



**To Holders of  
    Oi S.A.**

**€750,000,000 5.125% Senior Notes Due 2017 (“2017 Notes”)**

**\$750,000,000 9.5% Senior Notes Due 2019 (“2019 Notes”)**

**\$1,000,000,000 5.5% Senior Notes Due 2020 (“2020 Notes” and together with the 2017  
    Notes and 2019 Notes, the “Notes”)**

**CUSIP#s: 87944LAD1, P9037HAK9, 87944LAE9, P9037HAL7<sup>1</sup>**

**ISIN#s: XS0569301830, XS0569301327, US87944LAD10,**

**USP9037HAK97, US87944LAE92,**

**USP9037HAL70**

**NOTICE OF MECHANISM FOR PURPOSE OF CREDITOR VOTING**

October 18, 2016

**THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST  
TO THE BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF APPLICABLE,  
ALL DEPOSITORIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING  
THIS NOTICE ARE REQUESTED TO EXPEDITE RETRANSMITTAL TO SUCH  
BENEFICIAL OWNERS IN A TIMELY MANNER.**

This Notice is being issued by The Bank of New York Mellon, as Trustee, under the indenture (the “2017 Indenture”) dated as of December 15, 2010 among Telemar Norte Leste S.A. (“Telemar”), as Issuer, the Trustee, The Bank of New York Mellon Trust (Japan), Ltd., as principal paying agent and The Bank of New York Mellon - London Office, as paying agent, and as supplemented by the First Supplemental Indenture dated as of February 27, 2012 among Telemar, as guarantor, Coari Participações S.A. (“Coari”), as successor to the Issuer, Oi S.A. (formerly known as Brasil Telecom S.A.) (the “Company”), as subsequent successor to the Issuer, and the Trustee.

This Notice is also being issued by The Bank of New York Mellon, as Trustee, under the indenture (the “2019 Indenture”) dated as of April 23, 2009 among Telemar, as Issuer, the Trustee, The Bank of New York Mellon Trust (Japan), Ltd., as principal paying agent, and The Bank of New York Mellon (Luxembourg) S.A., as Luxembourg paying agent, as supplemented by the First Supplemental Indenture dated as of September 27, 2010 between Telemar and the Trustee, and as further supplemented by the Second Supplemental Indenture dated as of

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<sup>1</sup> The CUSIP and ISIN numbers appearing herein have been included solely for the convenience of the holders of the Notes. The Bank of New York Mellon assumes no responsibility for the selection or use of such CUSIP or ISIN numbers and makes no representation as to the correctness of the CUSIP or ISIN numbers listed above or printed on the Notes.

February 27, 2012 among Telemar, as guarantor, Coari, as successor to the Issuer, the Company, as subsequent successor to the Issuer, and the Trustee.

This Notice is also being issued by The Bank of New York Mellon, as Trustee, under the indenture (the “2020 Indenture” and together with the 2017 Indenture and the 2019 Indenture, collectively, the “Indentures”) dated as of September 15, 2010 among Telemar, as Issuer, the Trustee and The Bank of New York Mellon Trust (Japan), Ltd., as principal paying agent, as supplemented by the First Supplemental Indenture dated as of February 27, 2012 among Telemar, as guarantor, Coari, as successor to the Issuer, the Company, as subsequent successor to the Issuer, and the Trustee. Capitalized terms used herein and not defined shall have the meanings ascribed to such terms in the Indentures.

### **Proof of Claim Filed**

The Trustee has filed the proof of claim for principal and interest on the Notes. Beneficial owners of the Notes (the “Holders”) do not need to take any further action in order to receive the consideration that is provided for once the plan is approved by the creditors and confirmed by the Brazilian Bankruptcy Court.

### **Restructuring Plan**

As you were previously informed, a copy of the restructuring plan (the “Plan”) is available at the Company’s website, [www.oi.com.br/ri](http://www.oi.com.br/ri) and at the website of the Brazilian bankruptcy trustee, [www.recuperacaojudicialoi.com.br/](http://www.recuperacaojudicialoi.com.br/). An English translation provided by the Company is available at the drop-down list under *Principais Decisões*, RJ Plan – Translation at: [www.recjud.com.br/conteudo\\_pt.asp?idioma=0&tipo=60138&conta=28](http://www.recjud.com.br/conteudo_pt.asp?idioma=0&tipo=60138&conta=28). The Trustee makes no representation as to the accuracy of such translation.

Please be advised that Plan is likely to change and evolve between now and confirmation by the Brazilian Bankruptcy Court. The Brazilian process is very dynamic and the Plan may be modified during the general meeting of creditors.

### **Brazilian Voting Procedures**

On October 5, 2016 the Brazilian Bankruptcy Court issued a decision authorizing procedures to allow Holders to separate their claim from the claim of the Trustee for voting purposes. This decision along with a notice describing the required documents will be published in the Official Gazette. Please note that these procedures (which are summarized below) are only required for those holders who wish to speak or vote at the general meeting of creditors or participate in legal proceedings in Brazil.

According to the voting procedure approved by the Brazilian Bankruptcy Court, interested holders will need to prove to the Brazilian Bankruptcy Court their ownership and amount of the Notes beneficially held by them by filing a motion before the Brazilian Bankruptcy Court, together with the following documentation: (a) a certificate, executed by the Holder or by its representative, attorney-in-fact, consultant or any other agent, setting forth the ownership and amount of the Note(s) held by the respective Holder, in the form attached to this notice (Appendix 1), or any certificate in substantially similar terms (“Ownership Declaration”);

**(b)** documents that confirm the authorization and incumbency of the person who has executed the Ownership Declaration (Appendix 2), or an acceptable notarial certificate; and **(c)** screen shot and/or any other certificate or declaration issued by the broker, custodian or any other equivalent document that attests to and confirms the information contained in the Ownership Declaration. Such motion together with aforementioned documentation will be forwarded to the Bankruptcy Trustee by the Brazilian Bankruptcy Court. All documents will need to be translated into Portuguese by a public sworn translator, notarized and accompanied by an Apostille. Additionally, Holders must attend the first meeting of creditors and register their attendance. Holders who have not attended and registered at the first meeting will not be allowed to attend any subsequent meetings. No date has been set for the general meeting of creditors. This summary is provided for your convenience; Holders who wish to vote should consult with counsel and should not rely solely on the information contained in this notice.

**Holders who desire to vote will likely need to engage Brazilian counsel to assist them with this process. There are numerous law firms in Brazil and Holders are free to choose whatever firm they wish. As a courtesy the Trustee has been informed that the following three firms are available to assist in the process: (i) Tauil & Chequer Advogados associated to Mayer Brown LLP, Renata Lemos ([rlemos@mayerbrown.com](mailto:rlemos@mayerbrown.com) – Phone: +55 (11) 2504-4200; (ii) Pinheiro Neto Advogados, Giuliano Colombo ([gcolombo@pn.com.br](mailto:gcolombo@pn.com.br) – Phone: +55 (11) 3247-8400); and (iii) Stocche Forbes Advogados, Domingos Refinetti ([drefinetti@stoccheforbes.com.br](mailto:drefinetti@stoccheforbes.com.br) – Phone: +55 (11) 3755-5400). The Trustee takes no responsibility for the choice of counsel and has no role in the fees charged by the firms.**

If any Holders have questions about this Notice, they may contact David M. Kerr, Vice President, The Bank of New York Mellon, at (212) 815-5650 or [david.m.kerr@bnymellon.com](mailto:david.m.kerr@bnymellon.com).

The Bank of New York Mellon, as Trustee



## CERTIFICATE OF HOLDER OF NOTES

### A. EXECUTION BY BENEFICIAL OWNER

The undersigned beneficial owner of the Notes hereby represents and warrants that it is the beneficial owner of the Notes described below in accordance with the attached screen shot from the undersigned's broker/custodian website showing ownership of the Notes and is duly authorized to deliver this Certificate and that such power has not been granted or assigned to any other Person.

Name of Creditor/Beneficial Owner (Bondholder): \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-mail: \_\_\_\_\_  
Total Current Principal Amount of Notes Due [•]  
Owned as of [•]: \_\_\_\_\_  
Note N°: \_\_\_\_\_

Participant Name: \_\_\_\_\_  
Participant No.: \_\_\_\_\_  
Total Current Principal Amount of Notes Due [•]  
Owned as of [•]: \_\_\_\_\_  
Note N°: \_\_\_\_\_  
Participant Name: \_\_\_\_\_  
Participant No.: \_\_\_\_\_  
Total Current Principal Amount of Perpetual Notes  
Owned as of [•]: \_\_\_\_\_  
Note N°: \_\_\_\_\_  
Participant Name: \_\_\_\_\_  
Participant No.: \_\_\_\_\_

### B. EXECUTION BY FUND MANAGER, BROKER, AGENT OR ADVISOR

The undersigned hereby represents and warrants that it is the fund manager, agent, broker, or advisor for the beneficial owner indicated, and that the Creditor/Beneficial Owner has granted to the undersigned the power and authority to deliver this Certificate on behalf of such Creditor/Beneficial Owner, and that such power has not been granted or assigned to any other Person.

## CERTIFICADO DE DETENTOR DE TÍTULOS

### A. ASSINATURA POR PROPRIETÁRIO BENEFICIÁRIO

O proprietário beneficiário abaixo assinado dos Títulos pelo presente declara e garante que é o proprietário beneficiário dos Títulos descritos abaixo de acordo com a tela anexa do website do corretor / custodiante abaixo assinado, refletindo a propriedade dos Títulos, e está devidamente autorizado a entregar este Certificado e que esse poder não foi conferido nem atribuído a nenhuma outra Pessoa.

Nome do Credor/Proprietário Beneficiário (Detentor do Título): \_\_\_\_\_  
Endereço: \_\_\_\_\_  
Telefone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-mail: \_\_\_\_\_  
Total do Atual Valor Principal dos Títulos com Vencimento em [•] Detidos em [•]: \_\_\_\_\_  
Nº do título: \_\_\_\_\_  
  
Nome do Participante: \_\_\_\_\_  
Nº do Participante: \_\_\_\_\_  
Total do Atual Valor Principal dos Títulos com Vencimento em [•] Detidos em [•]: \_\_\_\_\_  
Nº do título: \_\_\_\_\_  
Nome do Participante: \_\_\_\_\_  
Nº do Participante: \_\_\_\_\_  
Total do Atual Valor Principal dos Títulos Perpétuos Detidos em [•]: \_\_\_\_\_  
Número do título: \_\_\_\_\_  
Nome do Participante: \_\_\_\_\_  
Nº do Participante: \_\_\_\_\_

### B. ASSINATURA POR GESTOR, CORRETOR, AGENTE OU CONSULTOR

O abaixo assinado pelo presente declara e garante que é o gestor, agente, corretor, representante ou consultor do proprietário beneficiário indicado, e que o Credor/Proprietário Beneficiário conferiu ao abaixo assinado o poder e a autoridade para entregar este Certificado em nome desse Credor/Proprietário Beneficiário, e que esse poder não foi conferido nem atribuído a nenhuma outra Pessoa.



Name of Manager, Agent, Broker, Nominee or Advisor: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Name of Creditor/Beneficial Owner(s): \_\_\_\_\_

Total Current Principal Amount of Notes Due [•]: \_\_\_\_\_

Note No.: \_\_\_\_\_

Participant Name: \_\_\_\_\_

Participant No.: \_\_\_\_\_

Nome do Gestor, Agente, Corretor, Representante ou Consultor: \_\_\_\_\_

Endereço: \_\_\_\_\_

Telefone: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Nome do Credor/Proprietário(s) Beneficiário(s): \_\_\_\_\_

Total do Atual Valor Principal dos Títulos Com

Vencimento em [•]: \_\_\_\_\_

Note Nº: \_\_\_\_\_

Nome do Participante: \_\_\_\_\_

Nº do Participante: \_\_\_\_\_

Signature: \_\_\_\_\_

Assinatura: \_\_\_\_\_

(Print Name of Authorized Signatory):

(Nome do Representante Legal):

Title: \_\_\_\_\_

Cargo: \_\_\_\_\_

Date: \_\_\_\_\_

Data: \_\_\_\_\_

[Bondholder NAME]

**CERTIFICATE OF ELECTION,  
INCUMBENCY AND SIGNATURE**

The undersigned certifies that [he/she] is a duly authorized legal representative of *[full name of the Bondholder]* a corporation duly organized under the laws of [country] ("[Bondholder]") and that, as such, [he/she] is authorized to execute and deliver certificates of incumbency, holder and powers of attorney in the name and on behalf of [Bondholder] and further certifies that each of the persons named below has been duly elected or appointed and qualified as, of this date, an authorized person of [Bondholder] to validly represent it, holding the title set forth below his name. Additionally, the undersigned certifies that the signature of each of the persons named below, set forth opposite his name and title is his genuine signature.

Name [•]

Title [•]

Signature

I DO HEREBY FURTHER CERTIFY that in their status as attorneys in fact as aforesaid, they are also fully authorized to execute and deliver certificates of incumbency, holder and powers of attorney and delegate their special powers without limitations on behalf and for the benefit of [Bondholder] for all legal purposes.

IN WITNESS HEREOF, the undersigned has hereunto set his hand and delivered this certificate in the name and on behalf of [Bondholder] effective as of the [•]<sup>th</sup> day of [•].

SIGNATURE: \_\_\_\_\_

NAME: [•]

TITLE: [•]

[Bondholder/Obrigacionista NAME]

**CERTIFICADO DE ELEIÇÃO,  
INCUMBÊNCIA E ASSINATURA**

O subscritor abaixo identificado e assinado certifica que [ele/ela] é representante legal da *[full name of the Bondholder/Obrigacionista]*, uma entidade legal devidamente constituída sob as leis de [país] ("[Bondholder/Obrigacionista]") e que, como tal, [ele/ela] está autorizado a assinar e entregar certificados de incumbência, propriedade de títulos e procurações em nome e por conta do [Bondholder/Obrigacionista] e ademais certifica que cada uma das pessoas mencionadas abaixo foi devidamente eleita ou nomeada e qualificado como, a partir desta data, diretor ou pessoa autorizada pelo [Bondholder/Obrigacionista] para validamente representá-lo, possuindo o cargo descrito abaixo do seu nome. Além disso, atesta que a assinatura de cada uma das pessoas abaixo indicadas, embaixo do seu nome e cargo é a sua assinatura genuína.

Nome [•]

Cargo [•]

Assinatura

CERTIFICO ainda que, em sua qualidade de diretor ou representante conforme apontado acima, os representantes estão autorizados a assinar e entregar certificados de incumbência, propriedade de títulos e procurações e delegar os seus poderes correspondentes, sem limitações, em nome e por conta do [Bondholder/Obrigacionista] para todos os efeitos legais.

E, PARA CONSTAR, o representante descrito abaixo assinou e entregou este certificado em nome e por conta do [Bondholder/Obrigacionista], válido a partir de [•] de [•].

ASSINATURA: \_\_\_\_\_

NOME: [•]

CARGO: [•]

