Anexo 4.3.3.3.1 – Reestruturação Com Conversão – Novas Notes

DESCRIPTION OF THE NOTES

*The following is a description of certain provisions of the notes to be issued to certain creditors of Oi S.A. (the "**Issuer**") in connection with the approval and confirmation (homologação judicial) (the "**Reorganization Plan Confirmation**") of the Issuer's judicial reorganization plan (plano de recuperação judicial) (the "**Reorganization Plan**").*

The following information does not purport to be a complete description of the notes and is subject and qualified in its entirety by reference to the provisions of the notes and the Indenture (as defined below). The notes and the Indenture, and not this description, control your rights as a noteholder. Capitalized terms used in the following summary and not otherwise defined herein shall have the meanings ascribed to them in the Indenture.

General

Indenture

The notes will be governed [under the laws of the State of New York] by an Indenture, to be dated the date of initial issuance of the notes (the "***Issue Date***"), between the Issuer, the Subsidiary Guarantors and [*TRUSTEE*], as trustee, registrar, paying agent and transfer agent. The Issuer will issue the notes under the Indenture.

Principal, Maturity and Interest

The notes will initially be issued in an aggregate principal amount set forth in the Reorganization Plan and will mature on the tenth anniversary of the Issue Date (the "Maturity Date"). The principal amount of the notes will be payable in full on the Maturity Date, unless repurchased or redeemed earlier pursuant to the terms of the Indenture.

The notes will be issued in fully registered form in denominations of US$130,000 and integral multiples of US$1,000 in excess thereof.

The notes will bear interest at a fixed rate of 10.000% per annum, which interest shall accrue from the date of the Reorganization Plan Confirmation until all required amounts due in respect thereof have been paid. Interest on the notes will be paid in arrears on the First Interest Payment Date and on each anniversary of the First Interest Payment Date (each such date, an "***Interest Payment Date***"). The first date on which interest on the notes shall be payable shall be the fifth day of the month that is 15 months following the Issue Date (the "***First Interest Payment Date***"). Interest shall be paid on each Interest Payment Date to the persons in whose name a note is registered at the close of business, New York City time, on the date that is 15 days prior to the Interest Payment Date (each, a "***Record Date***"). Interest on the notes will be computed on the basis of a 360-day year of twelve 30-day months.

For each interest payment period, the Issuer shall pay (i) 80% of the interest on the notes in cash ("***Cash Interest***") and (ii) 20% of the interest on the notes by increasing the principal amount of the outstanding notes or by issuing paid-in-kind notes ("***PIK Interest***" and such payment of PIK Interest hereinafter referred as a "***PIK Payment***").

PIK Interest will be payable (x) with respect to notes represented by one or more global notes registered in the name of, or held by, DTC or its nominee on the relevant record date, by increasing the principal amount of the outstanding global note by an amount equal to the amount of PIK Interest for the applicable interest period (rounded up to the nearest whole dollar) and (y) with respect to notes represented by certificated notes, by issuing PIK notes in certificated form to the holders of the underlying notes in an aggregate principal amount equal to the amount of PIK Interest for the applicable interest period (rounded up to the nearest whole dollar), and the Trustee will authenticate and deliver such PIK notes in certificated form for original issuance to the holders thereof on the relevant record date, as shown by the records of the register of such holders. Following an increase in the principal amount of the outstanding global notes as a result of a PIK Payment, the global notes will bear interest on such increased principal amount from and after the interest payment date in respect of which such PIK Payment was made. Any PIK notes issued in certificated form will be dated as of the applicable interest payment date and will bear interest from and after such date.

All notes issued pursuant to a PIK Payment will mature on the same maturity date as the notes issued on the Issue Date and will be governed by, and subject to the terms, provisions and conditions of, the Indenture and shall have the same rights and benefits as the notes issued on the Issue Date. Any certificated PIK notes will be issued with the description "PIK" on the face of such PIK note.

Further Issuances

Under, but subject to the terms of, the Indenture, including the covenant described below under "—Certain Covenants—Incurrence of Indebtedness," the Issuer may from time to time, without the consent of the holders of the notes, issue additional notes on terms and conditions identical to those of the notes, which additional notes shall increase the aggregate principal amount of, and shall be consolidated, form a single series and vote together with, the notes; *provided, however*, that if such additional notes are not fungible with the original notes for U.S. federal income tax purposes, such additional notes will have a separate CUSIP number unless such original notes and such additional notes are issued with no more than a *de minimis* amount of original issue discount for U.S. federal income tax purposes.

Payments of Principal and Interest

Payment of the principal of the notes (other than the PIK Interest), together with accrued and unpaid interest thereon, or payment upon redemption prior to maturity, will be made only:

- following the surrender of the notes at the office of the trustee or any other paying agent; and

- to the person in whose name the note is registered as of the close of business, New York City time, on the Business Day prior to the due date for such payment.

Payments of interest on a note (other than the PIK Interest), other than the last payment of principal and interest or payment in connection with a redemption of the notes prior to maturity, will be made on each payment date to the person in whose name the note is registered at the close of business, New York City time, on the relevant Record Date.

PIK Interest will be paid by increasing the principal amount of the outstanding global notes or by issuing PIK notes as set forth above under "—Principal, Maturity and Interest."

The notes will initially be represented by two or more global notes. The principal of and interest on the notes will be payable in U.S. dollars, or in such other coin or currency of the United States of America as is legal tender for the payment of public and private debts at the time of payment. Payments of principal, premium, if any, and interest, and additional amounts, if any, in respect of each note will be made, in the case of global notes, by a paying agent by wire transfer of immediately available funds, or, in the case of certificated non-global notes, by a paying agent by check and mailed to the person entitled thereto at its registered address. If the notes are in certificated form, upon written request from a holder of at least US$1.0 million in aggregate principal amount of notes to the specified office of any paying agent, payment may be made by wire transfer to the account specified by such holder. The Issuer will make payments of principal and premium, if any, upon surrender of the relevant notes at the specified office of the trustee or any of the paying agents.

If any scheduled interest or principal payment date or any date for early redemption of the notes is not a Business Day, the payment will be made on the next succeeding Business Day. No interest on the notes will accrue as a result of this delay in payment.

Subject to applicable law, the trustee and the paying agents will pay to the Issuer upon written request any monies held by them for the payment of principal or interest that remains unclaimed for two years. Thereafter, noteholders entitled to these monies must seek payment from the Issuer.

Pledge Agreement

The notes will be secured by a pledge of all of the capital stock of Pharol, SGPS S.A. held by the Issuer and its Restricted Subsidiaries (the "***Pledged Collateral***") pursuant to the pledge agreement (the "***Pledge Agreement***"), to be dated as of the Issue Date, among the Issuer and the collateral agent for the benefit of the collateral agent, the trustee, and the noteholders. Neither holders of the notes nor the trustee will be a party to the Pledge Agreement. Therefore, neither the trustee nor the holders of the notes may, individually or collectively, take any direct action to enforce any rights in their favor under the Pledge Agreement. Any such direct action may only be taken by the collateral agent.

The Pledge Agreement will provide that the Pledged Collateral or proceeds thereof (or amounts in respect thereof) received in connection with the sale or other disposition of, or collection on,

the Pledged Collateral upon the exercise of remedies shall be applied in the following order: first, to the payment of costs and expenses of the collateral agent in connection with such marketing, sale or other disposition or collection until all such costs and expenses shall have been paid in full in cash; and thereafter, to the trustee to pay all amounts then due under the notes.

No appraisals of the Pledged Collateral have been prepared in connection with the Reorganization Plan. The value of the Pledged Collateral at any time will depend on market and other economic conditions, including the availability of suitable buyers for the Pledged Collateral. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, no assurance can be given that the proceeds from any sale or liquidation of the Pledged Collateral will be sufficient to pay the Issuer's obligations under the notes, in full or at all.

The Liens in the Pledged Collateral may not be perfected on the Issue Date. For example, some of the filings required to perfect a security interest may not be recorded on or prior to such date. To the extent any such security interest are not perfected by such date, the Issuer will use its commercially reasonable efforts to perform all acts and things that may be required, including obtaining any required consents from third parties, to have all security interests in the Pledged Collateral duly created and enforceable and perfected, to the extent required by the Pledged Agreement, promptly following the Issue Date and, in any event, prior to the date that is 90 days following the Issue Date.

The Liens on the Pledged Collateral that secures the notes will automatically, without the need for any further action by any Person, be released, terminated and discharged:

(i) upon legal defeasance or covenant defeasance or satisfaction and discharge of the Indenture as described below under the captions "—Legal Defeasance and Covenant Defeasance" and "—Satisfaction and Discharge;"

(ii) with the consent of the holders of the requisite percentage of notes in accordance with the provisions described below under the caption "—Modification of the Indenture and the Pledge Agreement;" or

(iii) in whole or in part, as applicable, as to all or any portion of property subject to such Liens which has been taken by eminent domain, condemnation or other similar circumstances.

The Pledge Agreement will also provide that the collateral agent will execute, upon request and at the Pledging Guarantor's expense, any documents, instruments, agreements or filings reasonably requested by the Issuer to evidence the release of the Pledged Collateral.

Subsidiary Guarantees

Oi Móvel S.A. – Em Recuperação Judicial ("***Oi Móvel***"); Telemar Norte Leste S.A. – Em Recuperação Judicial ("***Telemar***"); Copart 4 Participações S.A. – Em Recuperação Judicial ("***Copart4***"); Copart 5 Participações S.A. – Em Recuperação Judicial ("***Copart5***"); Portugal Telecom International Finance BV – Em Recuperação Judicial ("***PTIF***") and Oi Brasil Holdings

Coöperatief U.A. – Em Recuperação Judicial ("***Oi Coop***", and together with Oi Móvel, Telemar, Copart4, Copart5 and PTIF, the "***Subsidiary Guarantors***") will fully, jointly and severally guarantee the full and punctual payment of principal, premium, if any, interest, including any additional amounts, and any other amounts that may become due and payable by us in respect of the indenture and the notes.

The Subsidiary Guarantors' guarantee of the notes (each, a "***Subsidiary Guarantee***" and, collectively, the "***Subsidiary Guarantees***") will not be secured by any of their assets or property. As a result, each Subsidiary Guarantee will be the senior unsecured obligation of the respective Subsidiary Guarantor and will rank *pari passu* in right of payment with all other existing and future senior unsecured indebtedness of such Subsidiary Guarantor, as applicable.

Upon a Subsidiary Guarantor ceasing to be a member of the Group, it will be released at that time from its Subsidiary Guarantee and it will cease to be subject to the provisions of the indenture as a Restricted Subsidiary.

Redemption and Repurchase

The notes will not be redeemable prior to maturity, except as described below.

Annual Redemption of the Notes with the Cash Sweep Amount

Within 150 days following the end of each fiscal year of the Issuer, commencing with the fiscal year ending on the December 31 following the Issue Date, the Issuer shall be required (i) to calculate the Cash Sweep Amount for such fiscal year based on the Issuer's annual audited consolidated financial statements for such fiscal year and (ii) to use the Cash Sweep Amount to redeem a portion of the Notes and to redeem, repurchase or repay, as applicable, a portion of the Indebtedness of all of the Issuer's other creditors (together with the Notes, the "***Reorganized Debt***") that was issued in connection with the approval and confirmation (*homologação judicial*) of the Issuer's judicial reorganization plan (*plano de recuperação judicial*) (the "***Reorganization Plan***"), which redemption, repurchase or repayment shall be made pro rata across the Reorganized Debt based on the outstanding principal amount of all such Reorganized Debt outstanding as of the end of the applicable fiscal year for which such Cash Sweep Amount has been calculated (each such redemption, repurchase or repayment, a "***Cash Flow Sweep***").

Reorganized Debt subject to a Cash Flow Sweep shall be redeemed, repurchased or repaid, as applicable, at a price in cash equal to 100% of the principal amount of such Reorganized Debt, plus accrued and unpaid interest, if any, to the date of such redemption, repurchase or repayment and additional amounts, if any.

Cancellation

Any notes redeemed by the Issuer or any of its subsidiaries or affiliates may, at the option of the Issuer, continue to be outstanding or be cancelled but may not be reissued or resold to a non-affiliate of the Issuer.

Purchases of Notes by the Issuer or any of its Subsidiaries or Affiliates

The Issuer or any of its subsidiaries or affiliates may at any time purchase any notes in the open market or otherwise at any price; provided that, in determining whether noteholders holding any requisite principal amount of notes have given any request, demand, authorization, direction, notice, consent or waiver under the Indenture, notes owned by the Issuer or any of its subsidiaries or affiliates shall be deemed not outstanding for purposes thereof. All notes purchased by the Issuer or any of its subsidiaries or affiliates may, at the option of the Issuer, continue to be outstanding or be cancelled.

Covenant Suspension

Beginning on the day of a Covenant Suspension Event and ending on a Reversion Date (as defined herein) (such period a "***Suspension Period***") with respect to the notes, the covenants specifically listed under the following captions in this "Description of the Notes" will not be applicable to the notes (collectively, the "***Suspended Covenants***"):

(1) "—Annual Redemption of the Notes with the Cash Sweep Amount";

(2) "—Limitation on Dividends";

(3) "—Limitation on Indebtedness"; and

(4) "—Limitation on Consolidation, Merger, Sale or Conveyance."

On each Reversion Date, all Indebtedness incurred during the Suspension Period will be classified as having been incurred or issued pursuant to the clause (a) of "—Limitation on Incurrence of Indebtedness" below or one of the clauses set forth in clause (b) of "—Limitation on Incurrence of Indebtedness" below (to the extent such Indebtedness would be permitted to be incurred or issued thereunder as of the Reversion Date and after giving effect to Indebtedness incurred or issued prior to the Suspension Period and outstanding on the Reversion Date). To the extent such Indebtedness would not be so permitted to be incurred or issued pursuant to clause (a) or (b) of "—Limitation on Incurrence of Indebtedness" such Indebtedness will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under clause (2) of the second paragraph under "—Limitation on Incurrence of Indebtedness."

No Default, Event of Default or breach of any kind shall be deemed to exist under the Indenture, the Notes or the Guarantees with respect to the Suspended Covenants based on, and none of the Issuer or any of its Subsidiaries shall bear any liability for, any actions taken or events occurring during the Suspension Period, or any actions taken at any time pursuant to any contractual obligation arising prior to the Reversion Date (if permitted at such time, regardless of whether such actions or events would have been permitted if the applicable Suspended Covenants remained in effect during such period).

Any period of time that (i) the Issuer have Investment Grade Ratings from both Rating Agencies and (ii) no Default or Event of Default has occurred and is continuing under the Indenture is referred to as a "***Covenant Suspension Event***." If on any subsequent date (the "***Reversion Date***")

one or both of the Rating Agencies withdraws its Investment Grade Rating or downgrades the rating assigned to the Issuer below an Investment Grade Rating, the Issuer and the Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants with respect to future events. The Issuer shall notify the Holders with a copy to the Trustee of the occurrence of a Covenant Suspension Event or Reversion Date. The Trustee shall have no duty to monitor the Investment Grade Ratings of Notes or notify Holders of any Covenant Suspension or Reversion Date.

Certain Covenants

Subject to the terms of the Indenture, the Issuer will, and will cause each of its Restricted Subsidiaries to, comply with the following covenants.

Payment Obligations under the Notes and the Indenture

The Issuer shall duly and punctually pay all amounts owed by it under the terms of the notes and the Indenture.

Maintenance of Corporate Existence

The Issuer will, and will cause each of its Restricted Subsidiaries (as defined below) to, maintain in effect its corporate existence and all registrations necessary therefor and take all actions to maintain all rights, privileges, titles to property, franchises and the like necessary or desirable in the normal conduct of its businesses, activities or operations; *provided* that this covenant shall not require the Issuer or any of its Restricted Subsidiaries to maintain any such right, privilege, title to property, franchise or the like or require the Issuer to preserve the corporate existence of any of its Restricted Subsidiaries, if the failure to do so would not have a material adverse effect on the Issuer and its subsidiaries taken as a whole or have a material adverse effect on the rights of the noteholders or is not otherwise prohibited by the Indenture.

Maintenance of Government Authorizations

The Issuer will, and the Issuer will cause its subsidiaries to, duly obtain and maintain in full force and effect all consents, concessions, authorizations, approvals or licenses of any government or governmental agency or authority under the laws of Brazil or any other jurisdiction having jurisdiction over the Issuer or any of its subsidiaries, as the case may be, necessary in all cases for the Issuer or any of its subsidiaries, as the case may be, to operate its business of offering telecommunications services as of the Issue Date and to comply with the Indenture and make payments under the notes, except where the failure to do so would not have a material adverse effect on the Issuer and its subsidiaries taken as a whole. To the extent any consents, concessions, authorizations, approvals or licenses of any government or governmental agency or authority under the laws of Brazil or any other jurisdiction having jurisdiction over the Issuer or any of its subsidiaries, as the case may be, are no longer deemed to be essential for the Issuer or any of their subsidiaries to continue rendering telecommunications services, the Issuer will be allowed, pursuant to the applicable legislation, to waive, replace and/or change any of such consents, concessions, authorizations, approvals or licenses.

Maintenance of Office or Agency

The Issuer will maintain an office or agency in the Borough of Manhattan, The City of New York, where service of process may be served. Initially this office will be at the offices of [____], and the Issuer will agree not to change the designation of such office without prior written notice to the trustee and designation of a replacement office. The Issuer will maintain an office or agency in the Borough of Manhattan, The City of New York, where notices to and demands upon the Issuer in respect of the Indenture may be served. Initially this office will be at the offices of the trustee located at [____], New York, New York [____].

Ranking

The notes will be unsubordinated obligations of the Issuer (secured by the Pledged Collateral) and the Issuer will ensure that the notes will rank at least *pari passu* with all other existing and future Indebtedness of the Issuer (other than obligations preferred by statute or by operation of law), except to the extent any such other Indebtedness is effectively senior to the notes by reason of Liens permitted under the covenant described under "—Limitation on Liens."

Notice of Certain Events

The Issuer will give written notice to the trustee, as soon as is practicable and in any event within ten Business Days after the Issuer becomes aware, or should reasonably become aware, of the occurrence of any event of default or an event which with the passage of time or notice may become an event of default (a "***default***"), accompanied by a certificate of a responsible officer of the Issuer setting forth the details of such event of default or default and stating what action the Issuer proposes to take with respect thereto.

Limitation on Dividends

(a) The Issuer shall not, and shall not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, declare or pay any dividend or return of capital or make any other payment or distribution on or in respect of shares of Capital Stock of the Issuer or any Restricted Subsidiary (including any payment in connection with any merger or consolidation involving the Issuer or any Restricted Subsidiary) to holders of such Capital Stock (a "Dividend Payment"), other than:

(1) dividends or distributions payable solely in the form of Capital Stock of the Issuer;

(2) dividends or distributions payable solely to the Issuer and/or a Restricted Subsidiary;

(3) dividends, distributions or returns of capital made on a *pro rata* basis to the Issuer and its Restricted Subsidiaries, on the one hand, and minority holders of Capital Stock of a Restricted Subsidiary, on the other hand (or on a less than *pro rata* basis to any minority holder),

(4) payments or distributions by the Issuer or any of its Restricted Subsidiaries to dissenting stockholders pursuant to applicable law in connection with any merger, amalgamation or acquisition consummated on or after the Issue Date and not prohibited by the Indenture; or

(5) any Dividend Payments made in accordance with the Reorganization Plan or any mandatory dividends paid as determined in the applicable law.

The Issuer and its Restricted Subsidiaries shall only declare or pay any dividend, in compliance with the following: (i) at any time prior to the sixth anniversary of the date of the Reorganization Plan Confirmation will not pay any dividend and (ii) on or after the sixth anniversary of the date of the Reorganization Plan Confirmation, if at the time of the Dividend Payment and immediately after giving *pro forma* effect thereto, the Issuer's Net Debt to Consolidated EBITDA Ratio would be equal or less than 2.0:1.0.

Limitation on Indebtedness

(a) The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to Incur, directly or indirectly, any Indebtedness (including Acquired Indebtedness); *provided*, *however*, that, notwithstanding the foregoing, the Issuer and its Restricted Subsidiaries may Incur Indebtedness (including Acquired Indebtedness) if, on the date of such Incurrence and after giving effect to such Incurrence thereof and the application of the net proceeds therefrom on a pro forma basis, the Issuer's Consolidated Interest Coverage Ratio is greater than or equal to 1.75 to 1.0.

(b) Notwithstanding clause (a) above, the Issuer or any Restricted Subsidiary may, at any time, Incur any or all of the following Indebtedness ("Permitted Indebtedness"):

(1) Indebtedness in respect of the notes (other than additional notes) and the Subsidiary Guarantee related thereto;

(2) other Indebtedness of the Issuer and its Restricted Subsidiaries outstanding on the Issue Date or issued in accordance with the terms of the Reorganization Plan;

(3) Guarantees by the Issuer or any Restricted Subsidiary of Indebtedness of the Issuer or any other member of the Group, in each case permitted under this "*Limitation on Indebtedness*" covenant;

(4) Hedging Obligations entered into by the Issuer or any member of the Group in the ordinary course of business;

(5) intercompany Indebtedness between the Issuer and any member of the Group or between any other member of the Group;

(6) Indebtedness of the Issuer or any member of the Group arising from the honoring by a bank or other financial institution of a check, draft or similar instrument (including daylight overdrafts paid in full by the close of business on the day such overdraft was Incurred) drawn against insufficient funds in the ordinary course of

business; *provided* that such Indebtedness is extinguished within ten Business Days of Incurrence;

(7) Indebtedness of the Issuer or any member of the Group constituting reimbursement obligations with respect to letters of credit issued for the account of the Issuer or any member of the Group in order to provide security for workers' compensation claims, payment obligations in connection with self-insurance or similar requirements in the ordinary course of business;

(8) Indebtedness consisting of performance, bid, surety and other similar bonds, completion guarantees and reimbursement obligations Incurred by the Issuer or any member of the Group in the ordinary course of business securing the performance of contractual, franchise, concession or license obligations of the Issuer or any member of the Group (in each case, other than for an obligation for borrowed money);

(9) Indebtedness of the Issuer or any member of the Group to the extent the net proceeds thereof are promptly used solely to redeem or repurchase the notes in part or in full or deposited to defease or discharge the notes, in each case in accordance with the Indenture;

(10) Refinancing Indebtedness in respect of:

(A) Indebtedness (other than Indebtedness owed to the Issuer or any member of the Group) Incurred pursuant to clause (a) above (it being understood that no Indebtedness outstanding on the Issue Date is Incurred pursuant to clause (a) above); or

(B) Indebtedness Incurred pursuant to subclauses (1), (2) or (12) or this subclause (10) (in each case, excluding Indebtedness owed to the Issuer or a member of the Group);

(11) Indebtedness arising from agreements of the Issuer or a Restricted Subsidiary providing for indemnification, adjustment of purchase price or similar obligations, in each case, incurred in connection with the disposition of any business, assets or Subsidiary, other than Guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition; *provided* that the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds actually received by the Issuer and its Restricted Subsidiaries in connection with such disposition;

(12) Indebtedness of (x) the Issuer or a Restricted Subsidiary incurred to finance an acquisition or (y) Persons that are acquired by the Issuer or any of its Restricted Subsidiaries or merged into the Issuer or a Restricted Subsidiary in accordance with the terms of the Indenture; and *provided* that after giving effect to such acquisition and the Incurrence of such Indebtedness either:

(A) the Issuer would be able to Incur at least US$1.00 of additional Indebtedness pursuant to clause (a); or

(B) the Issuer's Consolidated Interest Coverage Ratio would be greater than or equal to the Issuer's Consolidated Interest Coverage Ratio immediately prior to such acquisition;

(13) (A) Indebtedness of the Issuer in connection with any Qualified Receivables Transaction or (B) obligations pursuant to receivables or factoring arrangements or facilities in the ordinary course of business, in each case in a true sale transaction without recourse to the Issuer or its Restricted Subsidiaries that would not be required to be classified and accounted for as debt under Brazilian GAAP;

(14) Capitalized Lease Obligations and Purchase Money Indebtedness of the Issuer or any member of the Group not to exceed the greater of (A) US$1,000.0 million and (B) and 5.0% of Consolidated Total Assets, at any one time outstanding;

(15) Attributable Debt with respect to a Sale and Leaseback Transaction to the extent such Sale and Leaseback Transaction complies with the provisions under the "*Limitation on Sale and Leaseback Transactions*" covenant;

(16) Indebtedness consisting of (A) the financing of insurance premiums, (B) take or pay obligations in supply agreements, or (C) self-insurance obligations or workers' compensation claims, in each case in the ordinary course of business;

(17) Guarantees in respect of obligations to suppliers, advertisers, licensors, licensees, artists, franchisees or similar Persons (other than guarantees of Indebtedness) in the ordinary course of business;

(18) Indebtedness arising in connection with endorsement of instruments for collection or deposit in the ordinary course of business;

(19) Indebtedness owed on a short-term basis of no longer than 30 days to banks and other financial institutions incurred in the ordinary course of business of the Issuer and its Restricted Subsidiaries with such banks or financial institutions that arises in connection with ordinary banking arrangements to manage cash balances of the Issuer and its Restricted Subsidiaries;

(20) Indebtedness under one or more lines of credit or working capital facilities not to exceed the greater of (A) US$1,000.0 million (or the equivalent in other currencies) and (B) and 5.0% of Consolidated Total Assets, at any one time outstanding; and

(21) in addition to Indebtedness referred to in subclauses (1) through (20) above and Indebtedness Incurred under clause (a), Indebtedness of the Issuer or any Restricted Subsidiary in an aggregate principal amount not to exceed the greater of (A) US$1,000.0 million (or the equivalent in other currencies) and (B) and 5.0% of Consolidated Total Assets, at any one time outstanding.

(c) For purposes of determining compliance with, and the outstanding principal amount of, any particular Indebtedness Incurred pursuant to and in compliance with this covenant:

(1) the outstanding principal amount of any item of Indebtedness shall be counted only once, and any obligation arising under any Guarantee, Lien, letter of credit or similar instrument supporting such Indebtedness incurred in compliance with this covenant shall be disregarded;

(2) in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Indebtedness described above or is entitled to be incurred pursuant to (a) and also meets criteria of one or more of the categories described in subclauses (b)(1) through (21), inclusive, the Issuer may, in its sole discretion, divide and classify such item of Indebtedness in any manner that complies with this covenant, and may from time to time redivide and reclassify such item of Indebtedness in any manner in which such item could be incurred at the time of such reclassification;

(3) Indebtedness permitted by this covenant need not be permitted solely by reference to one provision permitting such Indebtedness, but may be permitted in part by such provision and in part by one or more other provisions of this covenant permitting such Indebtedness;

(4) the amount of Indebtedness issued at a price that is less than the principal amount thereof shall be equal to the amount of the liability in respect thereof determined in accordance with Brazilian GAAP or IFRS;

(5) Guarantees of, or obligations in respect of letters of credit or similar instruments relating to, Indebtedness which is otherwise included in the determination of any particular amount of Indebtedness shall not be included; and

(6) the accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of preferred stock as Indebtedness due to a change in accounting principles, the reclassification of accounts payable as Indebtedness and the payment of dividends on preferred stock of Restricted Subsidiaries in the form of additional shares of the same class of preferred stock of Restricted Subsidiaries shall not be deemed to be an Incurrence of Indebtedness for purposes of this covenant; *provided*, in each such case, that the amount of any such accrual, accretion or payment is included in Consolidated Interest Expense of the Issuer as accrued.

(d) For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a non-U.S. currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred or, in the case of revolving credit Indebtedness, first committed; *provided* that if such Indebtedness is Incurred to

refinance other Indebtedness denominated in a non-U.S. currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced. The principal amount of any Indebtedness Incurred to Refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being Refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such Refinancing Indebtedness is denominated that is in effect on the date of such refinancing.

(e) Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Issuer or any Restricted Subsidiary may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

(f) A change in Brazilian GAAP or IFRS that results in an obligation existing at the time of such change, not previously classified as Indebtedness, becoming Indebtedness will not be deemed to be an incurrence of Indebtedness for purposes of determining compliance with this covenant.

(g) The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

(A) the Fair Market Value of such assets at the date of determination; and

(B) the amount of the Indebtedness of the other Person.

Limitation on Liens

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, issue, be liable in respect of, assume or guarantee any Indebtedness, if that Indebtedness is secured by a Lien upon any property of any such Person now owned or hereafter acquired, unless, together with the issuance, assumption or guarantee of such Indebtedness, the notes and any Subsidiary Guarantee shall be secured, or with respect to any such Restricted Subsidiary, Restricted Subsidiary shall provide a guarantee in respect of the notes and any Subsidiary Guarantee, which guarantee shall (i) rank *pari passu* in right of payment with such Indebtedness and (ii) such guarantee shall be secured, equally and ratably with (or prior to) such Indebtedness for so long as such Indebtedness is so secured.

This restriction does not apply to:

(a) any Lien in existence on the Issue Date, any Lien which secures the notes, the Subsidiary Guarantees or any other Lien incurred in accordance with the terms of the Reorganization Plan;

(b) any Lien on any property or assets (including capital stock of any person) acquired, constructed or improved by the Issuer or any Restricted Subsidiaries after the Issue Date, which is created, incurred or assumed contemporaneously with, or within 12 months after, that acquisition (or in the case of any such property constructed or improved, after the completion or commencement of commercial operation of such property, whichever is later) to secure or provide for the payment of any part of the purchase price of such property or the costs of that construction or improvement (including costs such as escalation, interest during construction and finance costs); provided that in the case of any such construction or improvement the Lien shall not apply to any other property owned by the Issuer or any Restricted Subsidiaries, other than any unimproved real property on which the property so constructed, or the improvement, is located, including, for the avoidance of doubt, any Indebtedness Incurred under clause (14) of the "*Limitation on Indebtedness*" covenant;

(c) any Lien on any property or assets which secures Indebtedness owing to an Official Lender;

(d) easements, rights-of-way and other encumbrances ("real property encumbrances") on title to real property that do not render title to the property encumbered thereby unmarketable, materially reduce the value thereof or materially adversely affect the use of such property for its intended purposes either individually or in the aggregate when taken together with all such real property encumbrances in existence at such time;

(e) any Lien on any property or assets existing at the time of its acquisition and which is not created as a result of or in connection with or in anticipation of that acquisition (unless such Lien was created to secure or provide for the payment of any part of the purchase price of such property);

(f) any Lien on any property or assets acquired from a corporation or any other Person which is merged with or into the Issuer or any Restricted Subsidiaries, or any Lien existing on property of a corporation or any other Person which existed at the time such corporation becomes a Restricted Subsidiary and, in either case, which is not created as a result of or in connection with or in anticipation of any such transaction (unless such Lien was created to secure or provide for the payment of any part of the purchase price of such corporation);

(g) any Lien which secures only Indebtedness owing by any Restricted Subsidiaries, to one or more Restricted Subsidiaries or to the Issuer and one or more Restricted Subsidiaries;

(h) any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any Lien referred to in the foregoing paragraphs (a) through (g) inclusive; provided that the principal amount of Indebtedness secured thereby

shall not exceed the principal amount of Indebtedness so secured plus any premiums, fees and expenses in connection with such extension, renewal or replacement, and that such extension, renewal or replacement shall be limited to all or a part of the property which secured the Lien so extended, renewed or replaced (plus improvements on such property);

(i) any Lien arising by operation of law (including a decision by a court) in the ordinary course of business;

(j) any Lien securing Hedging Obligations or other similar transactions;

(k) any Lien on Receivables transferred to a Receivables Entity or on assets of a Receivables Entity, in each case, Incurred in connection with a Qualified Receivables Transaction;

(l) any Lien securing Indebtedness in an amount not to exceed BRL 5 billion (or the equivalent in other currencies) at any one time outstanding; provided, that the proceeds of such Indebtedness shall be used for capital expenditures; and

(m) any Lien of the Issuer or any Restricted Subsidiaries that does not fall within paragraphs (a) through (l) above and that secures an aggregate amount of Indebtedness which, when aggregated with then outstanding Indebtedness secured by all other Liens of the Issuer and any Restricted Subsidiaries pursuant to this paragraph (m) (together with any Sale and Lease-Back Transaction (as defined below) that would otherwise be prohibited by the provisions of the Indenture described below under "—Limitations on Sale and Lease-Back Transactions") does not exceed 12.5% of Consolidated Total Assets.

Limitation on Consolidation, Merger, Sale or Conveyance

Other than as provided below, the Issuer will not, in one or a series of related transactions, consolidate or amalgamate with or merge into any Person or convey, lease or transfer all or substantially all of its assets (determined on a consolidated basis for the Issuer and its subsidiaries) to any Person or permit any Person to merge with or into it unless:

(a) the Issuer is the continuing entity, or the Person formed by such consolidation or into which the Issuer is merged or that acquired or leased such property or assets of the Issuer (the "***Successor Company***") will be a company organized and validly existing under the laws of Brazil or any political subdivision thereof, the United States of America or any state thereof or the District of Columbia or any other country member of the Organization for Economic Co-operation and Development (OECD) and shall assume by a supplemental indenture (in the form satisfactory to the trustee) all of the Issuer's obligations under the notes and the Indenture;

(b) immediately after giving effect to the transaction, no default or Event of Default has occurred and is continuing; and

(c) the Issuer or the Successor Company, as applicable, has delivered to the trustee an officer's certificate and an opinion of counsel, each stating that all conditions precedent

required under the Indenture relating to such transaction and the supplemental indenture, if applicable, have been satisfied.

Notwithstanding anything to the contrary in the immediately preceding paragraph, so long as no default or event of default shall have occurred and be continuing at the time of such proposed transaction or would result therefrom:

(1) the Issuer may merge or consolidate with or into, or convey, transfer, by means of a spin-off or not, lease or otherwise dispose of assets to, a Parent or a subsidiary of the Issuer in cases when the Issuer is the surviving entity in such transaction and such transaction would not have a material adverse effect on the Issuer and its subsidiaries taken as a whole, it being understood that if the Issuer is not the surviving entity, the Issuer shall be required to comply with the requirements set forth in the immediately preceding paragraph;

(2) any subsidiary of the Issuer may merge or consolidate with or into, or convey, transfer, by means of a spin-off or not, lease or otherwise dispose of assets to, any Person in cases when such transaction would not have a material adverse effect on the Issuer and its subsidiaries taken as a whole;

(3) any subsidiary of the Issuer may merge or consolidate with or into, or convey, transfer, by means of a spin-off or not, lease or otherwise dispose of assets to, the Issuer or any other subsidiary of the Issuer;

(4) any consolidation, merger, conveyance, lease, transfer or other transaction authorized or made in accordance with the Reorganization Plan.

Upon the consummation of any transaction effected in accordance with these provisions, if the Issuer is not the continuing Person, the Successor Company will succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Indenture and the notes with the same effect as if such Successor Company had been named as the Issuer in the Indenture. Upon such substitution, the Issuer will be released from its obligations under the Indenture and the notes.

Limitations on Sale and Lease-Back Transactions

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, enter into any Sale and Lease-Back Transaction with respect to any property of such Person, unless either:

(a) the Issuer or that subsidiary would be entitled pursuant to the provisions of the Indenture described above under "—Limitation on Liens" (including any exception to the restrictions set forth therein) to issue, assume or guarantee Indebtedness secured by a Lien on any such property without equally and ratably securing the notes, or

(b) the Issuer or that subsidiary shall apply or cause to be applied, in the case of a sale or transfer for cash, an amount equal to the net proceeds thereof and, in the case of a sale or

transfer otherwise than for cash, an amount equal to the fair market value of the property so leased, to the retirement, within 12 months after the effective date of the Sale and Lease-Back Transaction, of any of the Issuer's Indebtedness ranking at least *pari passu* with the notes and owing to a Person other than the Issuer or any of its subsidiaries or to the construction or improvement of real property or personal property used by the Issuer or any of its subsidiaries in the ordinary course of business.

These restrictions will not apply to:

(1) transactions providing for a lease term, including any renewal, of not more than three years;

(2) transactions between the Issuer and any of its subsidiaries or between the Issuer's subsidiaries; and

(3) transactions involving sales outlets or similar properties or other properties the sale of which is not restricted by any governmental concession or authorization.

Provision of Financial Statements and Reports

Unless the Issuer has made such information available on the SEC's (EDGAR) website or on the Issuer's website, the Issuer, on a consolidated basis, will provide the trustee and upon written request, the holders of notes with the following reports:

(a) an English language version of the Issuer's annual audited consolidated financial statements prepared in accordance with Brazilian GAAP or IFRS, no more than 30 days after such statements become publicly available but not later than 150 days after the close of the Issuer's fiscal year;

(b) an English language version of the Issuer's unaudited quarterly consolidated financial statements prepared in accordance with Brazilian GAAP or IFRS, no more than 30 days after such statements become publicly available but not later than 60 days after the close of each fiscal quarter (other than the last fiscal quarter of the Issuer's fiscal year); and

(c) without duplication, English language versions or summaries of such other material reports or material notices of the Issuer as may be filed with or submitted or furnished to (within 30 calendar days of the date of such filing, submission or furnishing) (i) the CVM or (ii) the SEC (in each case, to the extent that any such report or notice is generally available to the Issuer's security holders or the public in Brazil or elsewhere and, in the case of clause (ii), is filed or submitted pursuant to Rule 12g3-2(b) under, or Section 13 or 15(d) of, the Exchange Act),

Delivery of the above reports to the trustee is for informational purposes only and the trustee's access to, or receipt of, such reports will not constitute constructive notice of any information contained therein or determinable from information contained therein, including our and each of

our subsidiaries' compliance with any of its covenants in the Indenture (as to which the trustee is entitled to rely exclusively on officer's certificates).

Available Information

For as long as the notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer will furnish to any noteholder holding an interest in a restricted global note, or to any prospective purchaser designated by such noteholder, upon request of such noteholder, financial and other information described in paragraph (d)(4) of Rule 144A with respect to the Issuer to the extent required in order to permit such noteholder to comply with Rule 144A with respect to any resale of its note, unless during that time, the Issuer is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, or is exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act and no such information about the Issuer is otherwise required pursuant to Rule 144A.

Appointment to Fill a Vacancy in the Office of the Trustee

The Issuer, whenever necessary to avoid or fill a vacancy in the office of the trustee, will appoint in the manner set forth in the Indenture, a successor trustee, so that there shall at all times be a trustee with respect to the notes. Subject to the conditions set forth in the Indenture, the Issuer may remove the trustee and appoint a successor trustee at any time for any reason as long as no default or event of default has occurred and is continuing.

Payment of Additional Amounts

Any and all payments of principal, premium, if any, and interest in respect of the notes shall be made without withholding or deduction for any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by Brazil, Japan or any other jurisdiction or political subdivision thereof in which the Issuer is organized or is a resident for tax purposes having power to tax or by the jurisdictions in which any paying agents appointed by the Issuer are organized or the location where payment is made, or any political subdivision or any authority thereof or therein having power to tax (a "Relevant Jurisdiction"), unless such withholding or deduction is required by law. In the event that any such withholding or deduction is required, the Issuer shall pay such additional amounts as additional interest, or additional amounts, as will result in the receipt by the noteholders of such amounts as would have been received by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable in respect of any note:

(a) to the extent that such taxes in respect of such note would not have been imposed but for the existence of any current or former connection of the noteholder or the beneficial owner of such note with the Relevant Jurisdiction other than the mere holding of such note or the receipt of payments thereon or enforcement of rights thereunder;

(b) in respect of any estate, inheritance, gift, sales, transfer or personal property taxes imposed with respect to such notes, except as otherwise provided in the Indenture;

(c) to the extent that such holder or the beneficial owner of such note would not be liable or subject to such withholding or deduction of taxes but for the failure to make a valid declaration of non-residence or other similar claim for exemption if:

(i) the making of such declaration or claim is required or imposed by statute, treaty, regulation, ruling or administrative practice of the relevant taxing authority as a precondition to an exemption from, or reduction in, the relevant taxes; and

(ii) at least 60 days prior to the first payment date with respect to which the Issuer shall apply this clause (c), the Issuer has notified the holders of notes in writing that they shall be required to provide such declaration or claim;

(d) where (in the case of a payment of principal, premium, if any, or interest on redemption) the relevant note is surrendered for payment more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to such additional amounts if it had surrendered the relevant note on the last day of such period of 30 days;

(e) any tax, assessment or other governmental charge which would have been avoided by such holder presenting the relevant note (if presentation is required) or requesting that such payment be made to another paying agent in a member state of the European Union;

(f) any tax, assessment or other governmental charge which is payable other than by deduction or withholding from payments of principal of, premium, if any, or interest on a note;

(g) with respect to any withholding or deduction imposed on or in respect of any note pursuant to Sections 1471-1474 of the United States Internal Revenue Code of 1986, as amended (the "Code") (and any current and future regulations or official interpretations thereof or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code) ("FATCA"), the laws of Brazil, Japan or any other jurisdiction implementing FATCA, or any agreement between the Issuer and the United States or any authority thereof entered into for FATCA purposes; or

(h) any combination of the above.

Any reference to principal, premium, if any, or interest shall be deemed to include any additional amounts in respect of principal premium, if any, or interest (as the case may be) which may be payable under this section or under "—General—Payments of Principal and Interest" above.

Substitution of the Issuer

(a) Notwithstanding any other provision contained in the Indenture, the Issuer may, without the consent of the holders of the notes, be replaced and substituted by any Wholly Owned Subsidiary of the Issuer as principal debtor (in such capacity, the "Substituted Debtor") in respect of the notes; *provided* that:

(i) such documents will be executed by the Substituted Debtor, the Issuer and the trustee as may be necessary to give full effect to the substitution, including a supplemental indenture whereby the Substituted Debtor assumes all of the Issuer's obligations under the Indenture and the notes (together, the "Issuer Substitution Documents") and pursuant to which the Issuer will unconditionally and irrevocably guarantee (the "Guarantee") the payment of all sums payable under the Indenture and the notes by the Substituted Debtor as such principal debtor and the covenants and events of default will continue to apply to the Issuer in respect of the notes as if no such substitution had occurred;

(ii) if the Substituted Debtor is organized in a jurisdiction other than Brazil, the Issuer Substitution Documents will contain a provision (1) to ensure that each noteholder has the benefit of a covenant in terms corresponding to the obligations of the Issuer in respect of the payment of additional amounts (but replacing references to Brazil with references to such other jurisdiction); and (2) to indemnify and hold harmless each noteholder and beneficial owner of the notes against all taxes or duties imposed by the jurisdiction in which the substituted Debtor is organized and which arise by reason of a law or regulation in effect or contemplated on the effective date of the substitution, which may be incurred or levied against such holder or beneficial owner of the notes as a result of the substitution and which would not have been so incurred or levied had the substitution not been made, in each case, subject to similar exceptions set forth under clauses (a) through (h) under "—Certain Covenants—Payment of Additional Amounts" above," *mutatis mutandis*;

(iii) the Issuer Substitution Documents will contain a provision that the Substituted Debtor and the Issuer will indemnify and hold harmless each noteholder and beneficial owner of the notes against all taxes or duties which are imposed on such holder or beneficial owner of the notes by any political subdivision or taxing authority of any country in which such holder or beneficial owner of the notes resides or is subject to any such tax or duty and which would not have been so imposed had the substitution not been made, taking into account any present or future tax savings or tax benefit reasonably expected to be realized by such holder or such beneficial owner of the notes and subject to similar exceptions set forth under clauses (b) through (h) under "—Certain Covenants—Payment of Additional Amounts" above, *mutatis mutandis; provided*, that any holder or beneficial owner of such note making a claim with respect to such tax indemnity shall provide the Issuer with notice of such claim, along with supporting documentation, within four weeks of the announcement of the substitution of the Issuer as issuer;

(iv) the Issuer will deliver, or cause the delivery, to the trustee of opinions from one or more internationally recognized counsel in the jurisdiction of organization of the Substituted Debtor, Brazil and New York as to the validity, legally binding effect and enforceability of the Issuer Substitution Documents and specified other legal matters, as well as an officer's certificate as to compliance with the provisions described under this section;

(v) the Substituted Debtor shall have appointed a process agent in the Borough of Manhattan, The City of New York to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the notes or the Issuer Substitution Documents;

(vi) no event of default will have occurred and be continuing;

(vii) a credit rating will continue to be assigned to the notes when the Substituted Debtor replaces and substitutes the Issuer in respect of the notes; and

(viii) the substitution will comply with all applicable requirements under the laws of the jurisdiction of organization of the Substituted Debtor, New York and Brazil.

(b) Upon the execution of the Issuer Substitution Documents as referred to in clause (a)(i) above, the Substituted Debtor shall be deemed to be named in the notes as the principal debtor in place of the Issuer (or of any previous substitute under these provisions) and the notes shall thereupon be deemed to be amended to give effect to the substitution. Except as set forth above, the execution of the Issuer Substitution Documents shall operate to release the Issuer (or such previous substitute as aforesaid) from all of its obligations, other than its Guarantee, in respect of the notes and its obligation to indemnify the trustee under the Indenture.

(c) The Substituted Debtor and the Issuer shall acknowledge in the Issuer Substitution Documents the right of every noteholder to the production of the Issuer Substitution Documents for the enforcement of any of the notes or the Issuer Substitution Documents.

(d) The covenant above under "Listing" will continue to apply to the notes following the substitution of the Issuer.

(e) Not later than 10 Business Days after the execution of the Issuer Substitution Documents, the Substituted Debtor will give notice thereof to the noteholders in accordance with the provisions described in this section.

Events of Default

The following events will each be an "Event of Default" under the terms of the Indenture:

(a) The Issuer defaults in the payment of the principal or any related additional amounts, if any, of any note when the same becomes due and payable at maturity, upon acceleration or redemption, or otherwise;

(b) The Issuer defaults in the payment of interest or any related additional amounts, if any, on any note when the same becomes due and payable, and the default continues for a period of 30 calendar days;

(c) The Issuer shall fail to perform, observe or comply with any covenant or agreement contained in the notes or Indenture and such failure (other than any failure to make any payment contemplated in clause (a) or (b) hereof) continues for a period of 60 calendar days after written notice to the Issuer by the trustee acting at the written direction of holders of 25% or more in aggregate principal amount of the notes, or to the Issuer and the trustee by the holders of 25% or more in aggregate principal amount of the notes;

(d) (i) The acceleration of any Indebtedness of the Issuer or any of its Restricted Subsidiaries by reason of default, unless such acceleration is at the option of the Issuer or any such Restricted Subsidiary, as the case may be, or at the option of the holder of any such Indebtedness pursuant to any option to require the repurchase of such Indebtedness or (ii) the Issuer or any of its Restricted Subsidiaries fails to pay any amount in respect of principal, interest or other amounts due in respect of any existing Indebtedness on the date required for such payment (in each case after giving effect to any applicable grace period); provided, however, that the aggregate amount of any such Indebtedness falling within (i) above and any relevant payments falling within (ii) above (as to which the time for payment has not been extended by the relevant obligees) equals or exceeds US$100.0 million (or its equivalent in another currency);

(e) One or more final and nonappealable judgments or final decrees is entered against the Issuer or any of its Restricted Subsidiaries involving an aggregate liability (not yet paid or reimbursed by insurance) of US$100.0 million or more (or its equivalent in another currency), and all such judgments or decrees shall not have been vacated, discharged or stayed within 180 calendar days after the applicable judgment or decree is entered;

(f) The Issuer shall commence a voluntary case or other proceeding seeking liquidation, judicial or extrajudicial reorganization or other relief with respect to itself or its Indebtedness under any bankruptcy, insolvency or other similar law now or hereafter in effect, or seek the appointment of a trustee, receiver, judicial administrator (*administrador judicial*), liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or

other proceeding commenced against it, or shall make a general assignment or conveyance for the benefit of creditors;

(g) A court of competent jurisdiction enters an order or decree against the Issuer for (i) liquidation, reorganization or other relief with respect to it or its Indebtedness under any bankruptcy, insolvency or other similar law now or hereafter in effect or (ii) the appointment of a trustee, receiver, judicial administrator (*administrador judicial*), liquidator, custodian or other similar official of it or any substantial part of its property; provided that such order or decree shall remain undismissed and unstayed for a period of 90 calendar days;

(h) Any event occurs that under the laws of Brazil or any political subdivision thereof has substantially the same effect as any of the events referred to in any of clause (f) or (g);

(i) The Issuer denies or disaffirms its obligations under the notes or the Indenture; or

(j) All or substantially all of the assets of the Issuer or any of its Restricted Subsidiaries shall be condemned, seized or otherwise appropriated, or custody of such assets shall be assumed by any governmental authority or court or any other Person purporting to act under the authority of the government of any jurisdiction, or the Issuer or any of its Restricted Subsidiaries shall be prevented from exercising normal control over all or substantially all of their assets for a period of 60 consecutive days or longer.

The trustee is not to be charged with knowledge of any default or event of default or knowledge of any cure of any default or event of default unless either (i) an authorized officer or agent of the trustee with direct responsibility for the administration of the Indenture has actual knowledge of such default or event of default or (ii) written notice of such default or event of default has been given to such authorized officer of the trustee by the Issuer or any holder of the notes. The trustee shall not be deemed to have any knowledge of an event of default specified in subsection (h) or (j) above unless it is notified, in writing, by holders of at least 25% in aggregate principal amount of the then outstanding notes.

Remedies Upon Occurrence of an Event of Default

If an event of default occurs, and is continuing, the trustee shall, upon the request of noteholders holding not less than 25% in aggregate principal amount of the notes then outstanding, by written notice to the Issuer, declare the principal amount of all of the notes and all accrued interest thereon immediately due and payable; *provided* that if an event of default described in clause (f), (g), or (h) above occurs and is continuing, then and in each and every such case, the principal amount of all of the notes and all accrued interest thereon shall, without any notice to the Issuer or any other act by the trustee or any noteholder, become and be accelerated and immediately due and payable. Upon any such declaration of acceleration, the principal of the notes so accelerated and the interest accrued thereon and all other amounts payable with respect to the notes shall be immediately due and payable. If the event of default or events of default giving

rise to any such declaration of acceleration shall be cured following such declaration, such declaration may be rescinded by noteholders holding a majority of the notes.

The noteholders holding at least a majority of the aggregate principal amount of the outstanding notes may direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee. However, the trustee may refuse to follow any direction that conflicts with law or the Indenture or that the trustee determines in good faith may involve the trustee in personal liability, or for which the trustee reasonably believes it will not be adequately secured or indemnified against the costs, expenses or liabilities, which might be incurred, or that may be unduly prejudicial to the rights of noteholders not taking part in such direction, and the trustee may take any other action it deems proper that is not inconsistent with any such direction received from noteholders. A noteholder may not pursue any remedy with respect to the Indenture or the notes directly against the Issuer (without the trustee) unless:

(a) the noteholder gives the trustee written notice of a continuing event of default;

(b) noteholders holding not less than 25% in aggregate principal amount of outstanding notes make a written request to the trustee to pursue the remedy;

(c) such noteholder or noteholders offer the trustee adequate security and/or indemnity satisfactory to the trustee against any costs, liability or expense;

(d) the trustee does not comply with the request within 60 calendar days after receipt of the request and the offer of indemnity or security; and

(e) during such 60-calendar-day period, noteholders holding a majority in aggregate principal amount of the outstanding notes do not give the trustee a direction that is inconsistent with the request.

However, such limitations do not apply to the right of any noteholder to receive payment of the principal of, premium, if any, interest on or additional amounts related to such note or to bring suit for the enforcement of any such payment, on or after the due date expressed in the notes, which right shall not be impaired or affected without the consent of the noteholder.

Modification of the Indenture

The Issuer and the trustee may, without the consent of the noteholders, amend, waive or supplement the Indenture for certain specific purposes, including, among other things, curing ambiguities, defects or inconsistencies, to conform the Indenture to this "Description of the Notes" or making any other provisions with respect to matters or questions arising under the Indenture, the notes or making any other change that will not materially and adversely affect the interest of the noteholders.

In addition, with certain exceptions, the Indenture may be modified by the Issuer and the trustee with the consent of the holders of a majority of the aggregate principal amount of the notes then

outstanding. However, without the consent of each noteholder affected, no modification may (with respect to any notes held by non-consenting holders):

(a) change the maturity of payment of principal of or any installment of interest on any note;

(b) reduce the principal amount or the rate of interest, or change the method of computing the amount of principal or interest payable on any date;

(c) change any place of payment where the principal of or interest on the notes is payable;

(d) change the coin or currency in which the principal of or interest on the notes is payable;

(e) impair the right of the noteholders to institute suit for the enforcement of any payment on or after the date due;

(f) reduce the percentage in principal amount of the outstanding notes, the consent of whose noteholders is required for any modification or the consent of whose noteholders is required for any waiver of compliance with certain provisions of the Indenture or certain defaults under the Indenture and their consequences provided for in the Indenture;

(g) eliminate or modify in any manner a Subsidiary Guarantor's obligations with respect to its Subsidiary Guarantee which adversely affects holders in any material respect, except as contemplated in the indenture; or

(h) change or modify the ranking of the notes that would have a material adverse effect on the noteholders.

In the event that consent is obtained from some of the noteholders but not from all of the noteholders with respect to any of these amendments or modifications, new notes with such modifications will be issued to those consenting noteholders. Such new notes shall have separate CUSIP numbers and ISINs from those notes held by the non-consenting noteholders.

Legal Defeasance and Covenant Defeasance

The Issuer may, at its option, elect to be discharged from the Issuer's obligations with respect to the notes ("legal defeasance"). In general, upon a legal defeasance, (a) the Issuer will be deemed to have paid and discharged the entire Indebtedness represented by the notes and to have satisfied all of the Issuer's obligations under the notes and the Indenture except for (i) the rights of the noteholders to receive payments in respect of the principal of and interest and additional amounts, if any, on the notes when the payments are due, (ii) certain provisions of the Indenture relating to ownership, registration and transfer of the notes, (iii) the covenant relating to the

maintenance of an office or agency in New York and (iv) certain provisions relating to the rights, powers, trusts, duties, protections, indemnities and immunities of the trustee.

In addition, the Issuer may, at its option, and at any time, elect to be released with respect to the notes and the Indenture, as applicable, from the covenants described above under the heading "—Certain Covenants" ("covenant defeasance"). Following such covenant defeasance, the occurrence of a breach or violation of any such covenant with respect to the notes will not constitute an event of default under the Indenture, and certain other events (not including, among other things, non-payment or bankruptcy and insolvency events) described under "—Events of Default" also will not constitute events of default.

In order to exercise either legal defeasance or covenant defeasance, the Issuer will be required to satisfy, among other conditions, the following:

(a) The Issuer must irrevocably deposit with the trustee, in trust, for the benefit of the noteholders, cash in U.S. dollars or U.S. government obligations, or a combination thereof, in amounts sufficient (in the opinion of an internationally recognized firm of independent public accountants or an internationally recognized investment bank) to pay and discharge the principal of and each installment of interest on the notes on the stated maturity of such principal or installment of interest in accordance with the terms of the Indenture and the notes;

(b) in the case of a legal defeasance, the Issuer must deliver to the trustee an opinion of counsel stating that (i) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling or (ii) since the Issue Date there has been a change in the applicable U.S. federal income tax law or the interpretation thereof, in either case to the effect that, and based thereon, the opinion of counsel shall confirm that, the noteholders will not recognize gain or loss for U.S. federal income tax purposes as a result of such deposit, defeasance and discharge and will be subject to U.S. federal income tax on the same amount, in the same manner and at the same time as would have been the case if such deposit, defeasance and discharge had not occurred;

(c) in the case of a covenant defeasance, the Issuer must deliver to the trustee an opinion of counsel to the effect that the noteholders will not recognize gain or loss for U.S. federal income tax purposes as a result of such deposit and covenant defeasance and will be subject to U.S. federal income tax on the same amount, in the same manner and at the same time as would have been the case if such deposit and covenant defeasance had not occurred;

(d) no default or event of default shall have occurred and be continuing and, in the case of a legal defeasance only, certain events of bankruptcy or insolvency, at any time during the period ending on the 121st calendar day after the date of such deposit (it being understood that this condition as it applies with respect to a legal defeasance shall not be deemed satisfied until the expiration of such period);

(e) such legal defeasance or covenant defeasance shall not (i) cause the trustee to have a conflicting interest for the purposes of the Trust Indenture Act with respect to any securities of the Issuer or (ii) result in a breach or violation of, or constitute a default under, any other material agreement or instrument to which the Issuer is a party or by which it is bound (other than a default under the Indenture arising from the granting of Liens to secure any Indebtedness incurred in connection therewith); and

(f) the Issuer shall have delivered to the trustee an officer's certificate and an opinion of counsel stating that all conditions precedent required relating to either of legal defeasance or covenant defeasance, as the case may be, have been satisfied.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to rights of registration of transfer or exchange of notes, which shall survive until all notes have been canceled) as to all outstanding notes will be released when either:

(1) all the notes that have been authenticated and delivered (except lost, stolen or destroyed notes that have been replaced or paid and notes for whose payment money has been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from this trust) have been delivered to the trustee for cancellation; or

(2) (a) all notes that have not been delivered to the trustee for cancellation either (i) have become due and payable by reason of the mailing of a notice of redemption as described in "—Redemption" or otherwise or (ii) will become due and payable within one year, and in each of the foregoing cases the Issuer has irrevocably deposited or caused to be deposited with the trustee as trust funds in trust solely for the benefit of the holders of the notes cash in U.S. dollars or U.S. government obligations, or a combination thereof, in amounts sufficient (without reinvestment) to pay and discharge the entire Indebtedness (including all principal and accrued interest) on the notes not theretofore delivered to the trustee for cancellation to the date of maturity or redemption,

(b) the Issuer has paid or caused to be paid all other sums payable by the Issuer under the Indenture,

(c) the Issuer has delivered irrevocable instructions to the trustee to apply the deposited money toward the payment of the notes at maturity or on the date of redemption, as the case may be, and

(d) the holders of the notes have a valid, perfected, exclusive security interest in this trust.

In addition, the Issuer must deliver an officers' certificate and an opinion of counsel to the trustee stating that all conditions precedent to satisfaction and discharge have been complied with.

Transfer and Exchange

A noteholder may transfer or exchange notes in accordance with the Indenture. The notes are subject to restrictions on transfer and may only be offered and sold in transactions exempt from or not subject to the registration requirements of the Securities Act. The registrar and the trustee may require a noteholder, among other things, to furnish appropriate endorsements and transfer documents (in addition to those required by the Indenture), and the Issuer may require a noteholder to pay any taxes and fees required by law or permitted by the Indenture. The Issuer is not required to transfer or exchange any note for a period of 15 days before the notes are to be redeemed for tax reasons. The registered noteholder will be treated as the owner of it for all purposes.

The Trustee

[*TRUSTEE*] will be the trustee under the Indenture. The Issuer may have normal banking relationships with [*TRUSTEE*] or any of its affiliates in the ordinary course of business. The address of the trustee is [*ADDRESS*].

The Paying Agent

[*PAYING AGENT*] will be the paying agent under the Indenture. The Issuer may have normal banking relationships with [*PAYING AGENT*] or any of its affiliates in the ordinary course of business. The address of the paying agent is [*ADDRESS*].

Notices

For so long as notes in global form are outstanding, notices to be given to holders will be given to the depositary, in accordance with its applicable policies as in effect from time to time. If notes are issued in individual definitive form, notices to be given to holders will be deemed to have been given upon the mailing by first class mail, postage prepaid, of such notices to holders of the notes at their registered addresses as they appear in the trustee's records.

Governing Law

The Indenture and the notes will be governed by the laws of the State of New York.

Jurisdiction

The Issuer will consent to the non-exclusive jurisdiction of any court of the State of New York or any U.S. federal court sitting in the Borough of Manhattan in The City of New York, New York, United States, and any appellate court from any thereof. The Issuer will appoint [National Corporate Research Ltd., 10 E. 40th Street, 10th Floor, New York, New York 10016], as its authorized agent upon which service of process may be served in any action or proceeding brought in any court of the State of New York or any U.S. federal court sitting in the Borough of Manhattan in The City of New York in connection with the Indenture or the notes.

Waiver of Immunities

To the extent that the Issuer may in any jurisdiction claim for itself or its assets immunity from a suit, execution, attachment, whether in aid of execution, before judgment or otherwise, or other legal process in connection with and as set out in the indenture and the notes and to the extent that in any jurisdiction there may be immunity attributed to the Issuer or the Issuer's assets, whether or not claimed, the Issuer will irrevocably agree for the benefit of the noteholders not to claim, and irrevocably waive, the immunity to the full extent permitted by law except for the immunity provided under Brazilian law to property of the Issuer that is considered essential for the rendering of public services under any concession agreement, authorization or license (*bens vinculados à concessão ou bens reversíveis*), to the extent such immunity cannot be waived or contested. For the avoidance of doubt, any changes on the legal and/or regulatory regime applicable to the public services rendered by the Issuer is hereby authorized, notwithstanding the impact that it may produce over the property of the Issuer that is considered essential for the rendering of public services under any concession agreement, authorization or license (*bens vinculados à concessão ou bens reversíveis*).

Currency Rate Indemnity

The Issuer has agreed that, if a judgment or order made by any court for the payment of any amount, in respect of any notes is expressed in a currency other than U.S. dollars, the Issuer will indemnify the relevant noteholder against any deficiency arising from any variation in rates of exchange between the date as of which the denomination currency is notionally converted into the judgment currency for the purposes of the judgment or order and the date of actual payment. This indemnity will constitute a separate and independent obligation from the Issuer's and each Subsidiary Guarantor's other obligations under the Indenture will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted from time to time and will continue in full force and effect notwithstanding any judgment or order for a liquidated sum or sums in respect of amounts due under the Indenture or the notes.

No personal liability of directors, officers, employees and stockholders

No director, officer, employee, incorporator or stockholder of the Issuer will have any liability for any obligations of the Issuer under the notes, the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes. The waiver may not be effective to waive liabilities under applicable securities laws.

Certain Definitions

"***Acquired Indebtedness***" means Indebtedness of a Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary or at the time it merges or consolidates with the Issuer or any of its Restricted Subsidiaries or assumed by the Issuer or any Restricted Subsidiary in connection with the acquisition of assets from such Person. Acquired Indebtedness

shall be deemed to have been incurred at the time such Person becomes a Restricted Subsidiary or at the time it merges or consolidates with the Issuer or a Restricted Subsidiary or at the time such Indebtedness is assumed in connection with the acquisition of assets from such Person.

"***Affiliate***" means, with respect to any specified Person, any other Person who directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person. Solely for purposes of this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise; provided that beneficial ownership of 10% or more of the Voting Stock of a Person shall be deemed to be control. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"***Asset Sale***" means any sale, conveyance, lease, transfer or other disposition (or series of related sales, leases, transfers or dispositions) by the Issuer or any Restricted Subsidiary, including any disposition by means of a merger, spin-off, consolidation or similar transaction (each referred to for the purposes of this definition as a "disposition"), of:

(1) any shares of Capital Stock of the Issuer or any Restricted Subsidiary (other than directors' qualifying shares or shares required by applicable law to be held by a Person other than the Issuer or a Restricted Subsidiary);

(2) all or substantially all of the assets of any division or business operation of the Issuer or any Restricted Subsidiary; or

(3) any other property or assets of the Issuer or any Restricted Subsidiary outside of the ordinary course of business of the Issuer or such Restricted Subsidiary.

Notwithstanding the foregoing, the following shall not be deemed to be Asset Sales:

(1) a disposition by a member of the Group to the Issuer or by the Issuer to a member of the Group or between members of the Group;

(2) the sale of property or equipment that, in the reasonable determination of the Issuer, has become worn out, obsolete, uneconomic or damaged or otherwise unsuitable for use in connection with the business of the Issuer or any member of the Group;

(3) the disposition of all or substantially all of the assets of the Issuer in a manner permitted pursuant to the covenant described above under the caption "—Certain Covenants— Limitation on Consolidation, Merger, Sale or Conveyance";

(4) (i) dispositions of property to the extent that such property is exchanged for credit against the purchase price of similar replacement property that is promptly purchased, (ii) dispositions of property to the extent that the proceeds of such disposition are promptly applied to the purchase price of such replacement property (which replacement property is actually promptly purchased) and (iii) to the extent allowable under Section 1031 of the IRS Code, or any comparable or

successor provision, any exchange of like property for use in a Permitted Business;

(5) an issuance of Equity Interests by a member of the Group to the Issuer or by the Issuer to a member of the Group;

(6) sales, leases, sub-leases or other dispositions of products, services, equipment, inventory, accounts receivable or other assets in the ordinary course of business;

(7) a Dividend Payment that does not violate the covenant described above under the caption "—Certain Covenants—Limitation on Dividends";

(8) a disposition to the Issuer or a member of the Group (other than a Receivables Subsidiary), including a Person that is or shall become a member of the Group immediately after the disposition;

(9) sales of accounts receivable and related assets or an interest therein of the type specified in the definition of "Qualified Receivables Transaction" to a Receivables Subsidiary;

(10) dispositions in connection with a Lien permitted under the covenant described under "—Certain Covenants—Limitation on Liens";

(11) dispositions of receivables and related assets or interests in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;

(12) foreclosures on assets, transfers of condemned property as a result of the exercise of eminent domain or similar policies (whether by deed in lieu of condemnation or otherwise) and transfers of properties that have been subject to a casualty to the respective insurer of such property as part of an insurance settlement;

(13) any surrender or waiver of contractual rights or the settlement, release, surrender or waiver of contractual, tort, litigation or other claims of any kind;

(14) the unwinding of any Hedging Obligations pursuant to its terms;

(15) the sale, transfer or other disposition of "non-core" assets acquired pursuant to an investment or acquisition permitted under the Indenture; provided that such assets are sold, transferred or otherwise disposed of within 6 months after the consummation of such acquisition or investment;

(16) any financing transaction with respect to property built or acquired by the Issuer or any member of the Group after the Issue Date, including Sale and Leaseback Transactions and asset securitizations permitted by the Indenture;

(17) sales, transfers and other dispositions of investments in joint ventures to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in the joint venture agreements and similar binding arrangements;

(18) sales or other dispositions of capacity or indefeasible rights of use in the Issuer's or in any member of the Group's telecommunications network in the ordinary course of business;

(19) a Sale and Leaseback Transaction within one year of the acquisition of the relevant asset in the ordinary course of business;

(20) exchanges of telecommunications assets for other telecommunications assets where the Fair Market Value of the telecommunications assets received is at least equal to the Fair Market Value of the telecommunications assets disposed of or, if less, the difference is received in cash;

(21) the licensing, sublicensing or grants of licenses to use the Issuer's or any Restricted Subsidiary's trade secrets, know-how and other technology or intellectual property in the ordinary course of business to the extent that such license does not prohibit the licensor from using the patent, trade secret, know-how or technology any single transaction or series of related transactions that involves;

(22) any transaction or series of related transactions made in accordance with the Reorganization Plan; or

(23) any transaction or series of related transactions involving property or assets with a Fair Market Value not in excess of 5% of the Consolidated Total Assets as of the end of the most recently completed full-year period for which the Issuer's published financial statements are available.

"***Attributable Debt***" in respect of a Sale and Leaseback Transaction means, as of the date of determination, the present value (discounted at the interest rate implicit in the Sale and Leaseback Transaction) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction (including any period for which such lease has been extended); provided, however, that if such Sale and Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of "Capital Lease Obligation".

"***Brazilian GAAP***" means, as elected from time to time by the Issuer, (i) the accounting principles prescribed by Brazilian Corporate Law, the rules and regulations issued by applicable regulators, including the CVM, as well as the technical releases issued by the Brazilian Institute of Accountants (*Instituto Brasileiro de Contadores*), or (ii) International Financial Reporting Standards as issued by the International Accounting Standards Board, in each case, as in effect from time to time.

"***Capitalized Lease Obligations***" means, with respect to any Person, the obligations of such Person under a lease that are required to be classified and accounted for as a capitalized lease in accordance with Brazilian GAAP and the amount of Indebtedness represented by such obligations at any date shall be the capitalized amount of such obligations at such date, determined in accordance with Brazilian GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"***Capital Stock***" means, with respect to any Person, any and all shares, interests (including partnership interests), rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) the equity of such Person, including each class of Preferred Stock, limited liability interests or partnership interests, but excluding any debt securities convertible into such equity.

"***Cash and Cash Equivalents***" means any of the following:

(1) any investment in direct obligations of Brazil, the United States or any agency thereof or obligations Guaranteed by Brazil, the United States or any agency thereof, *provided* that Restricted Subsidiaries shall be allowed to invest in direct obligations of the country in which such Restricted Subsidiaries are located irrespective of the ratings of any such obligations, and *provided further* that the Issuer shall use its continuing best efforts to transfer any such investments in direct obligations of a country pursuant to the immediately preceding proviso to another Cash Equivalent;

(2) investments in time deposit accounts, certificates of deposit and money market deposits issued by a bank or trust company that is organized under the laws of the United States, any state thereof, Brazil, or any other foreign country recognized by the United States having capital, surplus and undivided profits aggregating in excess of US$500,000,000 (or the foreign currency equivalent thereof) and whose long term debt is rated "A" (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act) (a "Permitted Financial Institution"), *provided* that Restricted Subsidiaries shall be permitted to invest in time deposit accounts, certificates of deposit and money market deposits of banks and trust companies organized under the country in which such Restricted Subsidiary are located irrespective of whether the long term debt rating is rated "A" (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act) and *provided further*, that the Issuer shall use its continuing best efforts to transfer any such investments pursuant to the immediately preceding proviso to another Cash Equivalent;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above entered into with a bank meeting the qualifications described in clause (2) above;

(4) investments in demand deposits or commercial paper maturing not more than 270 days after the date of acquisition issued by a corporation (other than an Affiliate of the Issuer) organized and in existence under the laws of the United States, Brazil or any other foreign country recognized by the United States with a rating at the time as of which any investment therein is made of "P-1" (or higher) according to Moody's or "A-1" (or higher) according to S&P (or such similar equivalent rating, including similar equivalent ratings in foreign countries);

(5) investments in securities with maturities of 12 months or less from the date of acquisition issued or fully Guaranteed by any state, commonwealth or territory of the United States, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P or "A" by Moody's (or such similar equivalent rating);

(6) investments in securities with maturities of 12 months or less from the date of acquisition issued or fully Guaranteed by Brazil;

(7) certificates of deposit, bankers' acceptances and time deposits issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any Brazilian or United States office of any Permitted Financial Institution; and

(8) investments in money market funds substantially all the assets of which are comprised of investments of the types described in clauses (1) through (7) above.

"***Cash Balance***" means the sum of the following accounts from the consolidated balance sheet of the Issuer: (i) 1.01.01 Cash and Cash Equivalents (*Caixa e Equivalentes de Caixa*); (ii) 1.01.02 Cash Investments (*Aplicações Financeiras*); and (iii) 1.02.01.01 Cash Investments at Fair Market Value (*Aplicações Financeiras a Valor Justo*), as of the end of the most recently completed fiscal quarter or full-year period for which the Issuer's published financial statements are available.

"***Cash Sweep Amount***" means, in the first five fiscal years from the date of approval of the Reorganization Plan, provided that the Minimum Cash Requirement is reached, an amount equal to 70% of the Net Proceeds of any Asset Sale over US$200.0 million received by the Issuer or a Restricted Subsidiary during such fiscal year. For any fiscal year commencing after the sixth anniversary of the date of the Reorganization Plan Confirmation, "Cash Sweep Amount" means an amount equal to 70% of the Cash Balance that exceeds the Minimum Cash Requirement.

"***Consolidated EBITDA****"* means, with respect to any Person for any period, for the Four-Quarter Period, the sum of the pre-tax profit or loss for such Person for such period, plus the following (without duplication) to the extent deducted or added in calculating such consolidated pre-tax profit or loss:

(1) Consolidated financial income or expense for such Person for such period; and

(2) Consolidated depreciation and amortization for such Person for such period.

"***Consolidated Interest Coverage Ratio***" means, with respect to the Issuer as of any date of determination, for the Four-Quarter Period, the ratio of the aggregate amount of Consolidated EBITDA of the Issuer to Consolidated Interest Expense of the Issuer.

"***Consolidated Interest Expense***" means, with respect to any person for any period, without duplication, the sum of the consolidated interest expense, accrued or capitalized (whether paid or not), of the Issuer for the Four-Quarter Period on any of its indebtedness for borrowed money payable in cash.

"***Consolidated Total Assets***" means the total amount of the consolidated assets of the Issuer and its consolidated subsidiaries, as set forth as "Total assets" in the consolidated balance sheet of the Issuer, as of the end of the most recently completed fiscal quarter or full-year period for which the Issuer's published financial statements are available.

"***Default***" means an event or condition the occurrence of which is, or with the lapse of time or the giving of notice or both would be, an Event of Default.

"***Equity Interest***" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"***Fair Market Value***" means, with respect to any asset, the value (which, for the avoidance of doubt, will take into account any liabilities associated with related assets) that would be paid by a willing buyer to an unaffiliated willing seller in an arm's length transaction not involving distress or compulsion of either party, determined in good faith by the Issuer.

"***Four-Quarter Period***" means, as of any date of determination, the four most recent full fiscal quarters ending prior to the date of such determination for which financial statements are available.

"***Group***" means the Issuer and all its Subsidiaries.

"***Guarantee***" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

(1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise); or

(2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part);

provided, however, that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee," when used as a verb, has a corresponding meaning.

"***Incur***" means, with respect to any Indebtedness or other obligation of any Person, to create, issue, incur (including by conversion, exchange or otherwise), assume, Guarantee or otherwise become liable in respect of such Indebtedness or other obligation on the balance sheet of such Person; *provided*, however, that any Indebtedness of a Person existing at the time such Person is merged or consolidated with the Issuer or becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Person at the time of such merger or consolidation or at the time it becomes a Restricted Subsidiary. The term "Incurrence" when used as a noun shall have a correlative meaning. Neither the accretion of principal of a non-interest bearing or other discount security nor the capitalization of interest on Indebtedness shall be deemed an Incurrence of Indebtedness.

"***Hedging Obligations***" of any Person means the obligations of such Person under any agreement relating to any swap, option, forward sale, forward purchase, index transaction, cap transaction, floor transaction, collar transaction or any other similar transaction, in each case, for purposes of hedging or capping against Brazilian inflation, interest rates, currency or commodities price fluctuations.

"***Indebtedness***" means, with respect to any Person, without duplication:

(1) whether being principal and/or interest of any present or future indebtedness of such Person:

(A) in respect of borrowed money;

(B) evidenced by bonds, notes, debentures or similar instruments or letters of credit or bankers' acceptances (or, without duplication, reimbursement agreements in respect thereof);

(C) representing the balanced deferred and unpaid of the purchase price of property (including Capitalized Lease Obligations), except (i) any such balance that constitutes a trade payable or similar obligation to a trade creditor, in each case accrued in the ordinary course of business and (ii) liabilities accrued in the ordinary course of business which purchase price is due more than twelve (12) months after the date of placing the property in service or taking delivery and title thereto; or

(D) representing net obligations under any Hedging Obligations;

if and to the extent that any of the foregoing Indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with Brazilian GAAP or IFRS;

(2) to the extent not otherwise included, any obligation by such Person to be liable for, or to pay, as obligor, guarantor or otherwise, on the obligations of the type referred to in clause (1) of a third Person (whether or not such items would appear upon the balance sheet of such obligor or guarantor), other than by endorsement of negotiable instruments for collection in the ordinary course of business; and

(3) to the extent not otherwise included, the obligations of the type referred to in clause (1) of a third Person secured by a Lien on any asset owned by such first Person, whether or not such Indebtedness is assumed by such first Person;

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with Brazilian GAAP or IFRS.

Notwithstanding the foregoing, in connection with the purchase by the Issuer or any Restricted Subsidiary of any business, the term "Indebtedness" will exclude post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; *provided*, *however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 30 days thereafter.

For the avoidance of doubt, "Indebtedness" shall not include any obligations to any Person with respect to "*Programa de Recuperação Fiscal—REFIS*," "*Programa Especial de Parcelamento de Impostos—REFIS Estadual*" and "*Programa de Parcelamento Especial—PAES*", any other tax payment agreement entered into with any Brazilian governmental entity and/or any other payment agreement that is due to any creditor who, prior to the Reorganization Plan Confirmation, was not considered as Indebtedness in the calculation of Indebtedness of the Issuer.

"***Investment Grade Rating***" means a rating equal to or higher than BBB- (or the equivalent) by S&P or Baa3 (or the equivalent) by Moody's.

"***Issuer***" means the party named as such in the introductory paragraph to this Indenture until a successor replaces it pursuant to this Indenture and thereafter means such successor.

"***Lien***" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof or any agreement to give any security interest).

"***Minimum Cash Requirement***," with respect to each financial year, means the greater of: (1) 25% of the sum of operating expenditures and capital expenditures of the Issuer and its Subsidiaries for the relevant financial year; or (2) R$5.0 billion, plus any proceeds from the Capital Increase (to be defined based on final structure of such capital increase in connection with the approval of the Reorganization Plan).

"***Moody's***" means Moody's Investors Service, Inc. and any successor to its rating agency business.

"***Net Debt***" means, as of the date of determination, the aggregate amount of Indebtedness of the Issuer and its consolidated subsidiaries, less Cash and Cash Equivalents and consolidated marketable securities recorded as current assets (except for any Capital Stock in any Person) in all cases determined in accordance with Brazilian GAAP or IFRS and as set forth in the most recent consolidated balance sheet of the Issuer.

"***Net Debt to Consolidated EBITDA Ratio***" means, with respect to the Issuer as of any date of determination, the ratio of the aggregate amount of Net Debt of the Issuer to Consolidated EBITDA of the Issuer for the Four-Quarter Period. For purposes of this definition, Net Debt and Consolidated EBITDA shall be calculated after giving effect on a pro forma basis in good faith for the period of such calculation for the following:

(1) any Indebtedness Incurred (and the application of proceeds thereof) during or after the reference period to the extent the Indebtedness is outstanding or is to be Incurred on the transaction date as if the Indebtedness had been Incurred on the first day of the reference period;

(2) any Indebtedness repaid during or after the reference period to the extent the Indebtedness is no longer outstanding or is to be repaid on the transaction date as if the Indebtedness had been repaid on the first day of the reference period; and

(3) (A) the acquisition or disposition of companies, divisions or lines of businesses by the Issuer and its Restricted Subsidiaries, including any acquisition or disposition of a company, division or line of business since the beginning of the reference period by a Person that became a Subsidiary after the beginning of the reference period, and

(B) the discontinuation of any discontinued operations

that have occurred since the beginning of the reference period as if such events had occurred, and, in the case of any disposition, the proceeds thereof applied, on the first day of the reference period. To the extent that pro forma effect is to be given to an acquisition or disposition of a company, division or line of business, the pro forma calculation will be (i) based upon the most recent Four-Quarter Period for which the relevant financial information is available and (ii) determined in good faith by the Issuer.

"***Net Operating Income***" means, with respect to any Person for any period, the consolidated total net operating revenue of such Person for such period less the cost of sales and services and less operating income and expenses, but, for the avoidance of doubt, before adding or deducting any financial income, financial expenses or taxes.

"***Net Proceeds of any Asset Sale***" means the aggregate cash proceeds from any Asset Sale net of the direct costs relating to such Asset Sale (including legal, accounting and investment banking

fees and sales commissions) and any relocation expenses incurred as a result thereof, taxes paid or payable as a result thereof.

"***Official Lender***" means (i) any Brazilian governmental financial institution, agency or development bank (or any other bank or financial institution representing or acting as agent for any of such institutions, agencies or banks), including, without limitation, Banco Nacional de Desenvolvimento Econômico e Social—BNDES (including loans from Financiadora de Estudos e Projetos—FINEP), FINAME (*Agência Especial de Financiamento Industrial*), Banco do Nordeste S.A. and the related system, (ii) any multilateral or foreign governmental financial institution, export credit agency or credit insurer or other similar agency, bank or entity (or any other bank or financial institution representing or acting as agent for any such institutions, agencies or banks), including, without limitation, the World Bank, the International Finance Corporation and the Inter-American Development Bank and (iii) any governmental authority of jurisdictions where the Issuer or any of its subsidiaries conducts business (or any bank or financial institutions representing or acting as agent for such governmental authority).

"***Permitted Business***" means the business or businesses conducted (or proposed to be conducted) by the Issuer or any Restricted Subsidiary as of the Issue Date and any other business reasonably related, ancillary or complementary thereto and any reasonable extension or evolution of any of the foregoing, including, without limitation, any business relating to telecommunications, information technology or transmission, or media content services or products.

"***Person***" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof, or any other entity.

"***Preferred Stock***" means, with respect to any Person, Capital Stock of any class or classes (however designated) of such Person that has preferential rights over any other Capital Stock of such Person with respect to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person.

"***Purchase Money Indebtedness***" means Indebtedness:

(1) consisting of the deferred purchase price of an asset, conditional sale obligations, obligations under any title retention agreement and other purchase money obligations; or

(2) Incurred (within 365 days of such purchase) for the purpose of financing all or any part of the purchase price (including in the case of Capital Lease obligations the lease), or other cost of design, construction, installation or improvement of any assets;

provided that the aggregate principal amount of such Indebtedness does not exceed such purchase price of such assets and cost incurred in such design, construction, installation or improvement, including any Refinancing of such Indebtedness that does not increase the

aggregate principal amount (or accreted amount, if less) thereof as of the date of the Refinancing.

"***Purchase Money Note***" means a promissory note evidencing a line of credit, or evidencing other Indebtedness owed to the Issuer or any Restricted Subsidiary in connection with a Qualified Receivables Transaction, which note shall be repaid from cash available to the maker of such note, other than amounts required to be established as reserves, amounts paid to investors in respect of interest, principal and other amounts owing to such investors and amounts paid in connection with the purchase of newly generated accounts receivable.

"***Qualified Receivables Transaction***" means any transaction or series of transactions that may be entered into by the Issuer or any Restricted Subsidiary pursuant to which the Issuer or any Restricted Subsidiary may sell, convey or otherwise transfer to (a) a Receivables Subsidiary (in the case of a transfer by the Issuer or any Restricted Subsidiary), or (b) any other Person (in the case of a transfer by a Receivables Subsidiary), or may transfer an undivided interest in or or may grant a security interest in, any Receivables (whether now existing or arising in the future) of the Issuer or any Restricted Subsidiary and any asset related thereto, including, without limitation, all collateral securing such Receivables, all contracts and all guarantees or other obligations in respect of the accounts receivable, proceeds of such Receivables and other assets which are customarily transferred, or in respect of which security interests are customarily granted, in connection with asset securitization transactions involving Receivables.

"***Rating Agency***" means each of S&P and Moody's, provided that if either of S&P or Moody's ceases to rate the notes or fails to make a rating on the notes publicly available, the Issuer will appoint a replacement for such Rating Agency that is a "nationally recognized statistical rating organization" within the meaning of Rule 15c3- 1(c)(2)(vi)(F) under the Exchange Act.

"***Receivable***" means a right to receive payment arising from a sale or lease of goods or the performance of services by a Person pursuant to an arrangement with another Person pursuant to which such other Person is obligated to pay for goods or services under terms that permit the purchase of such goods and services on credit, including, without limitation, any items of property that would be classified as an "account," "chattel paper," "payment intangible" or "instrument" under the Uniform Commercial Code and any supporting obligations.

"***Receivables Fees***" means any fees or interest paid to purchasers or lenders providing the financing in connection with a Qualified Receivables Transaction, factoring agreement or other similar agreement, including any such amounts paid by discounting the face amount of Receivables or participations therein transferred in connection with a Qualified Receivables Transaction, factoring agreement or other similar arrangement, regardless of whether any such transaction is structured as on-balance sheet or off-balance sheet.

"***Receivables Subsidiary***" means a Wholly Owned Subsidiary of the Issuer (or another Person in which the Issuer or any Restricted Subsidiary makes an Investment and to which the Issuer or one or more of its Restricted Subsidiaries transfer Receivables and related assets) which engages in no activities other than in connection with the financing of Receivables, which is designated by the Issuer as a Receivables Subsidiary, and which meets the following conditions:

(1) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (a) is Guaranteed by the Issuer or any other Restricted Subsidiary that is not a Receivables Subsidiary (excluding Guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (b) is recourse to or obligates the Issuer or any other Restricted Subsidiary (that is not a Receivables Subsidiary) in any way other than pursuant to Standard Securitization Undertakings, or (c) subjects any property or asset of the Issuer or any other Restricted Subsidiary that is not a Receivables Subsidiary), directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings;

(2) with which neither the Issuer nor any other Restricted Subsidiary (that is not a Receivables Subsidiary) has any material contract, agreement, arrangement or understanding (other than Standard Securitization Undertakings); and

(3) to which neither the Issuer nor any Restricted Subsidiary (that is not a Receivables Subsidiary) has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results.

"***Receivables Transaction Amount***" means the amount of obligations outstanding under the legal documents entered into as part of such Qualified Receivables Transaction on any date of determination that would be characterized as principal if such Qualified Receivables Transaction were structured as a secured lending transaction rather than as a purchase.

"***Refinance***" means, in respect of any Indebtedness, to issue any Indebtedness in exchange or replacement for, or to refinance, extend, renew, refund, repay, prepay, purchase, redeem, defease or retire, such Indebtedness in whole or in part. "Refinanced" and "Refinancing" shall have correlative meanings.

"***Refinancing Indebtedness***" means Indebtedness of the Issuer or any Restricted Subsidiary issued to Refinance any other Indebtedness of the Issuer or a Restricted Subsidiary existing on the Issue Date or Incurred in compliance with this Indenture, including Indebtedness that Refinances Refinancing Indebtedness; so long as:

(1) the aggregate principal amount (or initial accreted value, if applicable) of such new Indebtedness as of the date of such proposed Refinancing does not exceed the aggregate principal amount (or initial accreted value, if applicable) of the Indebtedness being Refinanced (plus the amount of any premium required to be paid under the terms of the instrument governing such Indebtedness and the amount of reasonable expenses incurred by the Issuer in connection with such Refinancing);

(2) such new Indebtedness has:

(A) a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being Refinanced; and

(B) a Stated Maturity no earlier than the Stated Maturity of the Indebtedness being Refinanced; and

(3) if the Indebtedness being Refinanced is Subordinated Indebtedness, then such Refinancing Indebtedness shall be subordinate to the notes at least to the same extent and in the same manner as the Indebtedness being Refinanced.

"***Relevant Date***" means whichever is the later of (i) the date on which the payment in question first becomes due and (ii) if the full amount payable has not been received by the trustee or a paying agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the noteholders.

"***Reorganization Plan***" means [that certain judicial reorganization plan of the Issuer confirmed by the 7th Corporate Court of the Judicial District of the State Capital of Rio de Janeiro on [●], as may be amended or modified from time to time pursuant to its terms, establishing the terms and conditions for the restructuring of the debt of the Issuer and certain of its Wholly Owned Subsidiaries (the "RJ Debtors"), and providing for actions to be adopted by the RJ Debtors to overcome the financial distress of the RJ Debtors and ensure their continuity as going concerns, including, without limitation, (1) restructuring and balancing their liabilities; (2) actions during the judicial reorganization designed to obtain new funds; and (3) the potential sale of capital assets.]

"***Restricted Subsidiary***" means any Subsidiary of the Issuer that is subject to the Reorganization Plan.

"***S&P***" means Standard & Poor's, a division of The McGraw-Hill Companies, Inc., and any successor to its rating agency business.

"***Sale and Leaseback Transaction***" means any arrangement with any Person (other than the Issuer or a Restricted Subsidiary), or to which any such Person is a party, providing for the leasing to the Issuer or a Restricted Subsidiary for a period of more than three years of any property or assets which property or assets have been or are to be sold or transferred by the Issuer or such Restricted Subsidiary to such Person or to any other Person (other than the Issuer or a Restricted Subsidiary) from whom funds have been or are to be advanced on the security of such leased property or assets.

"***Standard Securitization Undertakings***" means representations, warranties, covenants and indemnities entered into by the Issuer or any Restricted Subsidiary which are reasonably customary in securitization of Receivables transactions.

"***Stated Maturity***" means, with respect to any Indebtedness, the date specified in such Indebtedness as the fixed date on which the final payment of principal of such Indebtedness is due and payable, including, with respect to any principal amount which is then due and payable

pursuant to any mandatory redemption provision, the date specified for the payment thereof (but excluding any provision providing for obligations to repay, redeem or repurchase any such Indebtedness upon the happening of any contingency unless such contingency has occurred).

"***Subordinated Indebtedness***" means, with respect to the Issuer or any Restricted Subsidiary, any Indebtedness of the Issuer or such Restricted Subsidiary, as the case may be, which is expressly subordinated in right of payment to the notes or the relevant Subsidiary Guarantee, as the case may be, pursuant to a written agreement to that effect.

"***Subsidiary***" means, with respect to any Person, any other corporation, limited liability company, partnership, association or other entity of which more than fifty percent (50%) of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more Subsidiaries of such Person (or a combination thereof).

"***Subsidiary Guarantee***" means the unconditional Guarantee, on a joint and several basis, of the full and prompt payment of all obligations of the Issuer under the indenture and the notes, in accordance with the terms of the indenture.

"***Total Assets***" means the total consolidated assets of the Issuer and its Restricted Subsidiaries (excluding the value of any Investments in Persons other than Restricted Subsidiaries), as shown on the most recent balance sheet of the Issuer delivered to the trustee pursuant to the terms of the indenture.

"***Weighted Average Life to Maturity***" means, when applied to any Indebtedness at any date, the number of years obtained by dividing

(1) the sum of the products obtained by multiplying:

(A) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal, including payment at final maturity, in respect of such Indebtedness, by

(B) the number of years (calculated to the nearest one-twelfth) which shall elapse between such date and the making of such payment, by

(2) the then outstanding aggregate principal amount, of such Indebtedness.

"***Wholly Owned Subsidiary***" means, with respect to any Person, any Restricted Subsidiary of which all the outstanding Capital Stock (other than, in the case of a Subsidiary not organized in the United States, directors' qualifying shares or an immaterial amount of shares required to be owned by other Persons pursuant to applicable law) is owned by such Person or any other Person that satisfies this definition in respect of such Person.

"***Voting Stock***" means, with respect to any Person, securities of any class of Capital Stock of such Person then outstanding that is entitled (without regard to the occurrence of any contingency) to vote in the election of members of the board of directors (or equivalent governing body) of such Person, but excluding such classes of Capital Stock that are entitled, as

a group in a separate election, to appoint one member of the board of directors of such Person as representative of the minority shareholders.