State of Rio de Janeiro Judiciary

Court of Justice

Capital Judiciary District

Registry Office of the 7th Corporate Court

Av. Erasmo Braga, 115 Lna Central 706 ZIP: 20020-903 - Centro - Rio de Janeiro - RJ
Phone: 3133 2185 e-mail: cap07vemp@tjrj.jus.br

Proceeding: 0203711-65.2016.8.19.0001

Class/Subject: Judicial Recovery – Judicial Recovery

Claimant: OI S.A.

Claimant: TELEMAR NORTE LESTE S.A.

Claimant: OI MÓVEL S.A.

Claimant: COPART 4 PARTICIPAÇÕES S.A.

Claimant: COPART 5 PARTICIPAÇÕES S.A.

Claimant: PORTUGAL TELECOM INTERNATIONAL FINANCE B.V.

Claimant: OI BRASIL HOLDINGS COÖPERATIEF U.A.

Party of Interest: FEDERAL ATTORNEY´S OFFICE JOINTLY WITH ANATEL

Party of Interest: BANCO DO NORDESTE DO BRASIL S.A.

Judicial Officer: ESCRITÓRIO DE ADVOCACIA ARNOLDO WALD

Party of Interest: CHINA DEVELOPMENT BANK COORPORATION

Party of Interest: GLOBENET CABOS SUBMARINOS S.A.

Party of Interest: GOLDENTREE DISTRESSED FUND 2014 LP AND OTHERS

Party of Interest: PTLS SERVIÇOS DE TECNOLOGIA E ASSESSORIA TÉCNICA LTDA

Party of Interest: MAZZINI ADMINISTRAÇÃO LTDA

Party of Interest: TIM CELULAR S.A AND OTHER

Party of Interest: JEAN LEON MARCEL GRONEWEGEN

Party of Interest: THE BANK OF NEW YORK MELLON S.A

Expert: RIO BRANCO SP CONSULTORES ASSOCIADOS LTDA

Legal Proxy: MARCELO CURTI

Party of Interest: SOCIETÉ MONDIALE FUNDO DE INVESTIMENTO EM AÇÕES

Auctioneer: MAURO MARCELLO DA COSTA MACHADO

Party of Interest: PEDRO MANUEL CORREIA DE RODRIGUES FILIPE

Herewith, I conclude the court records to Honorable Judge

Fernando Cesar Ferreira Viana

On 07/31/2020

Decision

I – On the submission of creditor updated lists and voting criteria

The Judicial Manager states, on page 444.044/446.046, which it is amid the preparations to hold the new Creditor General Meeting, and it is at the Judge´s disposal to submit, as required by opinion of the Public Attorney´s Office on page 442.320/442.327, a general list of creditors that provides the current existing situation.

This recovery list of creditors certainly changes regularly, as there are creditors that are no longer creditor, due to the full receiving of due values by the parties under recovery, and on the other hand, there are creditors that become part of the general list of creditors because of proof of claim judgment. At least monthly, partially paid value annotation, adjustments incurring from credit rejection judgments, credit assignment, among other, should be performed.

Due to that, it seems unnecessary to submit a general list of creditors at the moment, as it could even mislead the thousands of creditors of this process. The general list of creditors should be submitted, obviously, by the end of the recovery. What is relevant is knowing which creditors that were included in the Judicial Manager Public Notice that cannot vote in this General Creditor Meeting, as they have already fully received their credits, and which creditors that were not included in Judicial Manager Public Notice can attend and vote the plan addendum, as they had favorable sentences ruled in timely proof of claim.

Thus, both lists are required: 1) list of creditors included in Judicial Manager Public Notice and that have already received their credits fully; 2) list of creditors that had favorable sentences ruled in timely proof of claim.

The creditors included in list 1 cannot attend the new General Creditor Meeting. The creditors included in list 2 can attend and vote in the new General Creditor Meeting, according to the value provided in the listed submitted by the Judicial Manager.

Therefore, the Judicial Manager shall include in the list for the new General Creditor Meeting the values changed due to sentences rules in timely proofs of claim. It is worth noting that the creditor shall volte according to the value provided in the sentence ruled by the Judge, or court decision that might have eventually reformed it, and *res judicata* is not required.

As per the terms of decision ruled on pages 282.576/282.583 and 293.187/293.189, the proofs of claim and rejection filed until 06/12/2017 are timely. These creditors could have attended the first General Creditor Meeting and voted the plan if the Judiciary could have appreciated the incidents in time for the meeting. Thus, it was allowed to them, at the time, to choose how to receive their credits.

The creditors that filed their incidents after this data cannot attend the new General Creditor Meeting, as per the provisions of art. 10, §1, of Law no. 11.101/2005, according which 'late credit holders, except credit holders derived from employment relationship, shall not be entitled to vote in General Credit Meeting resolutions.'

Corroborating this position, Luiz Roberto Ayoub states in the opinion submitted:

'62. In order to quality to vote, however, it is not enough to be a bankruptcy creditor, it is necessary that the relevant credit has been verified. For that matter, art. 10, §1 provides that late credit holders, i.e., late qualifying parties, expect for credit holders derived from employment relationship, are not qualified to vote. 63. The doctrine construes this rule as a way of punishing the late qualifying party, in order to foster that the creditor prevents late qualification, aiming at the promptness intended'. 64. Likewise, creditors that hold credits that, even though qualified at first, have been excluded from the list of creditors are not qualified to vote, except the ones that are still interested in that agent.'

Labor creditors, including attorney´s fee creditors, by legal ruing, can attend and vote the Judicial Recovery Plan addendum, even if they are late qualification holders.

If the creditor verifies any material error in lists 1 and 2 that shall be submitted by the Judicial Manager, it shall request the rectification by means of petition filing in specific proceeding incident to be created by the Registry Office for that purpose.

The creditors that voted with credit reserve requests remain with the right to vote in the new General Creditor Meeting, as long as they have not received their credit yet. The Judicial Manager is responsible for such update and checking.

Even if the creditor has 'received part' of its credit, it shall vote in this new General Creditor Meeting according to the original value listed in Judicial Manager Public Notice, according to the forecast expressed in the recovery plan approved by the creditors and ratified by the Judge. Clause 11.8 of Judicial Recovery Plan sets forth the following:

'11.8. Petition and Voice and Vote Right Maintenance in Creditor Meeting. For the purpose of this Plan, and while the Judicial Recovery closure has not been verified, the Creditors – including Qualified Bondholder Unsecured Creditors that convert part of their Qualified Bondholder Unsecured Credits in Oi capital as Capital Increase – Credit Capitalization – shall preserve their Bankruptcy Credit value and quantity for the purpose of petition, voice and voting right in every and any Credit Meeting after the Plan Judicial Ratification, regardless of Qualified Bondholder Unsecured Credit conversion in new Ordinary Shares – I and relevant acquittance'.

As Judicial Recovery Plan is ratified as a legal business, the abovementioned clause existence, effectiveness and efficacy is undisputable, as Luiz Roberto Ayoub has also concluded, he considered the following:

'100. The reading of the abovementioned clause is not difficult to be construed. Through it, the Requesting Party assures, as long as its judicial recovery process is not completed, petition, voice and vote right maintenance to all its creditors, observing the conditions originally foreseen. 101. According to the provision abovementioned, and according to what has been mentioned so far, I cannot see any illegality that damages the abovementioned provision, as it is not included in any of the abovementioned limitations, or in any norm, it is related to available right, and thus, it is open to free party negotiation. 102. As its content is proposed, approved and ratified, there is no illegality within its provision... 107. As a consequence, the clause prevents that the under recovery parties' destiny is concentrated in the hands of a low creditor number, complying with their personal interest, and not the collective interest – including the under recovery parties -, so that its compliance can meet the interest of everyone that participated of the plan original version approval. 108. Clause 11.8 effectiveness stands out for the fact that, as it was subject to General Creditor Meeting, as the Requesting Party group reported, no appeal was lodged, and there was no resistance, and its terms were not amended by the meeting body, and as a consequence, its agreement with its provisions is reported. It is worth noting that, in the same plan, two other different chapters from what is being discussed were subject to appeals, and that shows acceptance, attracting the indispensable legal security. 109. Another reasoning that also excludes any illegality claim of the abovementioned clause is the provisions of art. 190 of NCPC. The abovementioned provision rules on the proceeding legal business, i.e., procedure norm contracting possibility. It is worth noting that the proceeding availability concerns the actions to be executed by the parties, and it shall be submitted to judicial ratification. 110. Due to the

abovementioned article, the parties are authorized to change procedures to match them to their realities and requirements, agreeing on permissions, rights and duties. 111. Concerning the assumption approached herein, at plan voting, the contents of clause 11.8 were submitted to the creditors, which decided on the permanence in the instrument. Thus, due to the subsidiary application of the proceeding norms to the judicial recovery process, authorized by part. 189 of Law 11.101/2005, the legality of the provisions of clause 11.8 of the Judicial Recovery Plan of Requesting Party group shall be admitted, whether because it deals with right that admits plea negotiation or because of the regular ratification by the competent judge. 112. Thus, considering the legal business performed between under recovery companies and creditors is 'law among parties', as it is ratified, only a new manifestation of the relevant parties, by means of holding a meeting resolution, has the power to revisit it, and it shall be submitted again to later jurisdiction examination, under penalty of unwanted legal insecurity and proceeding instability. 113. Therefore, if there is not illegality, as there is not indeed, observing and complying with clause 11.8 is an enforceable measure, including for a possible original plan addendum, as it prevents it to be performed regardless of the ones that originally voted for the plan approval, but that reached their interest, as it shall be evidenced at a later time.'

The creditor shall only vote according to a different value from the one included in the Public Notice, if the amount has been changed by a sentence ruled in timely credit rejection.

For the bondholder creditor, the same rule of clause 11.8 applies, as it even mentions expressly the bondholder creditor that converts part of the credit in share.

As in the first General Creditor Meeting, in which specific rules were created to bond holder creditors, the bondholder creditor shall evidence to the Judicial Manager that it held, at least until 02/27/2020, Oi S/A bond and/or share property, and it shall commit not to alienate or assign the rights related to the bond or share until the new General Creditor Meeting. ECA creditors that have been represented in the General Creditor Meeting that approved the Original Plan by the 'Agents' appointed in the relevant credit instruments shall evidence that the Judicial Manager they were one the lenders in any ECA funding agreements on the date the first General Creditor Meeting was held.

Who had already assigned the credit before 02/27/2020 cannot vote in the new General Creditor Meeting.

About the creditor that is also the company creditor and shareholder or partner, the subject has already been approached by the Judge when the first General Creditor Meeting was held. As per the provisions of art. 43 of Law no. 11.101/2005 and the decision of pages 240.126/240.135, the creditor that is partner of any under recovery parties that has more than 10% of their capital stock and/or associate, controller, controlled company is prevented to vote, as well as the ones that have a partner or shareholder with interest higher than 10% (ten per cent) of the debtor, or in which the debtor or any of its partners have interest higher than 10% (ten per cent) of the capital stock.

The procedure to check this creditor/shareholder/partner condition shall be the same provided to the first General Creditor Meeting on pages 243.101/243.104 and 243.110/243.111.

Finally, a cut-off date for development of the lists defined to Judicial Manager in the present decision shall be set. It must be set between the present date and the new General Creditor Meeting holding, and thus I define August 7th, 2020, also as a final date, and all the changes performed after this date shall not be included for the purpose of attending the Meeting.

II – Manifestations of Banco Itaú, do Banco do Brasil, CEF and Banco Santander

Motions to clarify and petitions of Banco Itaú (pages 442288/442296; 441405/441416 and 448331/448342); petitions of Banco do Brasil (pages 441521/441531 and 448370/448406); petitions of CEF (pages 442086/442098 and 448417/448428), petition of Banco Santander (pages 454.113 to 454.126) and opinions of the Public Attorney´s Office (pages 442320/442327 and 444098).

It is premature to assess the request formulated by the abovementioned financial institutions, which object against the Judicial Recovery Plan. That is due as I have already ruled a mediation procedure execution between creditors and under recovery parties, which is in progress, with 30-day term. The mediation procedure completion shall be waited for, as it is not opportune, for now, to examine the plan addendum receiving rejection request, under penalty of compromising the mediation efficacy.

Concerning the requests related to plan addendum objection possibility, the decision has already been published, opening term for creditors to file their objections.

Concerning the objection context, it is necessary to explain no judicial pronouncement is applicable on their content and considerations, as their main purpose is fostering the General Creditor Meeting holding – already designated -, where they shall be acknowledged and discussed collectively among the creditors.

Thus, I highlight once more the considerations of the opinion of Luiz Roberto Ayoub, on page 450.904/450.905: ‘26. Therefore, the objection is the action through which the creditor manifests is objection to the plan, and then, submits the resolution on its approval, modification or rejection to General Creditor Meeting, that shall be called. 27. Whatever is decided in a meeting shall, as rule, be judicially ratified. Due to that, the Judge, as he/she ratifies the meeting resolution, does not have to analyze the objection merit. The objections, thus, do not have to be motivated, as nobody will analyze their merit. It is worth noting that the objections are not a matter to be approached judicially; they only lead to the General Creditor Meeting call notice requirement, which shall decide on the plan. 28. However, the absence of motivation does not exclude the need that the resistance object is outlined, concerning the impossibility that generic objections are presented.’

Concerning the Judicial Manager submission requests of updated General List of Creditors, the question has already been approached above.

III – General List of Creditor Modality

The Judicial Manager is totally right in the manifestation on pages 453.932 to 453.936.

There is no security in General Creditor Meeting holding in virtual modality, as it could foster several questionings by the parties of interest. It is not denied that the virtual modality has advantages for the action optimization and promptness, thus recommendation no. 63 of National Justice Council allows the judge to use the virtual modality in the pandemic period, if possible. Nevertheless, in the specific case, the virtual modality does not seem to be the best alternative.

Even though the onsite General Creditor Meeting also has its disadvantages, it is necessary to consider the risks to achieve information in virtual system, due to the huge size of this recovery, that relies on more than 50 thousand creditors, and many of them are natural persons, that will have trouble to attend in the virtual system, whether by lack of operating structure, or trouble to operate the system.

The Judicial Manager provided relevant information to the records, stating tests and simulations were executed with the four largest companies responsible for the online platform development and operation designed to General Creditor Meeting holding, and intermittences were verified in simulated attendant connections, restrictions to debate and voice right, and platform use troubles due to lack of program knowledge or lack of habit to use technology by the attendants.

Thus, there is no assurance that the virtual system adoption to hold the action supports the flow and participation of tens of thousands of creditors, a unique characteristic of this process, which makes it different from other judicial recoveries that adopted the virtual system to hold the meeting.

On the other hand, the onsite General Creditor Meeting shall comply with the protocols issued by public authorities concerning the restrictions forced by COVID-19 pandemic, thus all relevant cautionary measures – assessed by the Judicial Manager – shall be adopted.

Therefore, considering (i) the term set by the Judge to hold the General Creditor Meeting, sixty days upon the addendum submission to Judicial Recovery Plan; (ii) COVID-19 pandemic; (iii) the filing of mediation procedure between the banks and the under recovery parties; and (iv) the definition of creditor criteria that vote and do not vote in General Creditor Meeting; I RULE that the General Creditor Meeting is held in beginning of September, in the place already booked by the Judicial Manager, that shall enforce the compliance with every sanitary rule in force at the time of General Creditor Meeting.

For the creditors that have COVID-19 or do not want to meet with the other people, the power of attorney is a way of manifesting their General Creditor Meeting voice and vote

right, as it happened in the first meeting, when more than 30 thousand creditors attended the General Creditor Meeting through proxies. For that matter, I rule that the Under Recovery Party offers on its website the possibility for creditors to appoint a proxy to represent them in the meeting.

The Public Notice shall be published and everyone is notified. Then, it shall be concluded to acknowledge and rule on the other requests already included in the records.

Public Attorney´s Office and other relevant agencies shall be notified, including Federal Attorney´s Office, concerning ANATEL interests.

Rio de Janeiro, 08/07/2020.

Fernando Cesar Ferreira Viana – Chief Judge

Records received from Honorable Judge

Fernando Cesar Ferreira Viana

On ____/____/_____

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110 FERNANDO VIANA DIGITALLY SIGNED

FERNANDO CESAR FERREIRA VIANA: 17528 Signed on 08/07/2020 09:50:40 A.M.
Place: Court of Justice-RJ