

OI S.A.

CORPORATE TAXPAYER ID (CNPJ/MF): 76.535.764/0001-43

COMPANY REGISTRY (NIRE): 33.30029520-8

**MANAGEMENT PROPOSAL FOR THE MEETING OF THE DEBENTURE
HOLDERS OF THE 5TH ISSUANCE OF UNSECURED, NON-COVERTIBLE
DEBENTURES FOR PUBLIC DISTRIBUTION OF OI S.A.**

Dear Debenture holders,

Oi S.A. (“Company”) hereby announces that it notified GDC Partners Serviços Fiduciários DTVM Ltda., as the fiduciary agent (“Fiduciary Agent”), pursuant to article 6.21.1 of the Indenture of the Company’s 5th Issuance of Unsecured, Not Convertible Debentures, as amended (“Indenture”), on March 24, 2016 has summoned the Debenture Holders of the referred debenture issuance, in a first calling, held on April 15, 2016 that wasn’t installed in view of a lack of quorum. For that reason, the Fiduciary Agent, in a second calling, has called a new General Meeting of Debenture Holders to be held on April, 27, 2016 at 10:00 am at the Company’s headquarters, located at Rua Lavradio, n° 71, Centro, in the city and state of Rio de Janeiro.

Said notice, as was in the first calling, was sent due to the Company’s non-compliance with the financial covenant provided for in item XV (a) of clause 6.21 of the Indenture due to the provisions in its article 6.21.2.

Lastly, the Company announces, however, that there is no management proposal for the Meeting of the 5th Issue Debenture Holders.

Rio de Janeiro, April 19, 2016.

Oi S.A.