection with that Website Instruction, (vi) authorisation for the Information Agent to provide all or part of the information in the Website Instruction to the relevant Interbolsa Participant, the Facility Agent, Oi and the custodian of Oi (being Banco Comercial Português, S.A., the “**Custodian of Oi**”) where the relevant Notes shall upon settlement be transferred to, in order to organize the settlement.

Each Transfer Order must include (i) the aggregate principal amount of Notes with respect to which the Non-Qualified Holder wishes to surrender, (ii) an instruction to transfer the Notes for which surrenders are delivered (and accordingly no other transfers may be effected in relation to such Notes at any time from and including the date on which the holder submits its Transfer Order until the termination or withdrawal of the Non-Qualified Recovery Settlement), to the account held at the Custodian of Oi where the relevant Notes shall upon settlement be transferred to (as shall be communicated to the relevant Interbolsa Participant by the Information Agent), all in accordance with the normal procedures of the Interbolsa Participants and after taking into account the deadlines imposed by the Interbolsa Participants for the execution of alike transfer orders, (iii) the relevant Unique Token Number, and (iv) any additional information required by the Interbolsa Participant to be able to settle the delivery of the Notes. For the avoidance of doubt, and unless otherwise determined by Oi and the Issuer, it is intended that, on the Settlement Date, each relevant Interbolsa Participant will make a single bulk transfer of Notes on behalf of its eligible clients to the Custodian of Oi, for delivery by such custodian to Oi’s account.

Any holder whose Notes are held through or on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary or through Euroclear/Clearstream must contact such entity if it wishes to participate and meet any requirements and deadlines of such entity through which it holds the Notes.

The Information Agent, using the Unique Token Number included in the Website Instruction, will verify that the information provided in any Website Instruction conforms to certain of the information previously provided by a Non-Qualified Holder in its Payment Option Notice submitted to Oi in accordance with the terms of the Election Statement, including confirming that the principal amount of Notes surrendered in the Website Instruction is equal to or less than the principal amount of the Notes that appears on the Non-Qualified Election List for such Non-Qualified Holder. Non-Qualified Holders are reminded that besides a valid delivery of a Website Instruction, they are also required to deliver a valid and corresponding Transfer Order.

No Other Procedure

No letter of transmittal is required to accompany Notes that are surrendered in accordance with this Information Statement. Oi and the Issuer have not provided any other procedures to validly participate and surrender Notes. The only manner in which a Non-Qualified Holder may validly participate and surrender its Notes is through the submission of both a valid instruction and a valid Transfer Order.

Non-Qualified Holders must validly participate and surrender their Notes in accordance with the procedures set forth in this Information Statement. Please note that the deadline for holders to submit a Transfer Order may be earlier than the Expiration Date specified in this Information Statement, depending on the actual timings and procedures of the relevant Interbolsa Participants to whom Transfer Orders are delivered for execution. Non-Qualified Holders are requested to confirm such timings and procedures in advance with their Interbolsa Participants.

Notes Blocked due to Small Creditors Payment

¹ “**Interbolsa Participant**” means any authorised financial intermediary entitled to hold control accounts with Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. (“**Interbolsa**”) on behalf of their customers and includes any depositary banks appointed by any of Euroclear Bank S.A./N.V. and Clearstream Banking, S.A. (“**Euroclear/Clearstream**”) for the purpose of holding such accounts with Interbolsa on behalf of such Clearing System.

Holders who have their Notes blocked due to having received a Small Creditors Payment and that wish to surrender their Notes in the Non-Qualified Recovery Settlement are not required to provide to the relevant Interbolsa Participants unblocking instructions executed on behalf of Oi. **Oi hereby irrevocably authorizes Interbolsa Participants to unblock the Notes for the purpose of executing Transfer Orders by delivering the Notes to Oi or to its order (through the Custodian of Oi), in accordance with the settlement confirmations received by such Interbolsa Participants from the Information Agent for the Non-Qualified Recovery Settlement.** For the avoidance of doubt, any such unblocking authorization of Oi is for the exclusive purposes described above and not for any other purposes, and any other transfer order which is not a Transfer Order which can be settled pursuant to the terms of this Information Statement is not caught neither covered nor addressed by such unblocking authorisation.

Onboarding Procedures

As soon as possible and no later than the earlier of (i) December 31, 2018 and (ii) 30 business days prior to any voluntary prepayment under the Non-Qualified Credit Agreement, Non-Qualified Holders that validly participate and surrender their Notes must also complete, sign and date and deliver to the Facility Agent, through the Website (i) if not a natural person, a corporate onboarding form substantially in the form of Exhibit B hereto (a “*Corporate Onboarding Form*”) or (ii) if a natural person, a natural person onboarding form substantially in the form of Exhibit C hereto (an “*Individual Onboarding Form*”); and, together with the Corporate Onboarding Form, the “*Onboarding Forms*”), in either case, together with any other documents required by such Onboarding Forms or the Facility Agent.

NON-QUALIFIED HOLDERS THAT FAIL TO TIMELY AND PROPERLY DELIVER AN ONBOARDING FORM TO THE FACILITY AGENT, TOGETHER WITH ANY OTHER DOCUMENTS REQUIRED BY SUCH ONBOARDING FORM OR BY THE FACILITY AGENT, WILL NOT BE ENTITLED TO RECEIVE ANY PAYMENTS UNDER THE NON-QUALIFIED CREDIT AGREEMENT.

Transfer of the Notes by the Interbolsa Participants to the Custodian of Oi

Unless otherwise determined by Oi and the Issuer, it is intended that, on the Settlement Date, each relevant Interbolsa Participant will make a single bulk transfer of Notes of its eligible clients to the Custodian of Oi, for delivery by such custodian to Oi’s account.

The Information Agent shall also provide a list of all Non-Qualified Holders whose Notes have been accepted for settlement to Oi and the Facility Agent confirming (i) that such Non-Qualified Holder is entitled to receive the Non-Qualified Recovery and (ii) the principal amount of the Non-Qualified Recovery that such Non-Qualified Holder is entitled to receive.

On the Settlement Date, the Information Agent will email each Non-Qualified Holder that validly participated and surrendered its Notes in accordance with the settlement procedures set forth in this Information Statement (i) that such Non-Qualified Holder is entitled to receive the Non-Qualified Recovery, (ii) the principal amount of such Non-Qualified Holder’s Notes accepted for settlement and (iii) the principal amount of the Non-Qualified Recovery for such Non-Qualified Holder. Such email will also include a statement as to whether any Onboarding Forms are outstanding. The email will substantially be in the form of Exhibit D.

Completion of the Non-Qualified Recovery Settlement is subject to the satisfaction or waiver of the Non-Qualified Recovery Settlement conditions described under the “Conditions of the Non-Qualified Recovery Settlement.” Oi and the Issuer have the right to modify, extend or otherwise amend the Non-Qualified Recovery Settlement if any of the Non-Qualified Recovery Settlement conditions are not satisfied and such conditions are not waived by Oi and the Issuer.

NONE OF OI, THE ISSUER, THE INFORMATION AGENT, THE FACILITY AGENT OR ANY OF THEIR AFFILIATES MAKES ANY RECOMMENDATION AS TO WHETHER NON-QUALIFIED HOLDERS SHOULD (I) PARTICIPATE IN THE NON-QUALIFIED RECOVERY SETTLEMENT AND (II) VALIDLY PARTICIPATE AND SURRENDER THEIR NOTES PURSUANT TO THE NON-QUALIFIED RECOVERY SETTLEMENT. EACH NON-QUALIFIED HOLDER MUST MAKE ITS OWN DECISION AS TO WHETHER TO PARTICIPATE IN THE NON-QUALIFIED RECOVERY SETTLEMENT AND TO VALIDLY PARTICIPATE AND SURRENDER ITS NOTES.

NEITHER THE FACILITY AGENT, THE INFORMATION AGENT NOR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES OR AFFILIATES HAS VERIFIED, OR ASSUMES ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF, ANY OF THE INFORMATION CONCERNING THE NON-QUALIFIED RECOVERY SETTLEMENT, OI, THE ISSUER OR THE FACTUAL STATEMENTS CONTAINED IN THIS INFORMATION STATEMENT OR ANY OTHER DOCUMENTS REFERRED TO IN THIS INFORMATION STATEMENT OR ASSUMES ANY RESPONSIBILITY FOR ANY FAILURE BY OI OR THE ISSUER TO DISCLOSE EVENTS THAT MAY HAVE OCCURRED AND MAY AFFECT THE SIGNIFICANCE OR ACCURACY OF SUCH INFORMATION.

TABLE OF CONTENTS

INCORPORATION BY REFERENCE.....	ii
SUMMARY.....	1
SUMMARY OF THE NON-QUALIFIED RECOVERY SETTLEMENT	5
INDICATIVE TIMELINE.....	12
SUMMARY OF THE NON-QUALIFIED CREDIT AGREEMENT	13
NON-QUALIFIED RECOVERY.....	15
RISK FACTORS	16
DESCRIPTION OF THE NON-QUALIFIED RECOVERY SETTLEMENT	17
PROCEDURES FOR SURRENDERING NOTES.....	19
CONDITIONS OF THE NON-QUALIFIED RECOVERY SETTLEMENT	25
TAXATION.....	26
INFORMATION AGENT AND FACILITY AGENT	31

EXHIBITS

Non-Qualified Credit Agreement.....	Exhibit A
Corporate Onboarding Form	Exhibit B
Individual Onboarding Form.....	Exhibit C
Acceptance Notice	Exhibit D

Oi and the Issuer have not authorized anyone to provide you with any information that is different from, or in addition to, the information contained (or incorporated by reference) in this Information Statement. Oi and the Issuer are not making an offer of the Non-Qualified Recovery in any jurisdiction where the Non-Qualified Recovery Settlement is not permitted. You should not assume that the information contained in this Information Statement is accurate at any date other than the date on the front cover of this Information Statement.

This Information Statement is confidential. This Information Statement has been prepared by Oi and the Issuer solely for use in connection with the proposed surrender of the Notes for the Non-Qualified Recovery. You may not reproduce or distribute this Information Statement, in whole or in part, and you may not disclose any of the contents of this Information Statement or use any information herein for any purpose other than considering the Non-Qualified Recovery Settlement. You agree to the foregoing by accepting delivery of this Information Statement.

Oi, the Issuer, the Information Agent and the Facility Agent make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Information Statement. Nothing contained in this Information Statement is, or shall be relied upon as, a promise or representation by Oi and the Issuer as to the past or future. Each of Oi and the Issuer has furnished the information contained in this Information Statement regarding it and the Non-Qualified Recovery Settlement.

This Information Statement is personal to you and does not constitute an offer to any other person or to the public in general to exchange the Notes for the Non-Qualified Recovery. You are authorized to use this Information Statement solely for the purpose of considering the Non-Qualified Recovery Settlement.

In making decision to surrender Notes for the Non-Qualified Recovery, Non-Qualified Holders must rely on their own examination of Oi and the Issuer, and the terms of the Non-Qualified Recovery Settlement, including the merits and risks involved.

This Information Statement contains summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference.

INCORPORATION BY REFERENCE

Oi is subject to the reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), in accordance with which it files annual reports on Form 20-F with the SEC. This Information Statement incorporates by reference:

Oi’s annual report on Form 20-F for the years ended December 31, 2017 and 2016 (“*Oi’s Annual Report*”), filed with the SEC on May 16, 2018.

Incorporation by reference of information contained in Oi’s Annual Report means that (1) this information is considered part of this Information Statement, and (2) important information is disclosed to Non-Qualified Holders by reference to Oi’s Annual Report incorporated herein by reference.

Oi’s Annual Report incorporated herein by reference contains important information about Oi and its results of operations and financial condition and is an important part of this Information Statement.

Any statement contained in Oi’s Annual Report that is incorporated by reference will be deemed to be modified or superseded for purposes of this Information Statement to the extent that a statement contained herein modifies or supersedes that statement.

Oi’s Annual Report and any other materials Oi may file with the SEC may be inspected without charge at the SEC’s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. In addition, the SEC maintains an Internet web site at <http://www.sec.gov>, from which you can electronically access Oi’s Annual Report and any other materials Oi may file with the SEC.

SUMMARY

The following summary contains information about Oi and the Non-Qualified Recovery Settlement. It does not contain all of the information that may be important to you in making a decision to participate in the Non-Qualified Recovery Settlement. For a more complete understanding of Oi, the Issuer and the Non-Qualified Recovery Settlement, Oi and the Issuer urge you to read this Information Statement carefully, including the sections entitled “Risk Factors,” “Incorporation by Reference,” the Non-Qualified Credit Agreement attached as Exhibit A and the other documents attached as Exhibits to this Information Statement.

Overview

Oi is one of the principal integrated telecommunications service providers in Brazil with approximately 59.7 million revenue generating units, as of December 31, 2017. Oi operates throughout Brazil and offers a range of integrated telecommunications services that include fixed-line and mobile telecommunication services, network usage (interconnection), data transmission services (including broadband access services), Pay-TV (including as part of double-play, triple-play and quadruple-play packages), internet services and other telecommunications services for residential customers, small, medium and large companies and governmental agencies. Oi owns 355,273 kilometers of installed fiber optic cable, distributed throughout Brazil. Oi’s mobile network covers areas in which approximately 90.2% of the Brazilian population lives and works. According to the National Telecommunications Agency (“*Agência Nacional de Telecomunicações*”), created by Law No. 9,472, dated July 16, 1997 (“ANATEL”), as of December 31, 2017, Oi had a 16.5% market share of the Brazilian mobile telecommunications market and a 33.1% market share of the Brazilian fixed-line market.

Oi’s traditional Residential Services business in Brazil includes (1) local and long-distance fixed-line voice services and public telephones, in accordance with the concessions granted to Oi by ANATEL, (2) broadband services, (3) Pay-TV services, and (4) network usage services (interconnection). Oi is the largest fixed-line telecommunications company in Brazil in terms of total number of lines in service as of December 31, 2017. Oi is the principal fixed-line telecommunications services provider in its service areas, comprising the entire territory of Brazil other than the State of São Paulo, based on Oi’s 12.9 million fixed lines in service as of December 31, 2017, with a market share of 52.5% of the total fixed lines in service in Oi’s service areas as of December 31, 2017.

Oi offers a variety of high-speed broadband services in its fixed-line service areas, including services offered by its subsidiaries Oi Mobile and Brasil Telecom Comunicação Multimídia Ltda. Oi’s broadband services primarily utilize Asymmetric Digital Subscriber Line, or ADSL, technology. As of December 31, 2017, Oi had 5.9 million ADSL subscribers, representing 46% of its fixed lines in service as of that date.

Oi offers Pay-TV services under its *Oi TV* brand. Oi delivers Pay-TV services throughout its residential service areas using direct-to-home satellite technology.

Oi’s Personal Mobility Services business offers mobile telecommunications services throughout Brazil, as well as network usage services (interconnection). Based on Oi’s 39.0 million mobile subscribers as of December 31, 2017, it believes that it is one of the principal mobile telecommunications service providers in Brazil. Based on information available from ANATEL, as of December 31, 2017 Oi’s market share was 16.5% of the total number of mobile subscribers in Brazil.

Oi’s B2B Services business provides voice, data and Pay TV services to its small and medium-sized enterprise and corporate (including government) customers throughout Brazil. Oi also provides wholesale interconnection, network usage and traffic transportation services to other telecommunications providers.

Oi also holds significant interests in telecommunications companies in Angola, Cape Verde, and São Tomé and Príncipe in Africa and Timor Leste in Asia. Oi’s interests in telecommunications companies in Africa are held through Africatel Holding B.V., or Africatel, in which Oi own an 86% interest. Oi’s interests in telecommunications companies in Timor Leste are held through TPT – *Telecomunicações Públicas de Timor, S.A.*, or TPT, in which Oi own a 76.14% interest. On September 16, 2014, Oi’s board of directors authorized its management to take the necessary measures to market its shares in Africatel, representing 75% of the share capital of Africatel. In addition, on June 17, 2015, Oi’s board of directors authorized its management to take the necessary measures to market its

shares in TPT, representing 76.14% of the share capital of TPT. Due to the many risks involved in the ownership of these interests, particularly Oi's indirect interest in UNITEL Corporation LLC, Oi cannot predict when a sale of these assets may be completed.

For more information about Oi, see "Item 4. Information on the Company" of Oi's Annual Report.

Judicial Reorganization

On June 20, 2016, Oi, together with Telemar, Oi Mobile, Oi Coop, PTIF, Copart 4 and Copart 5 filed a joint voluntary petition for judicial reorganization (*recuperação judicial*) pursuant to Brazilian Law No. 11,101 of June 9, 2005 (the "*Brazilian Bankruptcy Law*") with the 7th Corporate Court of the Judicial District of the State Capital of Rio de Janeiro (the "RJ Court"), pursuant to an urgent measure approved by Oi's board of directors.

On December 19 and 20, 2017, the general creditors meeting (the "GCM") was held to consider approval of the most recently filed judicial reorganization plan. The GCM concluded on December 20, 2017 following the approval of the judicial reorganization plan reflecting amendments to the judicial reorganization plan presented at the GCM as negotiated during the course of the GCM (the "*RJ Plan*").

On January 8, 2018, the RJ Court entered an order (the "*Brazilian Confirmation Order*") which, among other things, ratified the RJ Plan according to its terms, but modifying certain provisions of the RJ Plan. The RJ Plan became effective on February 5, 2018, (the "Brazilian Confirmation Date") upon the publication of the Brazilian Confirmation Order in the Official Gazette of the State of Rio de Janeiro (*Diário Oficial do Estado do Rio de Janeiro*).

For more information about the judicial organization, see "Item 4. Information on the Company—Our Recent History and Development—Our Judicial Reorganization Proceedings" of Oi's Annual Report.

Recent Developments

Recovery Elections

Under the RJ Plan, certain groups of creditors were entitled to make elections with respect to the form of the recovery that they were entitled to receive. The period to make these elections commenced on the Brazilian Confirmation Date and was scheduled to expire on February 26, 2018. On February 26, 2018, the RJ Court extended the election deadline applicable to beneficial holders of bonds issued by Oi, Oi Coop and PTIF until March 8, 2018.

As of the end of the election period applicable to the bonds issued by Oi, Oi Coop and PTIF, Qualified Bondholders with Bondholder Credits representing an aggregate of US\$8,463 million of claims had elected to receive the Qualified Recovery and Non-Qualified Bondholders with Bondholder Credits representing an aggregate of US\$187 million of claims had elected to receive the Non-Qualified Recovery. In the event that all such holders participate in the settlement procedures, we expect (1) to issue approximately US\$1,655 million principal amount of New Notes, approximately 1,516 million new common shares and Warrants to subscribe to approximately 117 million new common shares, (2) that the aggregate principal amount of the Non-Qualified Credit Agreement will be approximately US\$94 million, and (3) the holders of the remaining outstanding Bondholder Credits will be entitled to the Default Recovery with an aggregate principal amount of approximately US\$1,094 million. For more information regarding the recoveries available to the holders of the bonds issued by Oi, Oi Coop and PTIF, see "Item 5. Operating and Financial Review and Prospects—Liabilities Subject to Compromise—Fixed Rate Bonds" of Oi's Annual Report.

Chapter 15 Proceedings

On April 17, 2018, the foreign representative for Oi, Telemar, Oi Coop and Oi Mobile filed a motion with the United States Bankruptcy Court for the Southern District of New York (the "U.S. Bankruptcy Court") seeking an order of that court granting, among other things, full force and effect to the RJ Plan and the Brazilian Confirmation Order in the United States. The U.S. Bankruptcy Court held a hearing on this motion on May 29, 2018 and on June

14, 2018, the U.S. Bankruptcy Court granted the requested order. As a result, the claims with respect to the bonds issued by Oi and Oi Coop have been novated and discharged under New York law and the holders of these bonds are entitled only to receive the recovery set forth in the RJ Plan in exchange for the claims represented by these bonds.

Dutch Proceedings

On April 10, 2018, PTIF deposited a draft of the PTIF Composition Plan with the District Court of Amsterdam (the “Dutch Court”) and Oi Coop deposited a draft of the Oi Coop Composition Plan with the Dutch Court. The PTIF Composition Plan and the Oi Coop Composition Plan each provide for the restructuring of the claims against PTIF and Oi Coop and “mirror” the material terms and conditions as the RJ Plan.

On May 17, 2018, meetings of each series of bonds issued by PTIF were held at which the bondholders voted in favor of extraordinary resolutions providing for: (i) release Oi’s guarantee for each of the relevant series of bonds, subject to the conditions set out therein, (ii) authorize the trustee of each outstanding series of bonds issued by PTIF (the “PTIF Bond Trustee”) to act as a sole creditor of such PTIF bonds, submit a claim on behalf of the holders of the PTIF bonds to Mr. J.L.M. Groenewegen, as bankruptcy trustee of PTIF in the Netherlands (the “PTIF Bankruptcy Trustee”) in relation to the PTIF bankruptcy and vote in favor of the PTIF Composition Plan, and (iii) authorize the PTIF Bond Trustee to request the PTIF Bankruptcy Trustee in respect of its vote on behalf of PTIF, to vote in favor of the Oi Coop Composition Plan.

On June 1, 2018, at a meeting of the creditors of PTIF in the Netherlands, the creditors of PTIF approved the PTIF Composition Plan and directed the PTIF Bankruptcy Trustee to vote PTIF’s claims in Oi Coop in favor of the Oi Coop Composition Plan. Also on June 1, 2018, at a meeting of the creditors of Oi Coop, the creditors of Oi Coop approved the Oi Coop Composition Plan.

On June 11, 2018, the Dutch Court confirmed the PTIF Composition Plan and the Oi Coop Composition Plan at a homologation hearing. The homologation is subject to an eight day appeal period, following which, if no appeals are taken during this period, the PTIF Composition Plan and the Oi Coop Composition Plan will take effect as a matter of Dutch law and PTIF and Oi Coop will exit bankruptcy.

Results of First Quarter of 2018

On May 28, 2018, Oi released its consolidated financial statements as of and for the three-months ended March 31, 2018 prepared in accordance with Brazilian GAAP. These financial statements are not fully comparable to Oi’s audited consolidated financial statements prepared in accordance with U.S. GAAP that appear in Oi’s Annual Report.

Under Brazilian GAAP, Oi reported net operating revenue for the first quarter of 2018 of R\$ 5,668 million, gross profit of R\$ 1,930 million, operating income before financial expenses, net and taxes of R\$ 303 million, and net income of R\$ 30,526 million.

Under Brazilian GAAP, Oi reported cash flows provided by operating activities of R\$ 815 million for the first quarter of 2018, cash flows used in investing activities of R\$ 1,431 million, and cash flows used in financing activities of R\$ 176 million.

Risk Factors

Participating in the Non-Qualified Recovery Settlement involves substantial risk. See “Item 3. Key Information—Risk Factors” of Oi’s Annual Report and “Risk Factors” for a discussion of certain factors that you should consider before deciding to participate in the Non-Qualified Recovery Settlement.

Additional Information

Oi's principal executive office is located at Rua Humberto de Campos No. 425, 8th floor–Leblon, 22430-190 Rio de Janeiro, RJ, Brazil, and its telephone number at this address is +55 (21) 3131-2918. The registered address of Oi's directors is Rua do Lavradio, 71, 2nd floor–Centro, 20230-070 Rio de Janeiro, RJ, Brazil.

SUMMARY OF THE NON-QUALIFIED RECOVERY SETTLEMENT

This summary highlights information contained elsewhere or incorporated by reference in this Information Statement. It does not contain all of the information that may be important to you on how to participate in the Non-Qualified Recovery Settlement. Non-Qualified Holders should read this entire Information Statement and the documents incorporated herein by reference.

Non-Qualified Recovery Settlement Non-Qualified Holders that validly surrender their Notes in accordance with the settlement procedures set forth in this Information Statement will receive a participation interest under the Non-Qualified Recovery.

Non-Qualified Holders Holders of beneficial interests in the Notes, in each case, that appear on the Non-Qualified Election List of (1) Non-Qualified Holders that made a valid Non-Qualified Recovery Election and (2) Non-Qualified Transferees that are the beneficiaries of valid Non-Qualified Recovery Election Transfers, in each case, in accordance with the procedures set forth in the Election Statement.

In accordance with the procedures for Non-Qualified Recovery Election Transfers set forth in the Election Statement, no Non-Qualified Recovery Election Transfer will be recorded with respect to any transfer of Notes that occurs after 11:00 a.m., Lisbon Time, on June 15, 2018, the date on which the Non-Qualified Settlement Procedure has commenced. Any Non-Qualified Transfer Notice with respect to such transfer will not be accepted and shall be invalid.

Only Non-Qualified Holders that appear on the Non-Qualified Election List are authorized to participate in the Non-Qualified Recovery Settlement, and only principal amounts of this series of Notes that are less than or equal to the principal amounts of such series shown as owned by such Non-Qualified Holders will be accepted for settlement.

The Non-Qualified Election List includes the names of Non-Qualified Transferees and the principal amounts of Notes that were validly and properly transferred following the Election Deadline and prior to the date of this Information Statement in accordance with a Non-Qualified Recovery Election Transfer and the Non-Qualified Transfer Procedures set forth in the Election Statement.

Non-Qualified Holders that appear on the Non-Qualified Election List and fail to timely participate in this Non-Qualified Recovery Settlement in compliance with the settlement procedures set forth in this Information Statement will ONLY be entitled to receive the Default Recovery with respect to their Bondholder Credits, subject to the Expiration Date below.

PTIF Wholesale Notes Non-Qualified Recovery Settlement Concurrently with the Non-Qualified Recovery Settlement, the holders of beneficial interests in the PTIF Wholesale Notes that appear on the Non-Qualified Election List may validly surrender their PTIF Wholesale Notes pursuant to the settlement procedures

set forth in a separate information statement relating to the PTIF Wholesale Notes Non-Qualified Recovery Settlement.

The PTIF Wholesale Non-Qualified Holders will not be able to participate in the Non-Qualified Recovery Settlement described in this Information Statement with respect to the PTIF Wholesale Notes and must participate in the PTIF Wholesale Notes Non-Qualified Recovery Settlement to receive the Non-Qualified Recovery with respect to the PTIF Wholesale Notes.

Non-Qualified Recovery The “Non-Qualified Recovery” will consist of a participation interest under the Non-Qualified Credit Agreement in an amount determined based on the amount of Bondholder Credits of each series of Notes held by a Non-Qualified Holder. Bondholder Credits consist of the sum of the (i) principal amount of the Notes held by such Non-Qualified Holder, subject to reduction by the amount that any Non-Qualified Holder received in the Small Creditor Program (as defined in the Election Statement) plus (ii) accrued and unpaid interest in respect of the Notes held by such Non-Qualified Holder (other than any Non-Qualified Holder that validly participated in the Small Creditor Program) from the last interest payment date on which the Issuer made an interest payment on such Notes to, but not including, June 20, 2016 (the “Accrued Interest”, in the amount indicated in the Election Statement in respect of the Notes), converted into U.S. dollars at the exchange rate for Euros into U.S. Dollars on December 11, 2017 as published by Bloomberg. Bondholder Credits of Non-Qualified Holders that participated in the Small Creditor Program (as defined in the Election Statement) shall not include Accrued Interest. Non-Qualified Holder will receive for each US\$1,000 of Bondholder Credits a participation interest in the principal amount of US\$500 under the Non-Qualified Credit Agreement.²

There will be no minimum denominations of the Non-Qualified Recovery. When any distribution would otherwise result in a Non-Qualified Recovery that is not a whole number of U.S. dollars, such Non-Qualified Recovery will be rounded to the next lower whole number of U.S. dollars.

Expiration Date The deadline for Non-Qualified Holders to validly surrender their Notes in accordance with the settlement procedures set forth in this Information Statement is 10:00 a.m., Lisbon time, on July 13, 2018, unless extended by Oi and the Issuer in their sole discretion.

Notwithstanding, Oi and the Issuer may, at their full discretion, accept to postpone the settlement of Non-Qualified Recoveries in respect of Holders who have provided a Website Instruction by the Expiration Date, but have not by then delivered a Transfer Order, in order to allow the relevant Holders to deliver such Transfer Order for settlement to take place. In any event, any such postponement of settlement shall not fall beyond 31 July

² For reference, in accordance with the Election Statement, the EUR/USD exchange rate which applied to determine the Bondholders Credits (denominated in USD) entitlements of each electing Non-Qualified Holder (who held Notes, denominated in EUR) was 1.1770.

2018.

Acceptance Date As soon as practicable following the Expiration Date, the Information Agent will:

- Confirm to the Interbolsa Participants, as soon as possible, the actual Settlement Date;
- Confirm rejection to the relevant Interbolsa Participants of any Notes that are subject to a Website Instruction of any person that does not appear on the Non-Qualified Election List;
- Confirm to the relevant Interbolsa Participants the Notes that are subject to a Website Instruction and that meet the requirements for the Non-Qualified Recovery Settlement and the settlement details required for such Interbolsa Participants to deliver such Notes to the Custodian of Oi (being Banco Comercial Português, S.A.) on the Settlement Date;
- Confirm to the Custodian of Oi, the settlement details required to accept the transfer from the relevant Interbolsa Participants on the Settlement Date;
- Confirm to Oi and the Facility Agent that the principal amount of each series of Notes surrendered by each Non-Qualified Holder that appears on the Non-Qualified Election List is not in excess of the principal amount of this series of Notes that appears on the Non-Qualified Election List with respect to such Non-Qualified Holder; and
- Confirm to Oi and the Facility Agent the full legal name, contact information and Unique Token Number of each Non-Qualified Holder that appears on the Non-Qualified Election List that has validly surrendered Notes in accordance with the settlement procedures set forth in this Information Statement and the principal amount of the participation interest under the Non-Qualified Credit Agreement for each Non-Qualified Holder, together with their status in respect of any Onboarding Forms required.

Settlement Date The Settlement Date shall take place as soon as practicable following the Acceptance Date. The Information Agent shall confirm to the Interbolsa Participants, as soon as possible, the actual Settlement Date.

Unless otherwise determined by Oi and the Issuer, it is intended that, on the Settlement Date, each relevant Interbolsa Participant will make a single bulk transfer of Notes of its eligible clients to the Custodian of Oi, for delivery by such custodian to Oi's

account.

On the Settlement Date, the Information Agent will email each Non-Qualified Holder that validly participated and surrendered its Notes in accordance with the settlement procedures set forth in this Information Statement (i) that such Non-Qualified Holder is entitled to receive the Non-Qualified Recovery, (ii) the principal amount of such Non-Qualified Holder's Notes accepted for settlement and (iii) the principal amount of the Non-Qualified Recovery for such Non-Qualified Holder. Such email will also include a statement as to whether any Onboarding Forms are outstanding. The email will substantially be in the form of Exhibit D.

Consequences of Failing to Participate **Non-Qualified Holders that do not validly participate and surrender their Notes in accordance with the settlement procedures set forth in this Information Statement will ONLY be entitled to receive the Default Recovery, subject to Expiration Date above.**

The Default Recovery will consist of an unsecured right to payment of 100% of the principal amount of the Bondholder Credits of a Non-Qualified Bondholder, payable in five equal annual installments commencing on the last business day of the 20th anniversary of the date of the entry of a Required Foreign Order that recognizes the validity of the confirmation of the RJ Plan pursuant to the terms of the RJ Plan.

Withdrawal Rights Notes submitted in the Non-Qualified Recovery Settlement may not be withdrawn prior to the Settlement Date, except as otherwise may be required by law.

Procedures for Surrendering Notes Persons who are shown in the records of Interbolsa Participants³ as holders of the Notes must surrender their Notes by submitting (i) a valid instruction of participation to the Information Agent, through the Website (the "**Website Instructions**"), and (ii) a valid transfer order to the relevant Interbolsa Participant, in accordance with the customary procedures of such Interbolsa Participant (the "**Transfer Order**").

Each Website Instruction must include (i) the name and contact information of the holder (email, address and telephone number), (ii) the aggregate principal amount of Notes with respect to which the Non-Qualified Holder wishes to surrender, (iii) the name of the relevant Interbolsa Participant and the securities account number in which the Notes are held, (iv) the Unique Token Number, (v) confirmation that a Transfer Order has been duly delivered in connection with that Website Instruction, (vi) authorisation for the Information Agent to provide all or part of the information in the Website Instruction to the relevant Interbolsa Participant, the Facility Agent, Oi and the Custodian of Oi where the relevant Notes shall upon settlement be transferred

³ "**Interbolsa Participant**" means any authorised financial intermediary entitled to hold control accounts with Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. ("**Interbolsa**") on behalf of their customers and includes any depositary banks appointed by any of Euroclear Bank S.A./N.V. and Clearstream Banking, S.A. ("**Euroclear/Clearstream**") for the purpose of holding such accounts with Interbolsa on behalf of such Clearing System.

to, in order to organize the settlement.

Each Transfer Order must include (i) the aggregate principal amount of Notes with respect to which the Non-Qualified Holder wishes to surrender, (ii) an instruction to transfer the Notes for which surrenders are delivered (and accordingly no other transfers may be effected in relation to such Notes at any time from and including the date on which the holder submits its Transfer Order until the termination or withdrawal of the Non-Qualified Recovery Settlement), to the account held at the Custodian of Oi where the relevant Notes shall upon settlement be transferred to (as shall be communicated to the relevant Interbolsa Participant by the Information Agent), all in accordance with the normal procedures of the Interbolsa Participants and after taking into account the deadlines imposed by the Interbolsa Participants for the execution of alike transfer orders, (iii) the relevant Unique Token Number, and (iv) any additional information required by the Interbolsa Participant to be able to settle the delivery of the Notes. For the avoidance of doubt, and unless otherwise determined by Oi and the Issuer, it is intended that, on the Settlement Date, each relevant Interbolsa Participant will make a single bulk transfer of Notes on behalf of its eligible clients to the Custodian of Oi, for delivery by such custodian to Oi's account.

Any holder whose Notes are held through or on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary or through Euroclear/Clearstream must contact such entity if it wishes to participate and meet any requirements and deadlines of such entity through which it holds the Notes.

The Information Agent, using the Unique Token Number included in the Website Instruction, will verify that the information provided in any Website Instruction conforms to certain of the information previously provided by a Non-Qualified Holder in its Payment Option Notice submitted to Oi in accordance with the terms of the Election Statement, including confirming that the principal amount of Notes surrendered in the Website Instruction is equal to or less than the principal amount of the Notes that appears on the Non-Qualified Election List for such Non-Qualified Holder. Non-Qualified Holders are reminded that besides a valid delivery of a Website Instruction, they are also required to deliver a valid and corresponding Transfer Order.

Notes Blocked due to Small Creditors Payment

Holders who have their Notes blocked due to having received a Small Creditors Payment and that wish to surrender their Notes in the Non-Qualified Recovery Settlement are not required to provide to the relevant Interbolsa Participants unblocking instructions executed on behalf of Oi. Oi hereby irrevocably authorizes Interbolsa Participants to unblock the Notes for the purpose of executing Transfer Orders by delivering the Notes to Oi or to its order (through the Custodian of Oi), in accordance with the settlement confirmations received by such Interbolsa Participants from the Information Agent for the Non-Qualified Recovery Settlement. For the avoidance of doubt, any such unblocking authorization of Oi is for the exclusive purposes described above and not for any other purposes, and any other transfer order which is not a Transfer Order which can be settled pursuant to the terms of this Information Statement is not caught neither covered nor addressed by such unblocking authorisation.

Onboarding As soon as possible and no later than the earlier of (i) December 31, 2018 and (ii) 30 business days prior to any voluntary prepayment under the Non-Qualified Credit Agreement, Non-Qualified Holders that validly participate and surrender their Notes must also complete, sign and date and deliver to the Facility Agent, through the Website (i) if not a natural person, a corporate onboarding form substantially in the form of Exhibit B hereto (a “*Corporate Onboarding Form*”) or (ii) if a natural person, a natural person onboarding form substantially in the form of Exhibit C hereto (an “*Individual Onboarding Form*”); and, together with the Corporate Onboarding Form, the “*Onboarding Forms*”), in either case, together with any other documents required by such Onboarding Forms or the Facility Agent.

NON-QUALIFIED HOLDERS THAT FAIL TO TIMELY AND PROPERLY DELIVER AN ONBOARDING FORM TO THE FACILITY AGENT, TOGETHER WITH ANY OTHER DOCUMENTS REQUIRED BY SUCH ONBOARDING FORM, WILL NOT BE ENTITLED TO RECEIVE ANY PAYMENTS UNDER THE NON-QUALIFIED CREDIT AGREEMENT.

Settlement Procedures Unless otherwise determined by Oi and the Issuer, it is intended that, on the Settlement Date, each relevant Interbolsa Participant will make a single bulk transfer of Notes of its eligible clients to the Custodian of Oi, for delivery by such custodian to Oi’s account.

Distributions of the participation interest in the Non-Qualified Credit Agreement shall be made by the Information Agent via delivery of an email to each Non-Qualified Holder, pursuant to which the Information Agent will confirm (i) that such Non-Qualified Holder is entitled to receive the Non-Qualified Recovery, (ii) the principal amount of such Non-Qualified Holder’s Notes accepted for settlement and (iii) the principal amount of the participation interest in the Non-Qualified Credit Agreement with respect to such Non-Qualified Holder’s Notes

accepted for settlement. Such email will also include a statement as to whether any Onboarding Forms are outstanding. The email will substantially be in the form of Exhibit D.

The Facility Agent shall maintain a register (the “*Register*”) for the recordation of the names, contact information and principal amount of the Non-Qualified Recovery owing to each Non-Qualified Holder.

Notwithstanding the above, Non-Qualified Holders should note that the entries in the Register shall be conclusive. The Register shall be available for inspection by Oi, the Issuer and any Non-Qualified Holder, at any reasonable time, and from time to time upon providing reasonable prior notice to the Facility Agent.

Conditions of the Non-Qualified Recovery

Settlement Oi’s and the Issuer’s obligation to accept Notes for settlement and to issue the Non-Qualified Recovery is subject to:

- (1) all actions, documents, certificates, and agreements necessary to implement the settlement and delivery of the Non-Qualified Recovery shall have been effected or executed and delivered;
- (2) all authorizations, consents, and regulatory approvals required, if any, in connection with implementation of the settlement and delivery of the Non-Qualified Recovery shall have been obtained or waived; and
- (3) the absence of any law or regulation which could, and the absence of any pending or threatened injunction or action or other proceeding which could, make unlawful or invalid or enjoin the implementation of the Non-Qualified Recovery.

Certain Tax Consequences See “Taxation” and the other information included in this Information Statement for a discussion of certain tax considerations, which you should carefully consider before deciding to surrender your Notes in accordance with the settlement procedures set forth in this Information Statement.

Risk Factors See “Risk Factors” and the other information included in and incorporated by reference in this Information Statement for a discussion of factors you should carefully consider before deciding to surrender your Notes in accordance with the settlement procedures set forth in this Information Statement.

Website The website, <https://www.lucid-is.com/oi>, operated by the Information Agent for the purpose of this Information Statement.

INDICATIVE TIMELINE

The following table sets out the expected dates and times of the key events relating to the Non-Qualified Recovery Settlement. This is an indicative timetable and is subject to change.

Launch Date	June 15, 2018
Expiration Date:	July 13, 2018 (at 10:00 a.m. Lisbon time)
Acceptance Date:	July 18, 2018
Settlement Date:	July 23, 2018

*The above dates are subject, where applicable, to the right of Oi and the Issuer to extend, re-open, amend, and/or terminate the Non-Qualified Recovery Settlement (subject to applicable law and as provided in this Information Statement). Holders and beneficial owners of Notes are advised to check with the relevant Interbolsa Participant and/or (as applicable) any broker, dealer, bank, custodian, trust company or other nominee or intermediary or Euroclear/Clearstream to ascertain when any such entity would need to receive instructions in order for the relevant Notes to be able to be settled in the Non-Qualified Recovery Settlement. **The deadlines set by any such entity will be earlier than the relevant deadlines specified in this Information Statement. See “Procedures for Surrendering Notes”.***

SUMMARY OF THE NON-QUALIFIED CREDIT AGREEMENT

The following is a summary of the provisions of the Non-Qualified Credit Agreement that Oi and the Issuer believe to be material and of interest to you, and does not restate the agreement in its entirety. It does not contain all of the information that may be important to you on whether to participate in the Non-Qualified Recovery Settlement. Oi and the Issuer encourage you to read the Non-Qualified Credit Agreement attached hereto as Exhibit A, and not solely this summary description of the Non-Qualified Credit Agreement.

Borrower Oi.

Subsidiary Guarantors..... Oi Mobile; Telemar; Copart4; and Copart 5.

If, at any time after the date of this Information Statement, it becomes possible under applicable law for PTIF and/or Oi Brasil Holdings Coöperatief U.A. – Under Judicial Reorganization (“Oi Coop”) to become Subsidiary Guarantors of the Non-Qualified Credit Agreement, Oi will cause PTIF or Oi Coop, as applicable, to provide a guarantee of the Non-Qualified Credit Agreement. Thereafter, PTIF and/or Oi Coop, as applicable, shall be a Subsidiary Guarantor for all purposes of the Non-Qualified Credit Agreement

Facility Agent..... Lucid Agency Services Limited

Amount..... Principal amount of up to US\$94.1 million.

Repayment..... Oi will repay the outstanding amount of the Loans (as defined in the Non-Qualified Credit Agreement) in 12 consecutive, semi-annual instalments on February 15th and August 15th of each year, beginning on August 15, 2024, on the following dates and in the respective percentages of the outstanding principal of the Loans set forth opposite such dates:

Dates	Amortization
15-Aug-24	4.00%
15-Feb-25	4.00%
15-Aug-25	4.00%
15-Feb-26	4.00%
15-Aug-26	4.00%
15-Feb-27	4.00%
15-Aug-27	12.66%
15-Feb-28	12.66%
15-Aug-28	12.66%
15-Feb-29	12.66%
15-Aug-29	12.66%
15-Feb-30	12.70%

See Clause 5 of the Non-Qualified Credit Agreement.

Interest Rate..... Interest on the Loans will accrue at a fixed rate of 6.0% per

annum.

From February 5, 2018 until February 15, 2024, interest shall accrue on the Loan and be capitalized annually on the last day of Oi's financial year so that it shall form part of the principal for the following year.

Thereafter, interest shall accrue on the Loan and Oi shall pay accrued interest on the Loan on the 15th day of the month in which the last day of such interest period occurs provided that such first interest payment shall be made on August 15, 2024.

See Clause 7 and Clause 8 of the Non-Qualified Credit Agreement.

Voluntary Prepayment..... The Loans may be voluntary prepaid in whole or in part on not less than 30 Business Days' (as defined in the Non-Qualified Credit Agreement) prior notice (or such shorter period as may be agreed by the Majority Lenders (as defined in the Non-Qualified Credit Agreement)). Any voluntary prepayment shall be made with accrued interest on the amount prepaid and without premium or penalty whatsoever, subject to Break Costs (as defined in the Non-Qualified Credit Agreement). Any amount prepaid may not be redrawn and shall be applied against scheduled repayments in inverse chronological order.

See Clause 5.2, Clause 6.3 and Clause 6.5 of the Non-Qualified Credit Agreement.

Certain Covenants..... The Non-Qualified Credit Agreement will contain certain reporting requirements, an obligation to provide certain other information, and a limit on the Borrower's ability and the ability of the Subsidiary Guarantors to declare or pay any dividend, return on capital, or make any other payment or distributions on (or related to) the shares issued by the Borrower or the Subsidiary Guarantors. These covenants are subject to a number of limitations and exceptions.

See Clause 17 and Clause 18 of the Non-Qualified Credit Agreement.

Transfer Restrictions..... Absent prior consent in writing from the Borrower in respect of the relevant new leader, no Lender (as defined in the Non-Qualified Credit Agreement) may assign any of its rights or transfer by novation any of its rights and obligations (including but not limited to a transfer by way of sub-participation or discounting in a manner which would alter the ultimate beneficiary of such rights). This restriction includes, but is not limited, to any transfer of the ultimate beneficiary of the rights and/or obligations.

See Clause 20 of the Non-Qualified Credit Agreement.

Governing Law English

Enforcement English courts

NON-QUALIFIED RECOVERY

Pursuant to the Non-Qualified Recovery Settlement and subject to the satisfaction or waiver of the conditions to the consummation of the Non-Qualified Recovery Settlement, for (1) each EUR 1,000 principal amount of each Note held by any Non-Qualified Holder that participates in the Non-Qualified Recovery Settlement and (2) the Accrued Interest for such Notes, the Non-Qualified Recovery listed in the table below.

The table below assumes, for illustrative purposes, that the relevant Non-Qualified Holder has not validly participated in the Small Creditor Program (as defined in the Election Statement). If a Non-Qualified Holder has so participated, the principal amount of Notes held will be reduced by the amount of any payment received under the Small Creditor Program and no Accrued Interest shall apply.

Bond	Native Currency	Principal in Native Currency	Interest in Native Currency⁽¹⁾	Total in Native Currency	Applicable Exchange Rate	Credit Amount⁽³⁾ (USD)	Non-Qualified Recovery Participation Interest in the Non-Qualified Credit Agreement (USD)⁽⁴⁾
PTIF's 6.25% Notes due 2016...	EUR	1,000.00	25.07	1,025.07	1.1770 ⁽²⁾	1,206.51	603.00

- (1) Accrued and unpaid interest from the last interest payment date that the applicable Issuer made an interest payment on such Notes to, but not including, June 20, 2016. Bondholder Credits of Non-Qualified Holders that validly participated in the Small Creditor Program shall not include Accrued Interest.
- (2) USD/EUR exchange rate at December 11, 2017, as published by Bloomberg.
- (3) Non-Qualified Holders that have validly participated in the Small Creditor Program shall have the principal amount portion of their Bondholder Credits reduced by the amount of any payment received under the Small Creditor Program.
- (4) The Participation Interest in the Non-Qualified Credit Agreement has been rounded down to the next whole number of U.S. dollars.

RISK FACTORS

Oi's Annual Report, which is incorporated by reference in this Information Statement, includes risk factors relating to, among other things, Oi, the telecommunications industry in Brazil and the Brazilian political and macroeconomic environment. Non-Qualified Holders should carefully consider the risks discussed below and in Oi's Annual Report, as well as the other information included in or incorporated by reference into this Information Statement, before deciding to participate in the Non-Qualified Recovery Settlement and to surrender Notes for the Non-Qualified Recovery. Oi's business, results of operations, financial condition or prospects could be negatively affected if events described in these risk factors occur, and as a result, the value of the Non-Qualified Recovery could decline and you could lose all or part of your investment.

The risk factors discussed below and in Oi's Annual Report are not the only risks that Oi faces, but are the risks that Oi currently considers to be material. There may be additional risks that Oi currently considers immaterial or of which Oi is currently unaware, and any of these risks could have similar effects to those set forth below and in Oi's Annual Report.

Risks Relating to the Non-Qualified Recovery Settlement

Non-Qualified Holders that fail to validly participate and surrender Notes in accordance with the settlement procedures set forth in this Information Statement will only be entitled to receive the Default Recovery.

If a Non-Qualified Holder fails to validly participate and surrender its Notes in accordance with the settlement procedures set forth in this Information Statement, such Non-Qualified Holder will only be entitled to receive the Default Recovery. The Default Recovery will consist of an unsecured right to payment of 100% of the principal amount of the Bondholder Credits of a Non-Qualified Bondholder, payable in five equal annual installments commencing on the last business day of the 20th anniversary of the date of the entry of a Required Foreign Order that recognizes the validity of the confirmation of the RJ Plan pursuant to the terms of the RJ Plan. See the "Election Statement" for more details regarding the terms and conditions of the Default Recovery. Non-Qualified Holders that receive the Default Recovery will be required to bear the financial risks associated with an investment that has a 20-year grace period prior to receiving any payment thereunder.

Notwithstanding, Oi and the Issuer may, at their full discretion, accept to postpone the settlement of Non-Qualified Recoveries in respect of Holders who have provided a Website Instruction by the Expiration Date, but have not by then delivered a Transfer Order, in order to allow the relevant Holders to deliver such Transfer Order for settlement to take place. In any event, any such postponement of settlement shall not fall beyond 31 July 2018.

Non-Qualified Holders that fail to timely and properly deliver an Onboarding Form to the Facility Agent, together with any other documents required by such Onboarding Form or the Facility Agent, will not be entitled to receive any payments under the Non-Qualified Credit Agreement.

As soon as possible and no later than the earlier of (i) December 31, 2018 and (ii) 30 business days prior to any voluntary prepayment under the Non-Qualified Credit Agreement, Non-Qualified Holders that validly participate and surrender their Notes must also complete, sign, date and deliver an Onboarding Form to the Facility Agent, together with any other documents required by such Onboarding Form or by the Facility Agent. Pursuant to anti-money laundering laws and regulations, the Facility Agent is required to perform certain onboarding and "know-your customer" requirements in order to confirm and verify certain information with respect to each Non-Qualified Bondholders that validly participates and surrenders its Notes in accordance with the settlement procedures set forth in this Information Statement. If a Non-Qualified Holder fails to timely and properly deliver its applicable Onboarding Form, and any other necessary documents, such Non-Qualified Holder will not receive payments of any amounts (principal, interest or otherwise) under the Non-Qualified Credit Agreement.

A Non-Qualified Holder's Non-Qualified Recovery is not transferable without the prior written consent from Oi, the Issuer and Oi Coop.

Absent prior consent in writing from other counterparties, including Oi, the Issuer and Oi Coop, the Non-Qualified Credit Agreement, any claims thereunder and any legal, equitable or other economic interest therein shall not be transferred, assigned, contributed, conveyed, or otherwise alienated (in whole or in part), including but not limited to by way of sub-participation or discounting of such Non-Qualified Credit Agreement in a manner that would alter the ultimate beneficiary thereof, and no encumbrance or lien on, or other interest or right in, such Agreement may be granted or conveyed by any of the participants in the Non-Qualified Credit Agreement. These restrictions will significantly limit a Non-Qualified Holder's ability to transfer, assign and otherwise resell its Non-Qualified Recovery.

DESCRIPTION OF THE NON-QUALIFIED RECOVERY SETTLEMENT

Purpose of the Non-Qualified Recovery Settlement

The Non-Qualified Recovery Settlement is a critical component of the RJ Plan. The Non-Qualified Recovery Settlement is designed to reduce the overall amount of Oi and the Issuer debt, reduce total cash interest payments, and place them in a better position to attract new financing in the years to come. Oi and the Issuer believe the Non-Qualified Recovery Settlement will also improve their performance and customer relations by addressing the key issues relating to their viability as a going concern.

None of Oi, the Issuer, the Information Agent, Facility Agent or any of their affiliates makes any recommendation as to whether Non-Qualified Holders should participate in the Non-Qualified Recovery Settlement and surrender their Notes for the Non-Qualified Recovery pursuant to the Non-Qualified Recovery Settlement.

Each Non-Qualified Holder must make its own decision as to whether to surrender its Notes, and, if so, the principal amount of Notes as to which action is to be taken.

Terms of the Non-Qualified Recovery Settlement

The Non-Qualified Recovery

In exchange for the (i) principal amount of the Notes held by such Non-Qualified Holder, subject to reduction by the amount that any Non-Qualified Holder received in the Small Creditor Program (as defined in the Election Statement) plus (ii) accrued and unpaid interest in respect of the Notes held by such Non-Qualified Holder (other than any Non-Qualified Holder that validly participated in the Small Creditor Program) from the last interest payment date on which the Issuer made an interest payment on such Notes to, but not including, June 20, 2016 (the "Accrued Interest", in the amount indicated in the Election Statement in respect of the Notes), converted into U.S. dollars at the exchange rate for Euros into U.S. Dollars on December 11, 2017 as published by Bloomberg, such Non-Qualified Holder will receive the "Non-Qualified Recovery" described in "Non-Qualified Recovery" section on page 6 of this Information Statement.

The Non-Qualified Recovery issued to the Non-Qualified Holders will be rounded down to the next whole number of U.S. dollars. There will be no minimum denominations of the Non-Qualified Recovery.

Expiration Date, Extension, Termination or Amendment

The Non-Qualified Recovery Settlement will expire at 10:00 a.m., Lisbon time, on July 13, 2018, unless extended by Oi and the Issuer in their sole discretion.

Announcements

Any extension, termination or amendment of the Non-Qualified Recovery Settlement will be followed as promptly as practicable by announcement thereof, such announcement in the case of an extension to be issued no later than 9:00 a.m., Lisbon time, on the next business day following the previously scheduled Expiration Date. Without limiting the manner in which Oi and the Issuer may choose to make such announcement, Oi and the Issuer

will not, unless otherwise required by law, have any obligation to publish, advertise or otherwise communicate any such announcement other than by making a release to an appropriate news agency, by publication on the Website or another means of announcement that Oi and the Issuer deem appropriate. See also “— Expiration Date, Extension, Termination or Amendment.”

Acceptance Date

As soon as practicable following the Expiration Date, the Information Agent will (1) confirm rejection to the relevant Interbolsa Participants of any Notes that are subject to a Website Instruction of any person that does not appear on the Non-Qualified Election List; (2) confirm to the relevant Interbolsa Participants the Notes that are subject to a Website Instruction and that meet the requirements for the Non-Qualified Recovery Settlement and the settlement details required for such Interbolsa Participants to deliver such Notes to the Custodian of Oi on the Settlement Date; (3) confirm to the Custodian of Oi the settlement details required to accept the transfer from the relevant Interbolsa Participants on the Settlement Date; (4) confirm to Oi and the Facility Agent that the principal amount of each series of Notes surrendered by each Non-Qualified Holder that appears on the Non-Qualified Election List is not in excess of the principal amount of this series of Notes that appears on the Non-Qualified Election List with respect to such Non-Qualified Holder; and (5) confirm to Oi and the Facility Agent the full legal name, contact information and Unique Token Number of each Non-Qualified Holder that appear on the Non-Qualified Election List that has validly surrendered Notes in accordance with the settlement procedures set forth in this Information Statement and the principal amount of the participation interest under the Non-Qualified Credit Agreement for each Non-Qualified Holder, together with the status of any Onboarding Forms.

Settlement Date

Unless otherwise determined by Oi and the Issuer, it is intended that, on the Settlement Date, which, is expected to be the as soon as practicable following the Acceptance Date, each relevant Interbolsa Participant will make a single bulk transfer of Notes of its eligible clients to the Custodian of Oi (being Banco Comercial Português, S.A.), for delivery by such custodian to Oi’s account. The Information Agent shall confirm to the Interbolsa Participants, as soon as possible, the actual Settlement Date.

On the Settlement Date, which, is expected to be as soon as practicable following the Acceptance Date, the Information Agent will email each Non-Qualified Holder that validly participated and surrendered its Notes in accordance with the settlement procedures set forth in this Information Statement (i) that such Non-Qualified Holder is entitled to receive the Non-Qualified Recovery, (ii) the amount of Bondholder Credits with respect to such Non-Qualified Holder’s Notes accepted for settlement and (iii) the principal amount of the participation interest in the Non-Qualified Credit Agreement with respect to such Non-Qualified Holder’s Notes accepted for settlement. Such email will also include a statement as to whether any Onboarding Forms are outstanding. The email will substantially be in the form of Exhibit D.

Certain Consequences to Holders of Notes Not Surrendering in the Non-Qualified Recovery Settlement

Consummation of the Non-Qualified Recovery Settlement may have adverse consequences to Non-Qualified Holders who elect not to surrender their Notes (or all their Notes) in the Non-Qualified Recovery Settlement. In particular, Non-Qualified Holders that do not participate and validly surrender their Notes (or all their Notes) in accordance with the procedures for surrendering the Notes and the settlement procedures set forth in this Information Statement will only be entitled to receive the Default Recovery in respect of their Notes (or the Notes which have not been so surrendered). See “Risk Factors—Risks Relating to the Non-Qualified Recovery Settlement.”

Notwithstanding, Oi and the Issuer may, at their full discretion, accept to postpone the settlement of Non-Qualified Recoveries in respect of Holders who have provided a Website Instruction by the Expiration Date, but have not by then delivered a Transfer Order, in order to allow the relevant Holders to deliver such Transfer Order for settlement to take place. In any event, any such postponement of settlement shall not fall beyond 31 July 2018.

Absence of Dissenters' Rights

Non-Qualified Holders of the Notes do not have any appraisal or dissenters' rights in connection with the Non-Qualified Recovery Settlement.

Withdrawal of Surrenders

Surrender of Notes may not be withdrawn, except in certain limited circumstances where withdrawal rights are required by law.

PROCEDURES FOR SURRENDERING NOTES

General

For a Non-Qualified Holder to be eligible to receive the Non-Qualified Recovery, the Non-Qualified Holder must validly participate and surrender its Notes pursuant to the procedures in this Information Statement at or prior to the Expiration Date. Notes surrendered may not be withdrawn unless required by law.

Oi and the Issuer will only accept Notes for settlement which are made by way of the submission of both valid Website Instructions and Transfer Orders, in accordance with the procedures set out in this section "*Procedures for Surrendering Notes*".

To validly surrender Notes pursuant to the Non-Qualified Recovery Settlement, a Non-Qualified Holder should deliver, or arrange to have delivered on its behalf, via the Website, a Website Instruction that is received by the Information Agent at or prior to the Expiration Deadline and, in accordance with the requirements of the relevant Interbolsa Participant, a valid Transfer Order that is received by such Interbolsa Participant at or prior to the Expiration Deadline.

As soon as possible and no later than the earlier of (i) December 31, 2018 and (ii) 30 business days prior to any voluntary prepayment under the Non-Qualified Credit Agreement, Non-Qualified Holders that validly participate and surrender their Notes must also complete, sign and date and deliver an Onboarding Form, together with any other documents required by such Onboarding Form or the Facility Agent.

NON-QUALIFIED HOLDERS THAT FAIL TO TIMELY AND PROPERLY DELIVER AN ONBOARDING FORM TO THE FACILITY AGENT, TOGETHER WITH ANY OTHER DOCUMENTS REQUIRED BY SUCH ONBOARDING FORM, WILL NOT BE ENTITLED TO RECEIVE ANY PAYMENTS UNDER THE NON-QUALIFIED CREDIT AGREEMENT.

Non-Qualified Holders are advised to check with any bank, securities broker or other intermediary or clearing system, including Euroclear/Clearstream, through which they hold the Notes whether such entity needs to receive instructions from a Non-Qualified Holder of Notes before the deadlines specified in this Information Statement in order for such holder of Notes to be able to surrender its Notes before the deadlines specified in this Information Statement.

Unique Token Number

In order for a Non-Qualified Holder to validly participate in the Non-Qualified Recovery Settlement, such Non-Qualified Holder must include in its Website Instruction its unique identification code, which has been assigned to it by the Information Agent (the "*Unique Token Number*"), following the information lists received by it from Oi or by D.F. King, as applicable. Each Unique Token Number will be sent by the Information Agent, together with this Information Statement, to each holder of Notes to such holder's email address, and will in addition be made available to each holder of Notes upon request from the Information Agent by email to oi@lucid-is.com. Further information will be available through the Website.

The Information Agent will be required to confirm that the information provided by each Non-Qualified Holder in its Website Instruction conforms to the information provided in its Payment Option Noticed submitted to Oi in accordance with the terms of the Election Statement.

IT WILL NOT BE POSSIBLE FOR THE INFORMATION AGENT TO CONFIRM THIS INFORMATION IF A NON-QUALIFIED HOLDER FAILS TO INCLUDE ITS UNIQUE TOKEN NUMBER IN ITS WEBSITE INSTRUCTION.

Procedures for Surrendering Notes

Persons who are shown in the records of Interbolsa Participants as holders of the Notes must surrender their Notes by submitting (i) a valid instruction to the Information Agent, through the Website, and (ii) a valid Transfer Order to the relevant Interbolsa Participant, in accordance with the customary procedures of such Interbolsa Participant.

Persons who are not the holders of Notes through accounts opened with Interbolsa Participants, including beneficial owners of Notes held through Euroclear/Clearstream, shall contact Euroclear/Clearstream and/or their relevant custodians in order for Transfer Orders to be timely submitted. Accordingly, Non-Qualified Holders whose Notes are held on their behalf by a broker, dealer, bank, trust company or other nominee, including Euroclear/Clearstream must contact such entity if they desire to surrender their Notes in this Information Statement as described herein.

Any submission of a valid Transfer Order will entail that no other transfers may be effected in relation to such Notes at any time from and including the date on which the holder submits its Transfer Order until the termination or withdrawal of the Non-Qualified Recovery Settlement. The submission of any Website Instruction will be subject to the relevant Non-Qualified Holder's representations and warranties set forth herein (please see "*Representations, Warranties and Covenants*").

Each Website Instruction must include (i) the name and contact information of the holder (email, address and telephone number), (ii) the aggregate principal amount of Notes with respect to which the Non-Qualified Holder wishes to surrender, (iii) the name of the relevant Interbolsa Participant and the securities account number in which the Notes are held, (iv) the Unique Token Number, (v) confirmation that a Transfer Order has been duly delivered in connection with that Website Instruction, (vi) authorisation for the Information Agent to provide all or part of the information in the Website Instruction to the relevant Interbolsa Participant, the Facility Agent, Oi and the Custodian of Oi where the relevant Notes shall upon settlement be transferred to, in order to organize the settlement.

Each Transfer Order must include (i) the aggregate principal amount of Notes with respect to which the Non-Qualified Holder wishes to surrender, (ii) an instruction to transfer the Notes for which surrenders are delivered (and accordingly no other transfers may be effected in relation to such Notes at any time from and including the date on which the holder submits its Transfer Order until the termination or withdrawal of the Non-Qualified Recovery Settlement), to the account held at the Custodian of Oi where the relevant Notes shall upon settlement be transferred to (as shall be communicated to the relevant Interbolsa Participant by the Information Agent), all in accordance with the normal procedures of the Interbolsa Participants and after taking into account the deadlines imposed by the Interbolsa Participants for the execution of alike transfer orders, (iii) the relevant Unique Token Number, and (iv) any additional information required by the Interbolsa Participant to be able to settle the delivery of the Notes. For the avoidance of doubt, and unless otherwise determined by Oi and the Issuer, it is intended that, on the Settlement Date, each relevant Interbolsa Participant will make a single bulk transfer of Notes of its eligible clients to the Custodian of Oi, for delivery by such custodian to Oi's account.

The Information Agent, using the Unique Token Number included in Website Instruction, will verify that the information provided in any Website Instruction conforms to certain of the information previously provided by a Non-Qualified Holder in its Payment Option Notice submitted to Oi in accordance with the terms of the Election Statement, including confirming that the principal amount of Notes surrendered in the Website Instruction is equal to or less than the principal amount of the Notes that appears on the Non-Qualified Election List for such Non-Qualified Holder. Non-Qualified Holders are reminded that besides a valid submission of a Website Instruction, they are also required to submit a valid and corresponding Transfer Order.

Only persons who appear in the Non-Qualified Election Lit may submit Website Instructions and Transfer Orders (or have Transfer Orders submitted on their behalf).

Each Non-Qualified Holder of Notes that does not appear as a holder in the records of an Interbolsa Participant must arrange for the person through which such beneficial owner of Notes holds its Notes to

submit a valid Transfer Order on its behalf to the relevant Interbolsa Participant, before the Expiration Deadline and any earlier deadlines specified by the Interbolsa Participant.

Holders who have their Notes blocked due to having received a Small Creditors Payment and that wish to surrender their Notes in the Non-Qualified Recovery Settlement are not required to provide to the relevant Interbolsa Participants unblocking instructions executed on behalf of Oi. **Oi hereby irrevocably authorizes Interbolsa Participants to unblock the Notes for the purpose of executing Transfer Orders by delivering the Notes to Oi or to its order (through the Custodian of Oi), in accordance with the settlement confirmations received by such Interbolsa Participants from the Information Agent for the Non-Qualified Recovery Settlement.** For the avoidance of doubt, any such unblocking authorization of Oi is for the exclusive purposes described above and not for any other purposes, and any other transfer order which is not a Transfer Order which can be settled pursuant to the terms of this Information Statement is not caught neither covered nor addressed by such unblocking authorisation.

No Letter of Transmittal

No letter of transmittal is required to accompany Notes that are surrendered in accordance with this Information Statement.

Surrender of Notes, Binding Agreement

The surrender of Notes by a Non-Qualified Holder, pursuant to the procedures set forth above, and the subsequent acceptance of that surrender by Oi and the Issuer, will constitute a binding agreement between that Non-Qualified Holder, Oi and the Issuer in accordance with the terms and subject to the conditions set forth in this Information Statement, which agreement will be governed by, and construed in accordance with, the laws of the State of New York.

Representations, Warranties and Covenants

Upon the agreement to the terms pursuant to a submission of a duly completed Website Instruction, a holder, or the beneficial holder of Notes on behalf of which the Non-Qualified Holder has surrendered, will, subject to the terms and conditions of the Non-Qualified Recovery Settlement, be deemed, among other things, to:

- (1) irrevocably sell, assign and transfer to or upon Oi's or the Issuer's order or the order of its nominee, all right, title and interest in and to, and any and all claims in respect of or arising or having arisen as a result of the holder's status as a holder of, all Notes surrendered thereby, such that thereafter the holder shall have no contractual or other rights or claims in law or equity against Oi or the Issuer or any fiduciary, trustee or other person connected with the Notes arising under, from or in connection with those Notes;
- (2) waive any and all rights with respect to the Notes surrendered thereby, including, without limitation, any existing or past defaults and their consequences in respect of those Notes; and
- (3) release and discharge Oi, the Issuer and any trustee for the Notes from any and all claims that the holder may have, now or in the future, arising out of or related to the Notes surrendered thereby, including, without limitation, any claims that the holder is entitled to receive additional principal or interest payments with respect to the Notes surrendered thereby, other than accrued and unpaid interest on the Notes or as otherwise expressly provided in this Information Statement, or to participate in any redemption or defeasance of the Notes surrendered thereby.

Each holder surrendering the Notes for the Non-Qualified Recovery under the Non-Qualified Recovery Settlement will be deemed to agree with, and acknowledge, represent, warrant and undertake (on behalf of itself and of any person for whom it is acting) to Oi, the Issuer, the Information Agent and the Facility Agent the statements set forth below, on each of the Expiration Date and the Settlement Date:

- (1) It is a Non-Qualified Holder on the Non-Qualified Election List;

- (2) It has received, reviewed and accepted the terms and conditions of the Non-Qualified Recovery Settlement, all as described in this Information Statement (and has access to, and has reviewed and understood, the documents incorporated by reference in this Information Statement).
- (3) It is assuming all the risks inherent in participating in the Non-Qualified Recovery Settlement, and has undertaken all the appropriate analysis of the implications of the Non-Qualified Recovery Settlement, without reliance on Oi, the Issuer, the Information Agent, the Facility Agent or any of their respective directors or employees.
- (4) The Notes are, at the time of acceptance, and will continue to be, held by it at an Interbolsa Participant, until the earliest of (i) the Settlement Date or (ii) the termination or withdrawal of the Non-Qualified Recovery Settlement.
- (5) The Notes cannot be subject to other transfers from the securities account to which such Notes are credited at the relevant Interbolsa Participant with effect from, and including, the date on which either the Website Instruction was received by the Information Agent until the earliest of (i) the Settlement Date or (ii) the termination or withdrawal of the Non-Qualified Recovery Settlement, all in accordance with the normal procedures of the Interbolsa Participant, and after taking into account the deadlines imposed by Euroclear/Clearstream (as applicable).
- (6) Upon the terms and subject to the conditions of the Non-Qualified Recovery Settlement, it has validly surrendered its Notes and in connection therewith, it renounces all right, title and interest in and to all such Notes accepted for participation pursuant to the Non-Qualified Recovery Settlement and waives and releases any rights or claims it may have against Oi and the Issuer with respect to any such Notes or the Qualified Recovery Settlement.
- (7) It has full power and authority to transfer and assign to Oi and/or the Issuer the Notes which it has surrendered pursuant to the Non-Qualified Recovery Settlement and, if such Notes are accepted pursuant to the Non-Qualified Recovery Settlement, good and marketable title to such Notes will be transferred to, or for the account of, Oi and the Issuer free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached thereto, and it will, upon request, execute and deliver any additional documents and/or do such other things deemed by Oi and the Issuer to be necessary or desirable to complete the sale, assignment, transfer and/or cancellation of such Notes or to evidence such power and authority.
- (8) All authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties, undertakings and directions, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity.
- (9) It understands that acceptance of Notes validly surrendered by it pursuant to the Non-Qualified Recovery Settlement will constitute a binding agreement between it and Oi and the Issuer, in accordance with and subject to the terms and conditions of the Non-Qualified Recovery Settlement.
- (10) It understands that Oi and the Issuer may, at their sole discretion, extend, re-open, amend or waive any condition of or terminate the Non-Qualified Recovery Settlement at any time, and that in the event of a termination of the Non-Qualified Recovery Settlement, the relevant Notes will be returned to the holder.
- (11) None of Oi, the Issuer, the Information Agent, the Facility Agent, the trustees or any of their respective directors or employees, has given it any information with respect to the Non-Qualified Recovery Settlement save as expressly set out in this Information Statement nor has any of them made any recommendation to it as to whether it should surrender Notes in the Non-Qualified Recovery Settlement, and it has made its own decision with regard to surrendering Notes in the

Non-Qualified Recovery Settlement based on any legal, tax or financial advice it has deemed necessary to seek; and it is able to bear the economic risks of participating in the Non-Qualified Recovery Settlement.

- (12) No information has been provided to it by Oi, the Issuer, the Information Agent, the Facility Agent or any of their respective directors or employees, with regard to the tax consequences for holders of Notes arising from any Notes accepted pursuant to the Non-Qualified Recovery Settlement and the receipt of the Non-Qualified Recovery, and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Non-Qualified Recovery Settlement or in relation to the Non-Qualified Recovery and agrees that it does not and will not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against Oi, the Issuer, the Information Agent, any of their respective directors or employees or any other person in respect of such taxes and payments.
- (13) It has observed the laws of all relevant jurisdictions; obtained all requisite governmental, exchange control or other required consents; complied with all requisite formalities; and paid any issue, transfer or other taxes or requisite payments due from it in each respect in connection with any offer or acceptance in any jurisdiction and it has not taken or omitted to take any action in breach of the terms of the Non-Qualified Recovery Settlement or which will or may result in Oi, the Information Agent, the Facility Agent, or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Non-Qualified Recovery Settlement.
- (14) It accepts that Oi, the Issuer, the Information Agent and the Facility Agent will rely on the truth and accuracy of the foregoing acknowledgements, agreements, representations, warranties and undertakings, and it shall indemnify Oi, the Issuer, the Information Agent and the Facility Agent against all and any losses, costs, claims, liabilities, expenses, charges, actions or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the agreements, representations, warranties and/or undertakings given in connection with the Non-Qualified Recovery Settlement made (including any acceptance thereof) by any such holder.
- (15) It authorizes the Information Agent, the Facility Agent, its relevant Interbolsa Participant and the Custodian of Oi for this Non-Qualified Recovery Settlement to disclose amongst each other the name (of the holder and, if applicable, any beneficial owner), account number and holding of Notes.

By submitting a Website Instruction to the Information Agent, the Non-Qualified Holder:

- (1) will be deemed to have duly authorized Lucid Agency Services Limited as Facility Agent under the Non-Qualified Credit Agreement to execute the Non-Qualified Credit Agreement on its behalf and shall, from the time Lucid Agency Services Limited executes the Non-Qualified Credit Agreement on its behalf, become a party to the Non-Qualified Credit Agreement as a “Lender”; and
- (2) acknowledges that all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings and every obligation of that Non-Qualified Holder shall be binding (to the extent applicable in law) upon the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Non-Qualified Holder and shall not be affected by, and shall survive, the death or incapacity of the Non-Qualified Holder.

The representations, warranties and agreements of a holder surrendering Notes will be deemed to be repeated and reconfirmed on and as of the Expiration Date and the Settlement Date. For purposes of this Information Statement, the “beneficial owner” of any Notes means any holder that exercises investment discretion with respect to those Notes.

Surrender of Notes in Physical Form

All Holders hold the Notes through Interbolsa Participants and there are no Notes in physical form.

No Guaranteed Delivery

There are no guaranteed delivery procedures provided by Oi and the Issuer in connection with this Non-Qualified Recovery Settlement. Beneficial owners of Notes that are held in the name of a custodian must contact such entity sufficiently in advance of the Expiration Date, if they wish to surrender their Notes.

Extension, Termination or Amendment

Subject to applicable laws, Oi and the Issuer expressly reserve the right, in their sole discretion, at any time and from time to time, and regardless of whether any events preventing satisfaction of the conditions to the Non-Qualified Recovery Settlement shall have occurred or shall have been determined by us to have occurred, to (i) extend the period during which the Non-Qualified Recovery Settlement is open, (ii) re-open or amend the Non-Qualified Recovery Settlement, (iii) amend the timing of the Non-Qualified Recovery Settlement including delaying the Expiration Date and/or the Settlement Date and (iv) terminate the Non-Qualified Recovery Settlement, by giving oral (to be confirmed in writing) and written notice of such extension re-opening, amendment or termination to the Information Agent and by making public disclosure by press release or other appropriate means of such extension, re-opening, amendment or termination to the extent required by law. During any extension, re-opening or amendment of the Non-Qualified Recovery Settlement, all Notes previously surrendered will remain subject to the Non-Qualified Recovery Settlement and may, subject to the terms and conditions of the Non-Qualified Recovery Settlement, be accepted for settlement by Oi and the Issuer. Please see also “—*Announcements*”. Any waiver, amendment or modification of the Non-Qualified Recovery Settlement will apply to all Notes surrendered pursuant to the Non-Qualified Recovery Settlement. If Oi and the Issuer make a change that they determine to be material in any of the terms of the Non-Qualified Recovery Settlement or waive a condition of the Non-Qualified Recovery Settlement that Oi and the Issuer determine to be material, Oi and the Issuer will give oral (to be confirmed in writing) and written notice of such amendment or such waiver to the information Agent and will publicly announce such changes by press release, by publication on the Website and through Interbolsa (for delivery to Interbolsa Participants) as promptly as possible and extend the Non-Qualified Recovery Settlement as Oi and the Issuer determine necessary and to the extent required by law.

Oi and the Issuer may terminate or withdraw at their sole discretion the Non-Qualified Recovery Settlement at any time and for any reason, including if any condition is not satisfied on or after the Expiration Date, as the case may be. There can be no assurance that Oi and the Issuer will exercise their right to extend, terminate or amend the Non-Qualified Recovery Settlement.

During any extension and irrespective of any amendment to the Non-Qualified Recovery Settlement, all Notes previously surrendered will remain subject to the Non-Qualified Recovery Settlement and may be accepted thereafter for settlement by Oi and the Issuer, subject to compliance with applicable law. In addition, Oi and the Issuer may waive conditions without extending the Non-Qualified Recovery Settlement in accordance with applicable law.

In the event that the Non-Qualified Recovery Settlement is withdrawn or otherwise not completed, the Non-Qualified Recovery will not be paid or become payable and a surrender of Notes shall be deemed of no effect.

Announcements

Any extension, termination, re-opening or amendment of the Non-Qualified Recovery Settlement will be followed as promptly as practicable by announcement thereof, such announcement in the case of an extension to be issued no later than 9:00 a.m. Lisbon time on the next business day following the previously scheduled Expiration Date, as the case may be. Unless stated otherwise, announcements in connection with the Non-Qualified Recovery Settlement will be made (i) through a press release to be disseminated through Interbolsa (for delivery to Interbolsa Participants) and (ii) by publication on the Website. Significant delays may be experienced where notices are

delivered to Interbolsa and holders of Notes are urged to visit the Website during the course of the Non-Qualified Recovery Settlement.

ISIN Number

If any Notes contain an ISIN number, Oi and the Issuer make no representation as to the correctness of the ISIN as contained in this Information Statement.

Other Matters

All questions as to the validity, form, eligibility (including time of receipt) and acceptance of any surrendered Notes pursuant to any of the procedures described above will be determined by Oi and the Issuer, in their sole discretion (which determination shall be final and binding). Alternative, conditional or contingent surrenders will not be considered valid. Oi and the Issuer reserve the absolute right to reject any or all surrenders of any Notes determined by Oi and the Issuer not to be in proper form or, if the acceptance or settlement of such Notes may, in their opinion, be unlawful. Oi and the Issuer also reserve the absolute right, in their sole discretion, to waive any of the conditions of the Non-Qualified Recovery Settlement or any defect or irregularity in any surrender with respect to Notes of any particular Holder, whether or not similar defects or irregularities are waived in the case of other Holders. Oi's and the Issuer's interpretation of the terms and conditions of the Non-Qualified Recovery Settlement shall be final and binding. Any defect or irregularity in connection with surrender of Notes must be cured within such time as Oi and the Issuer determine, unless waived by Oi and the Issuer. Surrenders of Notes will not be considered to have been made until all defects and irregularities have been waived by Oi and the Issuer or cured. None of Oi and the Issuer, the Information Agent, the Facility Agent, Interbolsa or any other person will be under any duty to give notification of any defects or irregularities in surrenders of Notes or will incur any liability for failure to give any such notification. If Oi and the Issuer waive their right to reject a defective surrender of Notes, the Holder will be entitled to the Non-Qualified Recovery.

CONDITIONS OF THE NON-QUALIFIED RECOVERY SETTLEMENT

The Non-Qualified Recovery Settlement is subject to certain conditions, which Oi and the Issuer may assert or waive in full or in part in their sole discretion. Oi and the Issuer may extend the Non-Qualified Recovery Settlement from time to time until the conditions are satisfied or waived. Although Oi and the Issuer have no present plans or arrangements to do so, they reserve the right to amend, at any time, the terms and conditions of the Non-Qualified Recovery Settlement. Oi and the Issuer will give you notice of any amendments if required by applicable law.

Notwithstanding any other provisions of the Non-Qualified Recovery Settlement, or any extension of the Non-Qualified Recovery Settlement, Oi and the Issuer will not be required to issue the Non-Qualified Recovery and it may terminate the Non-Qualified Recovery Settlement or, at their option, modify, extend or otherwise amend the Non-Qualified Recovery Settlement, if any of the following events occur or exist on or prior to the Settlement Date:

(1) all actions, documents, certificates, and agreements necessary to implement the settlement and delivery of the Non-Qualified Recovery shall have been effected or executed and delivered;

(2) all authorizations, consents, and regulatory approvals required, if any, in connection with implementation of the settlement and delivery of the Non-Qualified Recovery shall have been obtained or waived; and

(3) the absence of any law or regulation which could, and the absence of any pending or threatened injunction or action or other proceeding which could, make unlawful or invalid or enjoin the implementation of the Non-Qualified Recovery.

TAXATION

The following discussion contains a description of the material Brazilian, Dutch and Portuguese tax considerations that may be relevant to the surrender of Notes by a Non-Qualified Holder and receipt of the Non-Qualified Recovery pursuant to the Non-Qualified Credit Agreement. This summary does not describe all of the tax considerations that may be relevant to you or your situation, particularly if you are subject to special tax rules. You should consult your own tax advisors about the tax consequences of investing in and holding the Non-Qualified Recovery, including the relevance to your particular situation of the considerations discussed below, as well as of state, local and other tax laws.

This summary is based upon tax laws of Brazil, the Netherlands and Portugal as in effect on the date of this Information Statement, which are subject to change, possibly with retroactive effect, and to differing interpretations. You should consult your own tax advisors as to the Brazilian, Portugal or other tax consequences of the surrender of the Notes and receipt of the Non-Qualified Recovery.

The below description is not intended to constitute a complete analysis of all tax consequences relating to the surrender of Notes by a Non-Qualified Holder and receipt of the Non-Qualified Recovery. Non-Qualified Holders should consult their tax advisors concerning the tax consequences of their particular situations.

Certain Brazilian Tax Considerations

The following discussion is a general description of certain Brazilian tax aspects of the Non-Qualified Recovery applicable to a Non-Qualified Holder that is an individual, entity, trust or organization resident or domiciled outside Brazil for tax purposes (“Non-Resident Non-Qualified Holder”). The discussion is based on the tax laws of Brazil as in effect on the date hereof and is subject to any change in the Brazilian law that may come into effect after such date as well as to the possibility that the effect of such change in the Brazilian law may be retroactive and apply to rights created on or prior to the date thereof. The information set forth below is intended to be a general description only and does not purport to be a comprehensive description of all the tax aspects of the Non-Qualified Recovery. Therefore, each Non-Resident Non-Qualified Holder should consult his/her/its own tax advisor concerning the Brazilian tax consequences in respect of the Non-Qualified Recovery.

Non-Resident Non-Qualified Holders should note that, as to the discussion below, other income tax rates or treatment may be provided for in any applicable tax treaty between Brazil and the country where the Non-Resident Non-Qualified Holder is domiciled. This summary does not address any tax issues that affect solely our company, such as deductibility of expenses.

Treatment of the Exchange of the Notes for a Participation pursuant to the Non-Qualified Recovery Settlement

For Brazilian tax purposes, the exchange of the Notes for a participation interest in the loans issued under the Non-Qualified Credit Agreement should not give rise to any material tax consequences in Brazil.

Tax on foreign exchange transactions

The exchange of the Notes for a participation interest in the Non-Qualified Credit Agreement will require the execution of simultaneous foreign exchange (“FX”) agreements without actual inflow/outflow of funds (“symbolic FX transactions”). Certain symbolic FX transactions may give rise to the so-called Tax on FX Transactions (“IOF/FX”) in Brazil. In this case, Oi will bear the burden of the IOF/FX.

Tax Consequences of Non-Resident Non-Qualified Holders Owning a Participation in the Non-Qualified Credit Agreement

Payment of principal amount

The payment of the principal amount of the loans issued under the Non-Qualified Credit Agreement should not give rise to Brazilian tax consequences.

Interest

Interest accrued by Oi in connection with the Non-Qualified Credit Agreement will be subject to withholding tax at the rate of 15% (or 25% if the Non-Resident Non-Qualified Holder is located in a Favorable Tax Jurisdiction - as defined below), regardless of whether the interest is paid or capitalized.

Assignment of the participation in the Non-Qualified Credit Agreement

According to article 26 of Law N. 10,833, enacted on December 29, 2003, capital gains realized by non-resident on the sale or on any other form of disposition of assets located in Brazil are subject to withholding income tax in Brazil, regardless of whether the sale is made to a Brazilian resident or not.

Although there is no specific provision in the Brazilian legislation as to the tax consequences of an assignment of the participation in the Non-Qualified Credit Agreement, there are grounds to argue that the participation interest would not fall within the definition of “asset located in Brazil” for the purposes of Law N. 10,833. Hence, potential gains arising from an assignment by a Non-Resident Non-Qualified Holder should not suffice to attract capital gain taxation in Brazil. However, considering the general and unclear scope of Law N. 10,833 and the absence of judicial guidance in respect thereof, we cannot assure that such interpretation of this law will prevail in the courts of Brazil.

If the assignment of a participation interest is deemed to be a sale or disposition of an asset located in Brazil, gains recognized by a Non-Resident Non-Qualified Holder may be subject to income tax in Brazil at progressive rates that may vary from 15.0% to 22.5% depending on the amount of the gain: (i) 15% for the part of the gain up to R\$5.0 million, (ii) 17.5% for the part of the gain that exceeds R\$5.0 million but does not exceed R\$10.0 million, (iii) 20% for the part of the gain that exceeds R\$10.0 million but does not exceed R\$30.0 million, and (iv) 22.5% for the part of the gain that exceeds R\$30.0 million. If the Non-Resident Non-Qualified Holder making the assignment is located in a Favorable Tax Jurisdiction (as defined below) the applicable rate would be 25%.

Discussion on Favorable Tax Jurisdictions

On June 4, 2010, Brazilian tax authorities enacted Normative Instruction N. 1,037 listing (1) Favorable Tax Jurisdictions and (2) the Privileged Tax Regimes, which definition is provided by Law N. 11,727, of June 23, 2008. On November 28, 2014, the Ministry of Finance issued Ordinance N. 488 narrowing the concept of Favorable Tax Jurisdictions and Privileged Tax Regimes to those that impose taxation on income at a maximum rate lower than 17%. Jurisdictions and tax regimes that impose taxation on income at rates ranging from 17% and 20% will not be considered Favorable Tax Jurisdictions and Privileged Tax Regimes, as long as they are committed to adopt international standards on tax transparency. Under Brazilian law, the aforementioned commitment is present if the relevant jurisdiction (i) has entered into (or concluded the negotiation of) an agreement or convention authorizing the exchange of information for tax purposes with Brazil and (ii) is committed to the actions discussed in international forums on tax evasion in which Brazil has been participating, such as the Global Forum on Transparency and Exchange of Information.

Although we believe that the best interpretation of the current tax legislation should lead to the conclusion that the above mentioned Privileged Tax Regime concept should apply solely for purposes of Brazilian tax rules related to transfer pricing, thin capitalization and deductibility of expenses, we cannot assure whether subsequent legislation or interpretations by the Brazilian tax authorities regarding the definition of a Privileged Tax Regime will also apply this concept for purposes of the imposition of Brazilian withholding tax on payments of interest. Currently, the

understanding of the Brazilian tax authorities is that the rate of 15% of withholding tax applies to interest paid to beneficiaries resident in Privileged Tax Regimes (Answer to Tax Ruling Request COSIT N. 575, of December 20, 2017). In any case, if Brazilian tax authorities determine that payments made to a Non-Resident Non-Qualified Holder under a Privileged Tax Regime are subject to the same rules applicable to payments made to Non-Resident Non-Qualified Holders that are resident in a Favorable Tax Jurisdiction, the withholding tax applicable to such payments could be assessed at the rate of 25%.

Other Tax Considerations

The payment of interest and principal amount upon amortization of the loans issued under the Non-Qualified Credit Agreement should be subject to IOF/FX at the rate of 0%.

Certain Dutch Tax Considerations

This summary solely addresses the principal Dutch tax consequences of the Non-Qualified Recovery and the Default Recovery of Notes and does not purport to describe every aspect of taxation that may be relevant to a particular holder. Tax matters are complex, and the tax consequences of the Non-Qualified Recovery or the Default Recovery, as the case may be, to a particular holder of Notes will depend in part on such holder's circumstances. Accordingly, a holder is urged to consult his own tax advisor for a full understanding of the tax consequences relating to the Non-Qualified Recovery and the Default Recovery, as the case may be, to him, including the applicability and effect of Dutch tax laws.

Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law. Where in this summary the terms "the Netherlands" and "Dutch" are used, these refer solely to the European part of the Kingdom of the Netherlands. This summary assumes that the Issuer is organized, and that its business will be conducted, in the manner outlined in this Information Statement. A change to such organizational structure or to the manner in which the Issuer conducts its business may invalidate the contents of this summary, which will not be updated to reflect any such change.

This summary is based on the tax law of the Netherlands (unpublished case law not included) as it stands at the date of this Information Statement. The tax law upon which this summary is based, is subject to changes, possibly with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change.

This summary assumes that each transaction with respect to the Notes is at arm's length.

The summary in this Certain Dutch tax considerations paragraph does not address the Dutch tax consequences for a Holder of Notes who:

- (i) is a person who may be deemed an owner of Notes for Dutch tax purposes pursuant to specific statutory attribution rules in Dutch tax law;
- (ii) is, although in principle subject to Dutch corporation tax, in whole or in part, specifically exempt from that tax in connection with income from Notes;
- (iii) is an investment institution as defined in the Dutch Corporation Tax Act 1969;
- (iv) owns Notes in connection with a membership of a management board or a supervisory board, an employment relationship, a deemed employment relationship or management role;
- (v) has a substantial interest in the Issuer or a deemed substantial interest in the Issuer for Dutch tax purposes.

Generally, a person holds a substantial interest if (a) such person – either alone or, in the case of an individual, together with his partner or any of his relatives by blood or by marriage in the direct line (including foster-children) or of those of his partner for Dutch tax purposes – owns or is deemed to own, directly or indirectly, 5% or more of the shares or of any class of shares of the issuer, or rights to acquire, directly or indirectly, such an interest in the shares of the issuer or profit participating certificates relating to 5% or more of the annual profits or to 5% or more of the liquidation proceeds of the issuer, or, in the case

of a cooperative (coöperatie), is entitled to cast at least 5% of the votes in the general meeting of such cooperative, or (b) such person's shares, rights to acquire shares or profit participating certificates in the issuer are held by him following the application of a non-recognition provision; or

- (vi) is a corporate entity or taxable as a corporate entity and who is resident or deemed to be resident of Aruba, Curaçao or Sint Maarten for tax purposes.

Withholding tax

All payments under the Notes, including the Default Recovery, may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority of or in the Netherlands.

Taxes on income and capital gains

Individuals

If a holder of Notes is an individual who is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch income tax, he will not be subject to Dutch income tax in respect of any benefits derived or deemed to be derived from or in connection with the Notes, including in relation to the Non-Qualified Recovery or the Default Recovery, as the case may be, except if:

- (i) he derives profits from an enterprise, whether as an entrepreneur or pursuant to a co-entitlement to the net value of such enterprise, other than as a shareholder, and such enterprise is carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and his Notes are attributable to such permanent establishment or permanent representative; or
- (ii) he derives benefits or is deemed to derive benefits from or in connection with Notes that are taxable as benefits from miscellaneous activities performed in the Netherlands.

Corporate entities

If a holder of Notes is a corporate entity, or an entity, including an association, a partnership and a mutual fund, taxable as a corporate entity, which is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch corporation tax, it will not be subject to Dutch corporation tax in respect of any benefits derived or deemed to be derived from or in connection with Notes, including in relation to the Non-Qualified Recovery or the Default Recovery, as the case may be, except if:

- (i) it derives profits from an enterprise directly which is carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and to which permanent establishment or permanent representative its Notes are attributable; or
- (ii) it derives profits pursuant to a co-entitlement to the net value of an enterprise which is managed in the Netherlands, other than as a holder of securities, and to which enterprise its Notes are attributable.

General

A holder of Notes will not be deemed to be resident in the Netherlands for Dutch tax purposes by reason only of the execution and/or enforcement of the documents relating to the Non-Qualified Recovery Settlement or the performance by the Issuers of their obligations under such documents or under the Notes.

If a holder of Notes is neither resident nor deemed to be resident in the Netherlands, such holder will for Dutch tax purposes not carry on or be deemed to carry on an enterprise, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands by reason only of the execution and/or enforcement of the documents relating to the Non-Qualified Recovery Settlement or the performance by the Issuers of their obligations under such documents or under the Notes.

Registration taxes and duties

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, is payable in the Netherlands in respect of or in connection with the execution and/or enforcement (including by legal proceedings and including the enforcement of any foreign judgment in the courts of the Netherlands) of the documents relating to the Non-Qualified Recovery Settlement, the performance by the Issuers of their obligations under such documents or under the Notes.

Certain Portuguese Tax Considerations

The reference to "interest" in the paragraphs below means "interest" ("*juro*") as understood in Portuguese tax law.

Interest derived from the Non-Qualified Recovery by Portuguese resident individuals is subject to individual income tax. If the interest on the Non-Qualified Recovery is not received through a paying entity in Portugal, it is not subject to Portuguese withholding tax, but an autonomous taxation rate of 28 per cent. will apply, unless the individual elects to aggregate it to his taxable income, subject to tax at progressive rates varying from 14.5 per cent. up to 48 per cent. An additional surcharge at 2.5 per cent. applies on income in excess of €80,000 up to €250,000 and at 5 per cent. on income in excess of €250,000. In this case, the tax withheld is deemed a payment on account of the final tax due.

Interest paid or made available (*colocado à disposição*) to accounts in the name of one or more accountholders acting on behalf of undisclosed entities is subject to a final withholding tax at a rate of 35 per cent., unless the beneficial owner of the income is disclosed, in which case the general rules will apply.

Interest derived from the Non-Qualified Recovery obtained by legal persons resident for tax purposes in Portugal and by non resident legal persons with a permanent establishment in Portugal to which the income is attributable to is included in their taxable profits and are subject to corporate income tax at a 21 per cent. tax rate or at a 17 per cent. tax rate for taxable profits up to €15,000 and a 21 per cent. tax rate on profits in excess if the taxpayer is a small or medium enterprise as determined in Decree Law no 372/2007, of 6 November 2007, to which may be added a municipal surcharge (*derrama municipal*) of up to 1.5 per cent. of its taxable profits. A state surcharge (*derrama estadual*) also applies at 3 per cent. on taxable profits in excess of €1,500,000 and up to €7,500,000, at 5 per cent. on taxable profits in excess of €7,500,000 and up to €35,000,000, and at 9 per cent. on taxable profits in excess of €35,000,000.

A foreign tax credit may be granted in Portugal regarding interest payments made to holders of Non-Qualified Recoveries. If there is a double tax treaty concluded with Portugal, the deduction cannot exceed the foreign tax paid in accordance in the treaty.

Payments of interest made by OI on Non-Qualified Recovery to an individual or legal person non resident in Portugal for tax purposes and without a permanent establishment to which such income may be attributable are not subject to Portuguese income tax.

INFORMATION AGENT AND FACILITY AGENT

Information Agent

Oi and the Issuer have retained Lucid Issuer Services Limited as the Information Agent for the Non-Qualified Recovery Settlement. Oi and the Issuer will pay the Information Agent customary fees for its services and reimburse it for its reasonable expenses.

Facility Agent

Oi and the Issuer have retained Lucid Agency Services Limited as the Facility Agent under the Non-Qualified Credit Agreement. Oi and the Issuer will pay the Facility Agent customary fees for its services and reimburse it for its reasonable expenses.

Any question regarding the Non-Qualified Recovery Settlement and the settlement procedures set forth in this Information Statement should be directed to the Information Agent.

Lucid Issuer Services Limited

Tankerton Works

12 Argyle Walk

London

WC1H 8HA

Website: www.lucid-is.com/oi

E: oi@lucid-is.com

T: + 44 20 7704 0880

Attention: Thomas Choquet / Paul Kamminga

Non-Qualified Credit Agreement

Corporate Onboarding Form

1	Full Legal Name	
2	Registered Business Address	
3	Corporate Structure Chart	
4	Copy of the Constitutional Documents including evidence of registered address and Certificate of Incorporation/Mem & Arts	
5	Confirmation of the name(s), date of birth and address of all natural persons with an ownership interest of >25% of the entity (please provide a copy of each individuals passport or driving licence). If none present answer Not Applicable	
6	Contact Phone Numbers - minimum of two numbers	
7	Contact Email(s)	
8	Full and exact name of Bank where account is held	
9	Full address of Bank	
10	Exact name on the account	
11	Bank BIC / SWIFT code	
12	Bank IBAN	

Individual Onboarding Form

1	Full Legal Name	
2	Residential Address	
3	Date of Birth	
4	Proof of Identity	EG: Valid Signed Passport / Driving Licence / National ID Card
5	Contact Phone Numbers - minimum of two numbers	
6	Contact Email	
7	Full & exact name of Bank where account is held	
8	Full address of the Bank	
9	Exact name on the account	
10	Bank BIC / SWIFT code	
11	Bank IBAN	

Form of Acceptance Notice

July [], 2018

[Name of Non-Qualified Holder]
[Email and Address of Non-Qualified Holder]

Reference is made to the Information Statement, dated June 15, 2018 (as amended from time to time, the “Information Statement”), that set forth the procedures for Non-Qualified Holders to surrender outstanding Notes for a participation interest under the Non-Qualified Credit Agreement. Capitalized terms used herein but not otherwise defined shall have the meanings assigned to them in the Information Statement.

Oi hereby gives you notice that:

- (i) you are entitled to receive the Non-Qualified Recovery;
- (ii) [INSERT CURRENCY] in Bondholder Credits have been accepted by the undersigned for settlement; and
- (iii) the principal amount of your participation interest in the Non-Qualified Credit Agreement is US\$ [].

[Your Onboarding Forms are in order.]

[Your Onboarding Forms remain outstanding – please submit via www.lucid-is.com/oi]

Sincerely,

For and on behalf of

Oi S.A. – Under Judicial Reorganization]

By

Lucid Issuer Services Limited as Information Agent