

Edgar Filing: FOREST OIL CORP - Form SC 13G

FOREST OIL CORP
Form SC 13G
February 15, 2007

SCHEDULE 13G
Under the Securities Exchange Act of 1934
(Amendment No.) *

(Name of Issuer): Forest Oil Corp

(Title of Class of Securities): Common Stock

(CUSIP Number): 346091705

(Date of event which requires filing of this Statement): December 31, 2006

Check the appropriate box to designate the Rule pursuant to which this schedule is filed:

/X/ Rule 13d-1(b)
/ / Rule 13d-1(c)
/ / Rule 13d-1(d)

* The remainder of this cover page shall be filled out for a reporting person's initial filing of this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 346091705

- (1) Names of Reporting Persons: Mac-Per-Wolf Company
S.S. or I.R.S. Identification Nos. of Above Persons: 36-3099763
 - (2) Check the Appropriate Box if a Member of a Group (See Instructions)
(a) (b) N/A
 - (3) SEC Use Only
 - (4) Citizenship or Place of Organization: Delaware
- Number of Shares Beneficially Owned By Each Reporting Person With:
- (5) Sole Voting Power: 99750
 - (6) Shared Voting Power: 4102017
 - (7) Sole Dispositive Power: 99750
 - (8) Shared Dispositive Power: 4102017
 - (9) Aggregate Amount Beneficially Owned by Each Reporting Person: 4201767
 - (10) Check if the Aggregate Amount in Row(9) Excludes Certain Shares (See Instructions):
 - (11) Percent of Class Represented by Amount in Row(9): 6.7%
 - (12) Type of Reporting Person (See Instructions): HC

SCHEDULE 13G
Item 1(a). Name of Issuer: Forest Oil Corp

Edgar Filing: FOREST OIL CORP - Form SC 13G

Item 1(b). Address of Issuer's Principal Executive Offices:
707 - 17th Street
Denver, CO 80202

Item 2(a). Name of Person Filing:
Mac-Per-Wolf Company

Item 2(b). Address of Principal Business Office or, if none, Residence:
311 S. Wacker Dr., Suite 6000
Chicago, IL 60606

Item 2(c). Citizenship: Delaware

Item 2(d). Title of Class of Securities: Common Stock

Item 2(e). CUSIP No.: 346091705

Item 3. This statement is filed pursuant to Rule 13d-1 (b) and the person filing, Mac-Per-Wolf Company, is a parent holding company in accordance with 240.13d-1(b)(1)(ii)(G). See Item 7 for additional information.

Item 4. Ownership:

The information in items 1 and 5 through 11 on the cover page(s) on Schedule 13G is hereby incorporated by reference.

Perkins, Wolf, McDonnell and Company, LLC furnishes investment advice to various investment companies registered under Section 8 of the Investment Company Act of 1940 and to individual and institutional clients (collectively referred to herein as "Managed Portfolios").

The shared voting and dispositive holdings are held by Perkins, Wolf, McDonnell and Company, LLC and such holdings may also be aggregated within 13G filings submitted by Janus Capital Management, LLC, a minority owner of Perkins, Wolf, McDonnell and Company, LLC.

Item 5. Ownership of Five Percent or Less of a Class: N/A

Item 6. Ownership of More than Five Percent on Behalf of Another Person:
The Managed Portfolios, set forth in Item 4 above, have the right to receive all dividends from, and the proceeds from the sale of, the securities held in their respective accounts.

The interest of any one such person does not exceed 5% of the class of securities.

These shares were acquired in the ordinary course of business, and not with the purpose of changing or influencing control of the issuer.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company:

The reporting person, Mac-Per-Wolf Company, is filing on behalf of its two subsidiaries:

1) PWMCO, LLC is a wholly-owned subsidiary of Mac-Per-Wolf Company and is both a broker dealer registered under Section 15 of the Act and an investment adviser registered under Section 203 of the Investment Advisers Act of 1940.

2) Perkins, Wolf, McDonnell and Company, LLC is a subsidiary of Mac-Per-Wolf Company, and is an investment adviser registered under section 203 of the Investment Advisers Act of 1940.

Edgar Filing: FOREST OIL CORP - Form SC 13G

Item 8. Identification and Classification of Members of the Group: N/A

Item 9. Notice of Dissolution of Group: N/A

Item 10. Certification

By signing below, I certify that, to the best of my knowledge and belief, the Securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purposes or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I the Undersigned certify that the information set forth in this statement is true, complete and correct.

By: /s/ Gregory E. Wolf
Name: Gregory E. Wolf
Title: Treasurer

2/13/07
Date

2>24,729,526 23,579,646

Other financings

45,611

54,084 49,523 1,491,976,460 5,879,161,433

The reduction in this caption reflects the following elements:

A debt increase between January 1 and May 5, 2014, under the framework of the commercial paper programmes;

The gross debt of Euro 8,051 million which was contributed to Oi on May 5, 2014, as part of the PT Assets under the framework of the Oi capital increase subscribed by PT SGPS (Note 1);

The reimbursement of the liability relating to the *equity swap* contracts on treasury shares following the physical exercise of these contracts on May 7, 2014, with cash equivalents that remained in PT SGPS for this purpose, after Oi's capital increase. After this reimbursement, PT SGPS directly holds 20,640,000 treasury shares in portfolio, for which reason it recorded a non-distributable reserve an amount equivalent to the acquisition cost of these shares, in the amount of Euro 178,071,827.

Prior to the transfer of assets to Oi on May 5, 2014, the main items of financing in December 31, 2013 are detailed in the following notes.

In addition to the information presented above relating to the change in gross debt during the period between January 1 and May 5, 2014, the following notes include more detailed information about exchangeable bonds, bonds, bank loans and other information related to gross debt outstanding as of December 31, 2013.

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

32. Debt (Continued)

32.1. Exchangeable bonds

On August 28, 2007, PT Finance issued exchangeable bonds totalling Euro 750,000,000, exchangeable into fully paid ordinary shares of PT SGPS, as follows:

Exchange price of Euro 13.9859 per ordinary share of PT SGPS, which was adjusted to Euro 11.60 on 30 October 2007, following the spin-off of PT Multimedia, and to Euro 11.06 on December 28, 2010, Euro 9.4 on 31 May 2011 and Euro 8.91 on 22 May 2012, following the dividends paid in December 2010, June 2011 and May 2012, respectively, according to the terms and conditions of these bonds;

Nominal value of each bond: Euro 50,000;

Maturity: 28 August 2014 unless previously redeemed, acquired, cancelled or converted; and

Fixed interest rate: 4.125% per annum, paid semi-annually.

The exchangeable bonds represent a compound instrument and, accordingly, the market value of the equity component as of the date the bonds were issued amounted to Euro 57,145,442 and was recorded in shareholders' equity under the caption "Other reserves and accumulated earnings", while the financial liability component was initially computed based on a market interest rate of 5.51% and is recorded by the amortized cost.

As at 31 December 2013, the fair value of the exchangeable bonds, determined based on market information, amounted to Euro 764 million.

32.2. Bonds

The following table provides detailed information about the bonds outstanding as at December 31, 2013:

Issuer(i)	Debt	Euro	Issue date	Expected maturity(ii)	Interest rate
PT Finance	Eurobond	1,000,000,000	May-13	2020	4.625%
PT Finance	Eurobond	750,000,000	Oct-12	2018	5.875%
PT SGPS	Retail bond	400,000,000	Jul-12	2016	6.25%
PT Finance	Eurobond	600,000,000	Feb-11	2016	5.625%
PT Finance	Eurobond	750,000,000	Nov-09	2019	5.00%
PT Finance	Fixed rate notes	250,000,000	Jul-09	2017	5.242%
PT Finance	Eurobond	500,000,000	Jun-05	2025	4.50%
PT Finance	Eurobond	500,000,000	Mar-05	2017	4.375%
	Transaction costs(iii)	(18,739,908)			

4,731,260,092

Edgar Filing: FOREST OIL CORP - Form SC 13G

- (i) All PT Finance and PT SGPS issuances were made under the Euro Medium Term Note Programme ("EMTN").
- (ii) Loans are repayable on final maturity except where otherwise indicated.

F-92

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

32. Debt (Continued)

(iii)

This caption corresponds to expenses incurred at the date these bonds were issued, which relate to (i) roundings in defining the coupon rate; and (ii) prepaid commissions. These expenses are recognized in earnings through the life of the bonds.

During the year ended December 31, 2013, PT Finance repaid the Euro 1,000 million Eurobond issued in April 2009, the outstanding consolidated liability of which amounted to Euro 934 million at maturity, and the Euro 50 million floating rate notes issued in August 2008.

As at December 31, 2013, the maximum possible nominal amount of outstanding notes issued under the EMTN Programme established by PT Finance and PT SGPS amounted to Euro 7,500,000,000, of which Euro 4,750,000,000 were outstanding as at December 31, 2013, as detailed above.

The fair value of these bonds was determined based on market information and amounted to Euro 4,964 million as at December 31, 2013.

32.3. Bank loans

As at December 31, 2013, bank loans were denominated in the following currencies:

	31 Dec 2013	
	Currency of the notional	Euro
Euros	1,225,167,822	1,225,167,822
Other currencies		8,133,270
		1,233,301,092

As at 31 December 2013, PT SGPS had a committed standby credit facility amounting to Euro 800 million, maturing in June 2016. PT SGPS also entered into an export credit facility, comprising two committed tranches amounting to Euro 80 million, agreed in 2011, and Euro 100 million, agreed in January 2013.

As at 31 December 2013, external bank loans due include primarily the following financings:

An amount of Euro 400 million used under the above mentioned committed standby facilities and an amount of Euro 69 million used under the export credit facility;

Loans obtained by PT SGPS from the European Investment Bank ("EIB") totalling Euro 527 million, maturing up to 2021, including primarily (1) two loans obtained in 2010 of Euro 100 million each for the purpose of investing in PT SGPS' next generation network, which have an average maturity of approximately 4.2 years, (2) a loan obtained in 2011 amounting to Euro 140 million for the purpose of investing in research and development, which matures in 2019, and (3) a loan secured in 2012 amounting to Euro 100 million in order to finance the investment in next generation network, which also matures in 2019;

A loan obtained by PT Finance in 2010, the outstanding amount of which was Euro 30 million as at 31 December 2013, maturing between 2014 and 2015.

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

32. Debt (Continued)

As at 31 December 2013, domestic bank loans due include primarily the following financings:

2 loans obtained in 2012, totalling Euro 100 million and maturing in 2016;

A loan obtained in 2013, amounting to Euro 70 million and maturing in 2017.

As at 31 December 2013, bank loans of PT SGPS and its group companies bear interest at annual interest rates, equivalent to loans denominated in Euros, which vary between:

	2013
Maximum rate	8.75%
Minimum rate	0.84%

32.4. Liability related to equity swaps on treasury shares

This caption relates to an equity swap contract entered into by PT SGPS over 20,640,000 treasury shares, which was recognized as an effective acquisition of treasury shares, thus implying the recognition of a corresponding financial liability for the respective acquisition cost in the amount of Euro 178,071,827. In December 2011 and 2012, PT SGPS settled the amounts of Euro 84,304,306 and Euro 20,557,440, respectively, following which the outstanding amount due as at 31 December 2013 was Euro 73,210,079.

32.5. Commercial paper

PT SGPS entered into several commercial paper programs, under which it has issued a total amount of Euro 542 million as at 31 December 2013, maturing between January and May 2014. Under these programmes, the Company had available an underwritten amount of Euro 283 million as at December 31, 2013.

32.6. Leasings

Financial lease obligations recorded as at December 31, 2013 relate mainly to satellite capacity and transportation equipment acquired under finance lease contracts. Satellite capacity acquired under finance lease contracts is currently being used by PT Comunicações for the direct-to-home offer of its television service. Transportation equipment under finance lease contracts, under which there are generally purchase options at the end of their term, was acquired by several Group companies and is currently being used in their normal course of business.

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

32. Debt (Continued)

As at December 31, 2013, the carrying amount of assets acquired under finance leases is as follows:

	Gross amount	Accumulated depreciation	Carrying amount
	Euro		
Industrial property and other rights	64,351,403	46,039,175	18,312,228
Transportation equipment	37,708,289	15,909,331	21,798,958
Other	3,028,132	1,609,928	1,418,204
	105,087,824	63,558,434	41,529,390

As at December 31, 2013, the detail of future minimum lease payments related to finance lease contracts is as follows:

	Present value	Finance costs	Total
	Euro		
2014	24,729,526	1,337,594	26,067,120
2015	8,089,872	773,024	8,862,896
2016	3,712,498	606,467	4,318,965
2017	3,366,659	474,332	3,840,991
2018 and following years	8,410,617	377,555	8,788,172
	48,309,172	3,568,972	51,878,144

32.7. Medium and long-term debt

As at 31 December 2013, medium and long-term debt matures as follows:

	Euro
2015	59,760,818
2016	1,541,130,250
2017	855,213,540
2018	866,190,989
2019 and following years	2,556,865,836
	5,879,161,433

32.8. Covenants

As at December 31, 2013, the Company had several covenants related to its indebtedness as follows:

Change in control

The exchangeable bonds, the credit facilities under which the Company had borrowed a total amount of 670 million as at 31 December 2013 and the loans obtained from EIB totalling

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

32. Debt (Continued)

Euro 527 million as at December 31, 2013 establish penalties in the case of any change of control of PT SGPS. According to the terms and conditions of these debt instruments, a change of control would occur if any person or group of persons acting in concert acquires or controls more than 50 per cent of the voting rights, whether obtained by ownership of share capital, holding of voting rights or pursuant to the terms of a shareholders' agreement. In certain cases, gaining the power to appoint or remove all, or the majority, of the directors of the company or to give directions with respect to the operating and financial policies of the company with which the directors or equivalent officers of the company are obliged to comply are also considered a change of control.

The Euro 750 million Eurobonds issued in 2009, the Euro 600 million Eurobond issued in 2011, the Euro 750 million Eurobond issued in 2012 and the Euro 1,000 million Eurobond issued in 2013 establish penalties in the case of any change of control of PT SGPS, as described above, only if simultaneously a rating downgrade to sub-investment grade occurs (in case the securities are investment grade securities) or a rating downgrade occurs (in case the securities are sub-investment grade securities) during the Change of Control Period, as defined under the terms and conditions of these notes.

Credit rating

Certain loan agreements with the EIB, totalling Euro 36 million as at December 31, 2013, the repayment of which is scheduled to 2014, stated that PT SGPS could be asked to present a guarantee acceptable by the EIB if, at any time, the long-term credit rating assigned by the rating agencies to PT SGPS is reduced from the rating assigned by the time the clause was included (BBB by S&P, Baa2 by Moody's and BBB by Fitch).

In 2011, PT SGPS and the EIB have agreed to increase the spread of those loans, with no other consequence, as a result of the revision of PT SGPS' credit rating.

On December 23, 2011, Moody's announced the downgrade of PT SGPS' long-term rating from Baa3 to Ba1. On February 16, 2012, S&P announced its review of the credit rating attributed to PT SGPS, downgrading the long-term rating from BBB- to BB+, and the short-term rating from A-3 to B. Following these developments, PT SGPS has agreed with the EIB to open a cash deposit amounting to a portion of the amount due under the loan agreements that include the credit rating covenant, pledged in favour of the EIB. The amount deposited in this account, which amounted to Euro 28 million as at December 31, 2013, will be reduced as loans are repaid. PT SGPS and the EIB have also agreed that further upgrades or downgrades of the credit rating assigned to the Company will lead to, respectively, decreases or increases in the amount deposited, with no other consequence.

Control/disposal of subsidiaries

Certain credit facilities under which the Company had borrowed a total amount of 640 million as at 31 December 2013 state that PT SGPS must, directly or indirectly, maintain majority ownership and control of each material subsidiary. Material subsidiaries are those companies which total assets are equal or exceed 10% of total consolidated assets or which total revenues are also equal or exceed 10% of total consolidated revenues.

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

32. Debt (Continued)

Disposals of assets

The EIB loans totalling Euro 527 million as at 31 December 2013 include certain restrictions regarding the disposal of assets by PT SGPS.

Financial ratios

Certain credit facilities under which the Company had borrowed a total amount of 670 million as at 31 December 2013 require that the ratio Consolidated Net Debt/EBITDA should not exceed certain values.

Negative Pledge

The Euro Medium Term Notes, the exchangeable bonds, the credit facilities, the loans obtained from the EIB and the commercial paper programmes are subject to negative pledge clauses, which restrict the pledge of security interests in the assets of companies included in the consolidation.

The penalties applicable in the event of non compliance with any of these covenants are generally the early payment of the loans obtained or the termination of available credit facilities. As at 31 December 2013, the Company had fully complied with the covenants mentioned above.

On 2 October 2013, PT SGPS entered into a memorandum of understanding with Oi and certain of PT SGPS' and Oi's shareholders with respect to the business combination between PT SGPS and Oi (Note 1). In connection with the proposed business combination, PT SGPS expects to amend certain of its outstanding debt instruments, including PT SGPS' Euro 400 million notes due 2016 issued under its euro medium term note programme and the Euro 750 million exchangeable bonds due 2014 issued by PT SGPS International Finance BV. The proposed amendments include, among other things:

except for the PT SGPS Retail Notes, the release and discharge of PT SGPS, as keep well provider, from all of its obligations under the applicable keep well agreement and the release and discharge of PT Comunicações, as keep well provider, from all of its obligations under its keep well agreement;

in the case of the PT SGPS Retail Notes, the substitution, in place of PT SGPS, of PT Portugal SGPS S.A. as issuer and principal obligor;

the addition of an unconditional and irrevocable guarantee from Oi;

the waiver of any and all of the events of default and potential events of default (as such terms are defined in the trust deeds of such notes and bonds) that may be triggered by the proposed share capital increase by Oi and/or the proposed business combination between PT SGPS and Oi or any transaction executed as part of, or pursuant to, such capital increase and/or business combination; and

in the case of the exchangeable bonds only, the amendment of the exchange right in order to provide that any holder exercising its exchange right will receive (a) from (and including) the date of the completion of the proposed share capital increase by Oi up to (but excluding) the date of the completion of the proposed business combination between PT SGPS and Oi, a cash amount with reference to the ordinary shares of PT SGPS, and (b) from (and including) the

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

32. Debt (Continued)

date of completion of such proposed business combination, a cash amount with reference to the ordinary shares of Telemar Participações (each calculated in accordance with the modified terms and conditions of such exchangeable bonds) in place of receiving ordinary shares of PT SGPS.

33. Accounts payable

Most of the amounts included under this caption were transferred to Oi on May 5, 2014, under the framework of the capital increase carried out by this entity (Note 1). As at December 31, 2014 and 2013, the detail of accounts payable is as follows:

	31 Dec 2014	31 Dec 2013
	Euro	
Current accounts payable		
Accounts payable-trade	984,563	414,127,644
Fixed asset suppliers		122,303,529
Licenses and concessions		6,000,000
Accounts payable to employees	288	1,586,417
Other(i)	7,976,292	24,252,950
	8,961,143	568,270,540
Non-current accounts payable		
Licenses and concessions		14,840,169
Other		4,629,975
		19,470,144

(i)

As at December 31, 2014, this caption includes an amount of approximately Euro 7.9 million payable to PT Portugal relating to tax received from the state for this entity relating to the municipal surcharge, fiscal benefits and international taxes.

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

34. Accrued expenses

Most of the amounts included under this caption were transferred to Oi on May 5, 2014, under the framework of the capital increase carried out by this entity (Note 1). As at December 31, 2014 and 2013, accrued expenses are as follows:

	31 Dec 2014	31 Dec 2013
	Euro	
Supplies and external services(i)	19,248,143	174,770,992
Vacation pay and bonuses(ii)	4,187,317	100,461,322
Discounts to clients		33,250,083
Interest and other financial expenses		199,176,963
Other	13,824	26,996,759
	23,449,284	534,656,119

(i) This caption mainly relates to financial consultancy and legal advisory fees incurred in the framework of the merger and acquisition between PT SGPS and Oi.

(ii) This caption includes an item for employment obligations to be transferred to PT Portugal in the total amount of Euro 3.6 million.

35. Deferred income

The amounts included under this heading were transferred to Oi on May 5, 2014, under the framework of the capital increase carried out by this entity (Note 1). As at December 31, 2013, deferred income is as follows:

	31 Dec 2013
	Euro
Advance billing:	
Traffic	56,241,191
Other advance billing	32,385,833
Contractual penalties imposed to customers	74,997,684
Customer retention programs	7,906,459
Other	75,253,077
	246,784,244

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

36. Provisions

Most of the amounts included under this caption on December 31, 2013 were transferred to Oi on May 5, 2014, under the framework of the capital increase carried out by this entity (Note 1). As at December 31, 2013 and 2014, the detail of this caption is as follows:

	31 Dec 2014	31 Dec 2013
	Euro	
Provisions for risks and costs		
Litigation	73,500	18,080,105
Taxes (Note 12)	2,358	61,955,874
Other	27,110,319	11,024,940
	27,186,177	91,060,919

In addition to the amounts transferred to Oi on May 5 2014, PT SGPS derecognized provisions for fiscal contingencies in the total amount of approximately Euro 27 million (Note 12), within the framework of an agreement entered into with Oi in which it assumed responsibility for direct payment of all of the contingencies originating before May 5, 2014, either related to PT SGPS's former subsidiaries or directly related to PT SGPS, and as such, any related expenses will not be borne by PT SGPS. Because these provisions were related to income tax, this reversal was recognized as a gain under the "Income tax" caption in the Consolidated Income Statement (Note 12).

As of December 31, 2014, the caption Other, consists mainly of a provision in the amount of Euro 27 million for the financial impact of the Exchange Agreement entered into with Oi.

In addition to the information presented above relating to the change in provisions during the period between January 1 and May 5, 2014, the following notes include more detailed information about claims, legal actions and tax contingencies as of December 31, 2013.

a) Contingencies as of December 31, 2013

As at 31 December 2013, there were several claims, legal actions and tax contingencies against certain subsidiaries of the Group for which the risk of loss is considered probable in accordance with the definitions of IAS 37 *Provisions, Contingent Assets and Contingent Liabilities*. Based on the opinion of its internal and external legal counsels, the Group recorded provisions for those claims, legal actions and tax contingencies to cover its probable future cash outflows, as follows:

	2013
	Euro
Civil claims	11,618,137
Labor claims	2,893,200
Other	3,568,768
Sub-total	18,080,105
Tax	61,955,874
Total	80,035,979

As at December 31, 2013, there were several claims, legal actions and tax contingencies against certain subsidiaries of the Group for which the risk of future cash outflows was considered possible,

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

36. Provisions (Continued)

based on the information provided by its legal counsels, and that therefore are not provided for. The nature of these contingencies is as follows:

	2013
	Euro
Civil claims	71,078,646
Labor claims	982,904
Other	16,496,924
Sub-total	88,558,474
Tax	4,285,758
Total	92,844,232

The following litigation processes relate to the main claims, legal actions and tax contingencies against Portuguese subsidiaries of the Group, some of which the Company considers, based on the opinion of its internal and external legal counsels and in accordance with the definitions of IAS 37, that related losses are remote, which therefore are not included in the amounts disclosed above but are described below due to its materiality.

b) Claims for municipal taxes and fees

Pursuant to a statute enacted on August 1, 1997, as an operator of a basic telecommunications network, PT SGPS was exempt from municipal taxes and rights-of-way and other fees with respect to its network in connection with its obligations under the Concession. The Portuguese Government has advised PT SGPS in the past that this statute confirmed the tax exemption under our Concession and that it will continue to take the necessary actions in order for PT Comunicações to maintain the economic benefits contemplated by the Concession.

Law 5/2004, dated 10 February 2004, established a new rights-of-way regime in Portugal whereby each municipality may establish a fee, up to a maximum of 0.25% of each wireline services bill, to be paid by the customers of those wireline operators which network infra-structures are located in each such municipality. This regime was implemented in 2005 but does not affect the lawsuit described above, based on the former statute. Meanwhile, Decree-Law 123/2009, dated 21 May 2009, clarified that no other tax should be levied by the municipalities in addition to the tax established by Law 5/2004. This interpretation was confirmed by the Supreme Administrative Court of Portugal in several legal actions.

Some municipalities however, continue to persist that the Law 5/2004 does not expressly revoke other taxes that the municipalities wish to establish, because Law 5/2004 is not applicable to the public municipality domain. As of December 31, 2013, there were legal actions with some municipalities regarding this matter.

c) Regulatory Proceedings

PT SGPS Group companies are regularly subject to regulatory inquiries and investigations involving their operations. In addition, ANACOM (the telecoms regulator), the European Commission, and the Autoridade da Concorrência (the Portuguese competition authority) regularly make inquiries and conduct investigations concerning compliance with applicable laws and regulations. Current

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

36. Provisions (Continued)

inquires and investigations include several investigations by Autoridade da Concorrência related to PT Comunicações and Meo, S.A. for alleged anti-competitive practices in the Digital Terrestrial Television and public mobile telephone markets, respectively. PT SGPS considers that Group companies have consistently followed a policy of compliance with all relevant laws. The Group continually reviewed commercial offers in order to reduce the risk of competition law infringement. However, if group companies were found to be in violation of applicable laws and regulations in these or other regulatory inquiries and investigations, they could become subject to penalties, fines, damages or other sanctions. It is however permitted under Portuguese law to appeal any adverse decision to the Courts.

On 19 January 2011, the European Commission opened an investigation into an agreement between Telefónica and PT SGPS allegedly not to compete on the Iberian telecommunications markets. In October 2011, PT SGPS was notified of a Statement of Objections sent by the European Commission to PT SGPS and Telefonica on this matter, which only covered the alleged cooperation between the two companies after the Vivo transaction. In response to the Statement of Objections, PT SGPS contested the alleged by the European Commission. In January 2013, the European Commission adopted a decision condemning the Company, together with Telefónica, S.A., for infringement of article 101 of the TFEU, with reference to the alleged non-compete commitment with impact in the Iberian market included in the agreement of 28 July 2010 concerning the acquisition by Telefónica of PT SGPS's stake in Brazilian operator Vivo. Under this decision, PT SGPS was fined by an amount of Euro 12,290,000. As of December 31, 2013, the Company concluded that the fine was unjustified and inappropriate to any eventual unworthiness of its conduct and accordingly brought an action for annulment before the Court of Justice of the European Union and did not record any provision for this matter.

d) Other Legal Proceedings

In March 2004, TV TEL Grande Porto Comunicações, S.A. ("TV TEL"), a telecommunications company based in Oporto, filed a claim against PT Comunicações in the Lisbon Judicial Court. TV TEL alleged that, since 2001, PT Comunicações has unlawfully restricted and/or refused access to its telecommunication ducts in Oporto, thereby undermining and delaying the installation and development of TV TEL's telecommunications network. TV TEL alleges that PT Comunicações intended to favor both itself and CATVP TV Cabo Portugal, S.A, subsidiary of PT-Multimédia and at the time a direct competitor of TV TEL. TV TEL is claiming an amount of approximately Euro 15 million from PT SGPS for damages and losses allegedly caused and yet to be sustained by that company as a result of the delay in the installation of its telecommunications network in Oporto. In addition, TV TEL has demanded that PT Comunicações be required to give full access to its ducts in Oporto. PT Comunicações submitted its defence to these claims in June 2004, stating that (1) TV TEL did not have a general right to install its network in PT Comunicações's ducts, (2) all of TV TEL's requests were lawfully and timely responded to by PT Comunicações according to its general infra-structure management policy, and (3) TV TEL's claims for damages and losses were not factually sustainable. On February 2013, the court decided a compensation related to increased costs of financing incurred and a value regarding loss of clients to be liquidated by TV TEL. Both parties have appealed.

In March 2011, Optimus Comunicações S.A. ("Optimus") filed a claim against PT SGPS in the Judicial Court of Lisbon for the payment of approximately Euro 11 million and, in October 2011, Onitecom Infocomunicações, S.A ("Oni") filed a claim against PT SGPS in the same court for the

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

36. Provisions (Continued)

payment of approximately Euro 1.5 million, both related to a proceeding of the Autoridade da Concorrência that terminated in 2011 for prescription reasons, in relation to which Autoridade da Concorrência had imposed a fine to PT SGPS of approximately Euro 45 million. Optimus and Oni sustained their position by arguing that they suffered losses and damages as a result of PT SGPS' conduct. In the Optimus action, the Company was waiting for the schedule of the trial, while regarding the Oni legal action, PT SGPS was acquitted due to prescription reasons.

e) Tax contingencies

There are some tax claims against certain Portuguese subsidiaries of the Group which relate primarily to the deductibility of certain financial costs incurred between 2004 and 2010 (Euro 233 million as of December 31, 2013) and of a capital loss occurred in 2006 following the liquidation of a subsidiary (Euro 65 million as of December 31, 2013). PT SGPS had already received tax assessments regarding these matters for all the years mentioned above and had presented bank guarantees to the tax authorities for the years 2005 to 2009 totalling Euro 317 million as of December 31, 2013. As of December 31, 2013, PT SGPS strongly disagreed with these assessments and based on the opinion of its tax advisors, considered that there were solid arguments to oppose the position of the tax authorities, and therefore, did not consider the losses related to these tax contingencies as either probable or possible.

37. Other current and non-current liabilities

Most of the amounts included under this caption were transferred to Oi on May 5, 2014, under the framework of the capital increase carried out by this entity (Note 1). As at December 31, 2014 and 2013, the detail of this caption as follows:

	31 Dec 2014	31 Dec 2013
	Euro	
Other current liabilities		
Dividends payable(i)	856,549	13,980,981
	856,549	13,980,981
Other non-current liabilities		
Assets retirement obligation		18,366,291
Other		5,040,232
		23,406,523

(i)

As at December 31, 2014, this caption relates to the dividends from previous years payable to PT SGPS shareholders whose holdings of shares were not identified at the time of payment. As at December 31, 2013, this caption also includes dividends payable to non-controlling shareholders of the international operations that were excluded from consolidation from May 5, 2014, within the framework of the Oi capital increase (Note 1).

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

38. Shareholders' Equity**38.1 Share capital**

As at December 31, 2014, and 2013 the share capital of PT SGPS, which is fully subscribed and paid in, amounted to Euro 26,895,375 represented by 896,512,500 shares, with a nominal value of three Euro cents each and distributed as follows:

896,512,000 common shares; and

500 Category A shares.

At the PT SGPS Annual General Meeting held on July 26, 2011, an amendment was approved to the Company's articles of association to remove the special rights allocated to the 500 Category A shares (designated by "golden share"). As a consequence of this approval, these shares grant no special rights.

38.2 Treasury shares

As at December 31, 2014 and 2013, the detail of this caption as follows:

	2014	2013
	Euro	
Shares held by PT SGPS	178,071,827	178,071,827
Shares held by Oi		159,449,089
	178,071,827	337,520,916

In the past, PT SGPS entered into *equity swap* contracts on 20,640,000 treasury shares which were recognized as an effective acquisition of treasury shares, thus implying the recognition of the financial liability for the corresponding acquisition cost. In 2014, as mentioned in Note 32, PT SGPS executed the physical exercise of these contracts, under which PT SGPS directly held these 20,640,000 treasury shares in portfolio as at December 31, 2014, while as at December 31, 2013, these shares were indirectly held through *equity swap* contracts.

Under the strategic partnership between PT SGPS and Oi, under which it was envisaged that Oi would acquire up to 10% of the outstanding shares of PT SGPS, Oi acquired 89,651,205 shares of PT SGPS up to December 31, 2012, representing 10.0% of the share capital. PT SGPS's share in this investment was classified as treasury shares in the Consolidated Statement of Financial Position and amounted to Euro 159,449,089 as at December 31, 2013. On May 5, 2014, under the Oi capital increase, PT SGPS derecognized these treasury shares held indirectly through the investment in Oi.

38.3. Legal reserve

Commercial law and PT SGPS's articles of association provide that at least 5% of the net annual income must be appropriated to strengthen the legal reserve until this reserve represents 20% of the share capital. This reserve is not available for distribution to shareholders unless on company liquidation, but may be used to absorb losses, once all other reserves have been exhausted, or for incorporation in the capital. As at December 31, 2014 and 2013, the legal reserve was Euro 6,773,139 and was already fully incorporated, corresponding to more than 20% of the share capital.

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

38. Shareholders' Equity (Continued)

38.4. Reserve for treasury shares

The reserve for treasury shares relates to the recognition of a non-distributable reserve equivalent to the nominal value of the canceled shares or to the acquisition cost of treasury shares held by PT SGPS. This reserve has the same legal regime as the legal reserve. As at December 31, 2014 and 2013, this reserve relates to shares canceled on December 20, 2007, on March 24, 2008, and on December 10, 2008, in the amount of Euro 6,970,320. In 2014, this caption also includes reserves in the amount of Euro 178,071,827 relating to the acquisition cost of the 20,640,000 treasury shares directly held in portfolio (Note 38.2).

38.5. Revaluation reserve and other reserves and accumulated earnings

As at December 31, 2014 and 2013, the detail of this caption as follows:

	2014	2013
	Euro	
Retained earnings	2,708,602,279	2,732,172,798
Net (loss) income	(302,790,437)	330,980,955
Free reserves	105,209,244	105,209,244
Actuarial losses(i)		(522,002,120)
Revaluation reserve(i)		558,619,470
Cumulative foreign currency translation adjustments(ii)	(960,498,126)	(1,159,428,931)
Income and expenses recognized directly in equity(iii)	(438,660,791)	(107,349,957)
	1,111,862,169	1,938,201,459

(i) These captions were related to discontinued operations that were transferred to Oi on May 5, 2014, for which the respective balance on that date was transferred to retained earnings.

(ii) The change in this caption reflect (1) The adjustments of the exchange rate applied to investments in Oi and its controlling shareholders in 2014 and the exchange rate adjustments related to international operations, from January 1 until April 30, 2014, which were transferred to Oi under the capital increase on May 5, 2014, in the total amount of Euro 160 million, and (2) the accumulated exchange rate adjustments related to discontinued activities in the amount of Euro 39 million, which was transferred to the net income on the date of contribution of the same to the Oi capital increase carried out on May 5, 2014 (Note 1).

(iii) This caption relates to the accumulated amount of net losses recorded directly in shareholder's equity from March 2011 to December 31, 2014, under the application of the equity method to the Oi investment and to its controlling shareholders. The increase that occurred in 2014 is related to losses directly recorded by Oi against equity as explained in the Consolidated Statement of Comprehensive Income. On May 5, 2014, the Company transferred to accumulated earnings the losses related to subsidiaries that were transferred to Oi under the capital increase (Note 1).

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

39. Guarantees and financial commitments

As at December 31, 2014 and 2013, the Company had presented the following guarantees and comfort letters to third parties:

	2014	2013
	Euro	
Bank and other guarantees presented to tax authorities and other public entities(i)	384,314,678	329,492,097
Bank guarantees presented by PT SGPS to European Commission(ii)	12,843,050	
Bank guarantees presented by PT SGPS to EIB(iii)		491,428,571
Bank and other guarantees presented to other entities by:		
Meo, S.A.(iv)		26,023,980
PT Comunicações(v)		21,153,349
Other companies		21,331,535
Total	397,157,728	889,429,532

- (i) The bank and other guarantees presented to the tax authorities include essentially Euro 378 million related to tax assessments regarding PT SGPS. The Company presented legal challenges to these assessments and, in accordance with Portuguese law, provided collateral in order to avoid the initiation of enforcement proceedings, which, in the absence of guarantee or payment of the contested tax, would continue until the request of a pledge of sufficient assets to cover the request tax. Portuguese law, while always allowing for the appeal of taxes liquidated by the tax authorities, only suspends enforcement proceedings upon payment of the tax or the provision of a guarantee. Providing a guarantee of security thereby avoids the payment of tax before the appeal decision or attachment of assets in enforcement proceedings. These guarantees were presented by PT SGPS as a controlling company of the consolidated tax in the years in question, even though as at December 31, 2014, the contingencies associated to these guarantees are not the Company's responsibility, having been transferred to Oi (Note 36).
- (ii) As at December 31, 2014, these bank guarantees were presented to the European Commission under an alleged infringement of article 101 of the TFEU, with reference to the alleged non-competition commitment in the Iberian market between PT SGPS and Telefónica (Note 36).
- (iii) These bank guarantees were presented by PT SGPS to the European Investment Bank in connection with loans obtained from this bank.
- (i) Bank guarantees given on behalf of Meo, S.A. include primarily a bank guarantee presented to Anacom amounting to Euro 24 million related to the total instalments due under the acquisition of the LTE license completed in December 2011.
- (iv) Bank guarantees given on behalf of PT Comunicações were presented essentially to the following entities: (1) Municipal Authorities, which relate mainly to the payment of taxes and other fees in connection with PT SGPS's use of public rights-of-way; and (2) Anacom, which relate mainly to an open contest for granting the right of use national frequencies for the television service.

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

39. Guarantees and financial commitments (Continued)

Under the agreements entered into with Oi, Oi has to replace the bank guarantees provided by PT SGPS to the Tax Authority and to the European Commission for guarantees provided by Oi. Where this replacement is not possible due to requirements of the counterparty, Oi has undertaken to provide equivalent guarantees in favor of PT SGPS.

40. Consolidated Statement of Cash-flows

(a) Short-term investments

These captions primarily include receipts from matured short-term investments and payments relating to new short-term investments. The net cash receipts for the financial year of 2014, were Euro 186,373,080, compared to net payments of Euro 74,416,927 for the 2013 financial year and Euro 36,672,629 for the 2012 financial year. During 2014, net receipts essentially concern the settlement of investments made by Bratel Brasil until May 5, 2014, the date on which this entity used the amounts obtained from the majority of these investments, together with the amount obtained from a capital increase carried out by Bratel BV, to subscribe to a portion of the convertible bonds issued by specific companies that directly or indirectly control AG and LF, as mentioned in Note 1.

(b) Dividends received

During the 2014 and 2013 financial years, this caption shows the respective dividends received from Contax, in the amount of Euro 514,654, and from Oi, in the amount of Euro 86,439,663. In 2012, this caption includes mainly dividends received from Oi in the amount of 185,120,347.

(c) Payments regarding financial investments

This caption relates to the total amount of R\$4,788 million (Euro 1,555 million) that Bratel Brasil and PTB2 used to subscribe to convertible bonds issued by specific entities that directly or indirectly control AG and LF, an amount which was ultimately used to reimburse AG and LF's debt and to subscribe to convertible bonds issued by TmarPart, which in turn also used the resulting resources to reimburse its debt, as explained in greater detail in Notes 1 and 25.

(d) Payments relating to loans obtained

During the 2014 financial year, the payments relating to loans obtained, in the amount of Euro 73,246,846, essentially reflect the reimbursement of the liability relating to *equity swap* contracts, in the amount of Euro 73,210,079 (Note 32), and payments associated to financial lease contracts. In 2012 financial year, payments related to loans repaid amounting to Euro 20,865,770, include mainly Euro 20,557,440 corresponding to partial repayment of the liability relating to equity swap contracts.

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

40. Consolidated Statement of Cash-flows (Continued)

(e) Cash and cash equivalents at the end of the financial year

As at December 31, 2014, 2013 and 2012, the detail of this caption is as follows:

	31 Dec 2014	31 Dec 2013	31 Dec 2012
	Euro		
Cash	6,003	10,526,405	33,316,183
Demand deposits	13,619,441	94,713,210	110,336,145
Time deposits	93,000,000	1,455,485,775	1,750,335,469
Other bank deposits	2,886,156	98,225,124	94,809,341
	109,511,599	1,658,950,514	1,988,797,138

41. Related parties (IAS 24)

a) Associated and jointly-controlled companies

PT SGPS maintained an influence on the companies below until the capital increase in Oi on May 5, 2014, when it contributed its 100% holding in PT Portugal's share capital, including the indirect investments in these associated companies. Consequently, as PT SGPS no longer has a direct holding in these associated companies as at December 31, 2014, the tables below show the balances as at December 31, 2013, between PT SGPS and its associated companies and joint ventures, and the transactions between PT SGPS and these same entities that occurred during the four months ending April 30, 2014, before the Oi capital increase, and during the 2013 and 2012 financial years:

Company	Accounts receivable		Accounts payable		Loans granted	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
	Euro					
Joint ventures(ii)	114,903	4,685,059	7,874,531	24,796		
International companies:						
Unitel		238,241,859		2,638,599		
Multitel		6,265,431		229,884		915,058
CTM						
Other		646,420				
Domestic companies:						
Páginas Amarelas(i)		173,050		1,325,856		
PT-ACS		3,372,065		3,103,827		
Fundação PT		341,983				
Sportinveste						
Multimédia		56,864		226,993		32,282,861
Siresp		28,024		5,860		1,260,909
Other		410,491		1,129,313		2,392,443
	114,903	254,221,246	7,874,531	8,685,128		36,851,271

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

41. Related parties (IAS 24) (Continued)

Company	2014	Costs		Revenues			Interest and other financial costs net			
		2013	2012	2014	2013	2012	2014	2013	2012	
					Euro					
Joint ventures(ii)	4,307,970	174,684	723,621	4,246,651	10,226,830	1,986,285	41,060,379			
International companies:										
Unitel	2,579,292	6,656,346	6,204,614	4,542,112	13,793,167	12,126,525				
Multitel	62,348	454,120	289,008	476,471	1,745,267	2,308,074				
CTM(i)		74,739	64,517		88,654	292,401				
Other		223				1,943				
Domestic companies:										
Páginas										
Amarelas(i)		21,179,202	26,880,377		2,754,786	2,210,809			1,560	
PT-ACS	3,910,991	6,495,377	7,110,178		2,826,715	1,767,278				
Sportinveste										
Multimédia	143,441	908,541	897,931	58,727	172,728	167,605	10,798	32,820	52,216	
Siresp				6,490,862	15,397,196	14,274,932	16,738	58,095	107,634	
Other	229,763	724,985	735,207	1,297,778	4,354,399	4,188,132	40,057	124,809	62,679	
	11,233,805	36,668,217	42,905,453	17,112,601	51,359,742	39,323,984	41,127,972	215,724	224,089	

(i) The Páginas Amarelas and CTM investments were sold in January 2014 and June 2013, respectively.

(ii) The jointly controlled entities include the former subsidiaries of PT Portugal delivered to Oi in the capital increase.

Although the companies were not associates on December 31, 2014 and PT SGPS did not have significant influence on these entities at that time, the above entities (except the investments in Páginas Amarelas and CTM) continued to be Oi investments on December 31, 2014.

b) Others

For the financial years ended December 31, 2014 and 2013, fixed remuneration of Board members, which were established by the Remuneration Committee, amounted to Euro 5.02 million and Euro 5.52 million respectively.

Under the terms of the remuneration policy established by the Remuneration Committee, the executive Board members are entitled to receive a variable remuneration depending on performance achieved, 50% of which must be paid the following year and the remaining 50% must be paid three years later if certain performance measures are met. PT SGPS annually recognizes the costs for this variable compensation.

For the financial year ended December 31, 2014, the annual variable compensation for the year 2013 paid to 7 Board members totaled Euro 1.74 million. For the year ended December 31, 2013, the variable compensation related to 2012 paid to executive Board members amounted to Euro 2.2 million. Additionally, in the year 2014, in accordance with established policy for executive directors, PT SGPS paid an amount of Euro 4.89 million to current and former executive Board members for the variable remunerations of 2010 and the associated bonus in respect of the Vivo sale. Additionally, within the scope of the termination of executive functions, Euro 2.68 million were paid, which includes an amount relating to deferred bonuses of previous years.

Edgar Filing: FOREST OIL CORP - Form SC 13G

Under the strategic partnership agreement signed with Oi and Contax, four Board members of PT SGPS (five in 2013) carried out executive roles in these companies (jointly controlled entities of the Company) and received in 2014 and 2013 total fixed compensation in the amount of R\$0.72 million

F-109

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

41. Related parties (IAS 24) (Continued)

(Euro 0.2 million) and R\$1.02 million (Euro 0.4 million), respectively, which was established by the competent corporate bodies, according to local legislation.

In addition to the above remuneration, Board members are entitled to fringe benefits that are primarily used in carrying out their daily functions.

For the year ended December 31, 2014, PT SGPS key employees received fixed and variable remuneration amounting to Euro 1.2 million and Euro 0.3 million, respectively. For the year ended December 31, 2013, PT SGPS key employees received fixed and variable remuneration amounting to Euro 4.4 million and Euro 2.2 million respectively.

On December 31, 2014, there was no share based payment program or termination benefit in place and PT SGPS did not have any outstanding balances with board members or key employees.

For the year ended December 31, 2014, the fees paid to the Statutory Auditor of PT SGPS amounted to Euro 0.26 million, corresponding to audit fees with respect to PT SGPS.

42. Shareholders with Qualified Holdings

The Company considers that it is relevant to disclose outstanding balances and transactions with its main shareholders, notably those with a qualified holding of more than 2% in PT SGPS's share capital and with all the entities reported by these shareholders as being part of the respective economic groups. The tables below present the balances as at December 31, 2014 and 2013, and the transactions that took place in the financial years 2014, 2013 and 2012, between the PT SGPS Group and these entities that are identified as shareholders with qualified holding and respective economic groups:

Shareholder	31 Dec 2014				31 Dec 2013		
	Cash equivalents	Accounts payable	Accounts receivable	Accounts payable	Cash equivalents(i)	Short-term investments	Loans and financings(iii)
	Euro						
Novo Banco, S.A.(iv)	371,430	5,755,946					
Grupo BES(iv)			1,428,622		1,402,888,437	(ii)	14,517,265
Morgan Stanley		3,250,000					
Visabeira			34,768,339	20,322,411			
Controlinveste			463,937	8,545,056			
RS Holding			268,962	389,724			
	371,430	9,005,946	36,929,860	29,257,191	1,402,888,437		14,517,265

(i) As at December 31, 2013, cash equivalents include mainly term deposits at Banco Espírito Santo and at Banco Espírito Santo Investimento.

(ii) Additionally, as at December 31, 2013, this balance also comprised Euro 750 million of debt instruments issued by Espírito Santo International (Note 17), subscribed through BES, which were reimbursed in February 2014 and the received amounts reinvested in debt notes issued by Rioforte, as described below and in Note 1 for a total amount of 897 million euros, which were transferred to Oi on May 5, 2014.

(iii)

In addition to the amount included in this caption, PT SGPS issued a commercial paper in the amount of Euro 200 million in which Banco Espírito Santo acted as commercial paper transfer agent.

F-110

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

42. Shareholders with Qualified Holdings (Continued)

- (iv) From August 3, 2014, onwards the qualified holding of PT SGPS previously held or imputed to Banco Espírito Santo, S.A., is held by Novo Banco, S.A.

Shareholder	2014(i)			2013			2012		
	Revenues and gains	Costs and losses	Net interest income	Revenues and gains	Costs and losses	Net interest income	Revenues and gains	Costs and losses	Net interest income
Euro									
Novo Banco, S.A.(ii)		570,311							
Grupo BES(ii)	4,667,477	13,065,743	13,772,609	15,631,326	14,769,075	39,046,876	17,870,791	15,664,367	70,190,599
Morgan Stanley		3,250,000							
Caixa Geral de Depósitos(iii)							23,172,156	8,295,881	5,411,300
Visabeira	2,245,730	22,608,561		11,290,365	79,668,692		11,734,060	103,160,858	
Controlinveste	712,744	19,898,270		2,469,041	47,360,248		2,670,350	52,691,602	
RS Holding	143,861	1,228,160		507,475	2,930,813		857,306	3,895,190	
Barclays(iii)							472,382	2,181	(10,104,063)
UBS			(15,000)	39		(45,000)	39	39,237	(45,000)
	7,769,812	60,621,045	13,757,609	29,898,246	144,728,828	39,001,876	56,777,084	183,749,316	65,452,836

- (i) As referred to above, this caption reflects mainly the transactions occurred up to 5 May 2014, since as from that date PT SGPS no longer controls the entities that were contributed to the Oi share capital increase and that were responsible for the majority of the transactions with shareholders.
- (ii) From August 3, 2014 onwards, the qualified holding of PT SGPS previously held or imputed to Banco Espírito Santo, S.A., is held by Novo Banco, S.A.
- (iii) In 2014 and 2013, Caixa Geral de Depósitos and Barclays does not have a qualified interest above 2% in PT SGPS

During February 2014, certain companies, then part of the PT SGPS Group, subscribed for short-term securities (between 50 and 70 days) issued by Rioforte, in the total amount of Euro 897 million. These securities matured during April 2014, whereby the interest due on such maturity dates was received in full at that time, and the principal amount was re-invested in the Rioforte Investments, with the following characteristics:

- a) On April 15, 2014, PT Finance subscribed to Euro 647 million in notes ("Notes"), which matured on July 15, 2014. The terms and conditions of this transaction define the Notes as unsecured and unsubordinated debt, pari passu in terms of payment with the issuer's other unsecured and unsubordinated indebtedness. The defined yield was 3.75% per annum (Current Base/360). The designated jurisdiction for any dispute is Luxembourg;
- b) On April 15, 2014, PT SGPS subscribed to Euro 200 million in notes ("Notes"), which matured on July 15, 2014. On May 5, 2014, the Notes were transferred to PT Portugal as part of the process of transferring all assets and liabilities directly held by PT to PT Portugal for the purpose of the latter's contribution in the Oi Capital Increase. These issuances were made through a private placement under the prospectus prepared by the issuer and dated December 21, 2012, entitled "Eur 1,000,000,000 Euro Medium Term Note Programme," which was approved by the Luxembourg Commission de Surveillance du Secteur Financier. The terms and conditions of this operation defined the notes as "Senior" unsecured and

Edgar Filing: FOREST OIL CORP - Form SC 13G

unsubordinated debt, pari passu in terms of payment with the issuer's other unsecured and unsubordinated indebtedness. The defined yield was 3% per annum (Current Base/360). The designated jurisdiction appointed for any dispute is Luxembourg; and

c)

On April 17, 2014, PT Finance subscribed to Euro 50 million in notes ("Notes"), which matured on July 17, 2014. This issuance was made through a private placement under the

F-111

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

42. Shareholders with Qualified Holdings (Continued)

prospectus prepared by the issuer and dated September 21, 2012, entitled "Eur 1,000,000,000 Euro Medium Term Note Programme," which was approved by the Luxembourg Commission de Surveillance du Secteur Financier. The terms and conditions of this transaction defined the notes as "Senior" unsecured and unsubordinated debt, pari passu in terms of payment with the issuer's other unsecured and unsubordinated indebtedness. The defined yield was 3.75% per annum (Current Base/360). The designated jurisdiction for any dispute is Luxembourg.

These debt instruments were contributed by PT SGPS for Capital Increase of Oi, and reached their maturity on July 15 and 17, 2014, without having been settled by the issuer. The Introduction to the Notes to the Consolidated Financial Statements describe the issues relative to these instruments, as well as the Exchange Agreements entered into with Oi for the exchange of these debt instruments for shares underwritten by PT in the Capital Increase of Oi.

43. Financial Instruments

43.1. Financial Risks

PT SGPS is exposed basically to (i) market risks related with changes in currency exchange rates and interest rates, (ii) credit risks and (iii) liquidity risks. The main objective of risk management at PT SGPS is to reduce these risks to an acceptable level.

43.1.1. Currency exchange risks

Currency exchange risks are essentially related with PT SGPS investments in Brazil. On December 31, 2014 and 2013, net exposure (assets minus liabilities, net of non-controlling interests) in Brazil amounted to R\$3,983 million (Euro 1,237 million) and R\$9,013 million (Euro 2,767 million), respectively. Risks relative to Company investments in operations abroad basically concern joint venture investments (Note 25). PT SGPS does not have any contracted derivative instrument to hedge currency exchange risk associated with investments in foreign companies.

The effect on PT SGPS's equity resulting from hypothetical changes in risk variables relevant is the impact of the valuation (devaluation) of the Real against the Euro in 0.1 from 3.22 to 3.12 (3.32), would be an increase (decrease) in net assets on December 31, 2014, of approximately Euro 40 million (Euro 37 million), corresponding to adjustments in currency exchange conversion for investments in Brazil.

43.1.2. Interest rate risk

On December 31, 2013, PT SGPS was exposed to interest rate risks essentially associated with interest on and resulting from debt and financial applications at variable interest rates. PT SGPS was essentially exposed to such risks in the Eurozone, and therefore, the consolidated debt of the Group was basically exposed to the Euribor rate.

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

43. Financial Instruments (Continued)

43.1.3. Credit risk

Credit risk is essentially associated with the risk of a counterpart defaulting on contractual obligations, resulting in financial loss to the Group. PT SGPS is essentially subject to credit risk in its operational and investing activities.

Criteria used to calculate receivable adjustments are based on recoverability analysis of receivables on a regular basis.

On December 31, 2014, the receivables balance was not considered as significant.

Risks associated with investing activities essentially result from investments made by the Group in cash investments. As mentioned before, in order to mitigate this risk, PT SGPS put into place an investment diversification policy as from July 2014, so that an investment in a financial institution is not greater than 34% of the total treasury applications. Thus, the purpose of this policy is to ensure that amounts are invested for short time periods in diversifying and reputable financial institutions.

During the year ended December 31, 2013 and the period between January 1 and May 5, 2014, there was a concentration of deposits and investments in the BES Group, including debt securities issued by Espirito Santo International as of December 31, 2013 and, subsequently, debt securities issued by Rio Forte , as described in Notes 1 and 42.

43.1.4. Liquidity risk

This risk may occur if funding sources, such as available cash, operating cash flows, cash flows obtained from divestment activities and lines of credit and financing operations, do not meet the existing needs, namely cash outflows for operating, investing and financing activities, including shareholder remuneration and debt repayment.

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

43. Financial Instruments (Continued)

43.2. Other disclosures about financial instruments

On December 31, 2014 and 2013, the carrying value of each category of financial assets and liabilities, as defined by IAS 39, was as follows (in millions of euros):

Caption	Fair value hierarchy(i)	31 Dec 2014		31 Dec 2013	
		Carrying value	Fair value	Carrying value	Fair value
Euro million					
Financial assets carried at amortised cost:					
Cash and cash equivalents (Note 40.e)		109.5	109.5	1,659.0	1,659.0
Short-term investments				914.1	914.1
Accounts receivable trade(ii)				763.1	763.1
Accounts receivable other(ii)		0.1	0.1	407.5	407.5
Investments in group companies loans granted				5.4	5.4
		109.6	109.6	3,749.2	3,749.2
Financial liabilities carried at amortised cost:					
Debt exchangeable bonds(iii)	Level 1			743.0	763.4
Debt bonds(iii)	Level 1			4,731.3	4,964.2
Debt bank loans(iv)	Level 2			1,233.3	1,238.7
Debt equity swaps on treasury shares(v)	Level 2			73.2	(8.3)
Debt other loans(vi)				542.0	542.0
Accounts payable (Note 33)(ii)		9.0	9.0	587.7	587.7
Accrued expenses (Note 34)(ii)		23.4	23.4	534.7	534.7
Other current liabilities		0.9	0.9	14.0	14.0
Other non-current liabilities				5.0	5.0
		33.3	33.3	8,464.2	8,641.4
Financial liabilities recorded according to IAS 17					
Debt finance leases (Note 32)		0.1	0.1	48.3	48.3
		0.1	0.1	48.3	48.3

(i)

IFRS7 Financial Instruments requires that the fair value of financial assets and liabilities must be based on assumptions that participants in the market would consider when evaluating an asset or liability and determine a hierarchy that would give priority to information used to make those assumptions, especially in a fair value measurement hierarchy. Such hierarchy assigns greater weight to available information in the market (observational data) and less weight to information based on non-observational data, from Level 1 to Level 3, respectively. In 2013, there were not significant transfers between the levels of the fair value hierarchy.

(ii)

Accounts receivable, accounts payable and accrued expenses have generally short-term maturities and therefore their fair values is considered to be similar to the respective carrying amounts. There is however some non-current receivables and payables that are recorded at present value and for

Portugal Telecom, SGPS, S.A.

Notes to the Consolidated Financial Statements on December 31, 2014 (Continued)

(Amounts expressed in euro unless otherwise indicated)

43. Financial Instruments (Continued)

which there is no active market, as a result of which the fair values were deemed similar to the carrying amounts.

- (iii) Fair value of convertible bonds and non-convertible bonds was obtained based on quoted prices in active markets.
- (iv) Fair value of bank loans was determined based on a discounted cash flow methodology using inputs that are observable in the market.
- (v) The fair value of the financial instrument associated with the liability related to equity swap on treasury shares was determined based on the difference between the exercise price of these equity swaps and PT SGPS's stock price as of that date, including the interest effect.
- (vi) Other loans include mainly amounts due under commercial paper programmes, the maturity of which is lower than 3 months. For these reasons, the fair value of these instruments was assumed to be similar to the corresponding carrying values.

44. Subsequent events

As explained in greater detail in Note 1, on March 4, 2015, the CVM approved the execution of the Exchange Agreement and the Call Option entered into between the Company and Oi, PT Portugal and PT Finance, which were later approved at the Oi Annual General Meeting on March 26, 2015. The Exchange Agreement was executed into on March 30, 2015, and under which PT SGPS from that date came to hold the debt securities issued by Rio Forte, with a nominal value of Euro 897 million, reducing its direct and effective holding in Oi from 35.8% to 22.8% and from 39.7% to 27.5%, respectively. On March 31, 2015, PT SGPS's Board of Directors concluded negotiations with the remaining significant shareholders of Oi for a new agreement between the parties in relation to Oi's corporate structure and governance model, the main characteristics of which are described in Note 1.

Below are stock price variations of Oi between December 31, 2014, and March 31, 2015:

	2014	2015
	31.12	31.03
	Price per share	
Oi ON share price (Reais)	9.15	5.14
Oi PN share price (Reais)	8.61	5.13
Real/Euro foreign exchange rate	3.2207	3.4958
Oi ON share price (Euro)	2.84	1.47
Oi PN share price (Euro)	2.67	1.47

F-115

Table of Contents

EXHIBITS

<u>A Perimeter on December 31, 2014</u>	<u>F-117</u>
<u>B Perimeter on December 31, 2013</u>	<u>F-118</u>
<u>I. <u>Subsidiary companies</u></u>	<u>F-118</u>
<u>II. <u>Associated companies</u></u>	<u>F-121</u>

F-116

Edgar Filing: FOREST OIL CORP - Form SC 13G

A Perimeter on December 31, 2014

Company	Notes	Head office	Tipo de empresa	Type of Company Activity	Direct	PERCENTAGE OF OWNERSHIP	
						Dec14	Dec13
Bratel BV		Amsterdam	Subsidiaries	Management of investments	PT SGPS (100%)	100.0%	100.0%
Bratel Brasil, SA		São Paulo	Subsidiaries	Management of investments	Bratel BV (100%)	100.0%	100.0%
PTB2 S.A.	(a)	São Paulo	Subsidiaries	Management of investments	Bratel BV (100%)	100.0%	100.0%
Marnaz Holdings S.A.		São Paulo	Subsidiaries	Management of investments	Bratel BV (100%)	100.0%	
Sayed RJ Participações, S.A.		Brazil	Jointly controlled entities	Management of investments	PTB2 (65%)	65.0%	
Venus RJ Participações, S.A.		Brazil	Jointly controlled entities	Management of investments	PTB2 (65%)	65.0%	
PASA Participações, S.A.		Brazil	Jointly controlled entities	Management of investments	Bratel Brasil, SA (57.5%); Venus (42.5%)	85.1%	35.0%
EDSP75 Participações, S.A.		Brazil	Jointly controlled entities	Management of investments	Bratel Brasil, SA (57.5%); Sayed (42.5%)	85.1%	35.0%
AG Telecom Participações, S.A.		Brazil	Jointly controlled entities	Management of investments	PASA Participações, SA (57.5%)	57.5%	35.0%
LF Tel, S.A.		Brazil	Jointly controlled entities	Management of investments	EDSP75 Participações, SA (57.5%)	57.5%	35.0%
Telemar Participações, S.A.		Brazil	Jointly controlled entities	Management of investments	Bratel Brasil, SA (5%); AG Telecom Participações, SA (37.2%); LF Tel, SA (37.2%)	68.4%	25.6%
Oi, S.A.		Brazil	Jointly controlled entities	Provider of telecommunication services in Brazil	PT SGPS (32,8%); Bratel Brasil, SA (3,0%); Telemar Participações (3,7%); AG Telecom	39.7%	23.2%
Contax, S.A.		Brazil	Jointly controlled entities	Call center services			21.1%
CTX Participações, S.A.		Brazil	Jointly controlled entities	Management of investments			44.4%
Ericsson Inovação S.A.		Brazil	Jointly controlled entities	Development and licensing of customizable computer programs			49.0%

(a) This company was formerly Istres Holdings S.A.

B Perimeter on December 31, 2013**I. Subsidiary companies****Subsidiaries in Portugal**

Company	Notes	Head office	Activity	PERCENTAGE OF OWNERSHIP Dec13 Effective
PT SGPS (Empresa-mãe)	Note 1	Lisbon	Holding company.	
Directel Listas Telefónicas Internacionais, Lda. ("Directel")		Lisbon	Publication of telephone directories and operation of related data bases.	75.00%
Infonet Portugal Serviços de Valor Acrescentado, Lda		Lisbon	Commercialization of value added products and services in the área of information and communication by computer through access to the Infonet world network.	90.00%
Openideia Tecnologias de Telecomunicações e Sistemas de Informação, S.A.		Aveiro	Provision of IT systems and services.	100.00%
Portugal Telecom Data Centre, SA		Covilhã	Provision of services and product supply in the area of information systems and technologies, including data processing, hosting and related aspects.	100.00%
PT Pay, SA		Lisbon	Providing payment services.	100.00%
Portugal Telecom Inovação, SA ("PT Inovação")		Aveiro	Innovation, research, development and integration of telecommunications services and engineering solutions and training services in telecommunications.	100.00%
Postal Network Prestação de Serviços de Gestão de Infra-estrutura de comunicações ACE		Lisbon	Providing postal network services.	51.00%
Previsão Sociedade Gestora de Fundos de Pensões, SA		Lisbon	Pension fund management.	82.05%
PT Centro Corporativo, SA		Lisbon	Providing consultant service to Group companies.	100.00%
PT Comunicações, SA		Lisbon	Establishment, management and operation of telecommunications infrastructures and provision of public telecommunication services and teletext services.	100.00%
PT Contact Telemarketing e Serviços de Informação, SA ("PT Contact")		Lisbon	Production, promotion and sale of information systems, including information products and services and related technical assistance.	100.00%
PT Imobiliária, SA		Lisbon	Administration of real estate assets, real estate investment consultancy, management of property developments, purchase and sale of real estate.	100.00%
PT Investimentos Internacionais, SA ("PT II")		Lisbon	Business advisory board service installment, consultation, administration and business management. Elaboration of projects and economic studies and manage investments.	100.00%
PT Móveis, SGPS, SA ("PT Móveis")		Lisbon	Management of investments in the mobile business.	100.00%
PT Participações, SGPS, SA		Lisbon	Management of investments.	100.00%
PT Portugal, SGPS, SA		Lisbon	Management of investments.	100.00%
PT Prestações Mandatária de Aquisições e Gestão de Bens, SA ("PT Prestações")		Lisbon	Acquisition and management of assets.	100.00%
PT Pro, Serviços Administrativos e de Gestão Partilhados, SA		Lisbon	Shared services center.	100.00%

Edgar Filing: FOREST OIL CORP - Form SC 13G

Company	Notes	Head office	Activity	PERCENTAGE OF OWNERSHIP
				Dec13 Effective
PT Sales Serviços de Telecomunicações e Sistemas de		Lisbon	Provision of telecommunications services and IT systems and services.	100.00%
Informação, SA ("PT Sales") PT Ventures, SGPS, SA		Madeira	Management of investments in international markets.	75.00%
PT-Sistemas de Informação, SA ("PT SI")		Oeiras	Provision of IT systems and services.	100.00%
MEO Serviços de Comunicações e Multimédia, S.A.		Lisbon	Provision of mobile telecommunications services and the establishment, management and operation of telecommunications networks.	100.00%
TPT Telecomunicações Publicas de Timor, SA ("TPT")		Lisbon	Purchase, sale and services rendering of telecommunications products and information technologies in Timor	76.14%
Use.it@ Virott e Associados, Lda.		Lisbon	Provision of research, design, programming, information and support systems.	52.50%
PT BlueClip		Lisbon	Providing consultant service to Group companies.	100.00%

Subsidiaries in Brazil

Company	Notes	Head office	Activity	PERCENTAGE OF OWNERSHIP
				Dec 13 Effective
Portugal Telecom Brasil, S.A.		São Paulo	Management of investments.	100.00%
Portugal Telecom Inovação Brasil, Ltda.		São Paulo	Development of information technologies and telecommunications services.	100.00%
PT Multimédia.com Brasil, Ltda. ("PTM.com Brasil")		São Paulo	Management of investments.	100.00%

Subsidiaries in Africa

Company	Notes	Head office	Activity	PERCENTAGE OF OWNERSHIP
				Dec 13 Effective
Cabo Verde Móvel, S.A.		Praia	Mobile telecommunications services in Cabo Verde.	30.00%
Cabo Verde Multimédia, S.A.		Praia	Multimedia telecommunications services in Cabo Verde.	30.00%
Cabo Verde Telecom, SARL		Praia	Provides telecommunications services.	30.00%
Cellco Ste Cellulaire du Congo SARL		Congo	Telecommunications services in Congo	61.00%
Contact Cabo Verde Telemarketing e Serviços de Informação, SA		Praia	Call and contact center services.	100.00%
CST Companhia Santomense de Telecomunicações, SARL.		São Tomé	Fixed and mobile telecommunication services in São Tomé e Príncipe.	38.25%
Directel Cabo Verde Serviços de Comunicação, Lda.		Praia	Publication of telephone directories and operation of related databases in Cabo Verde	57.00%
Directel Uganda Telephone Directories, Limited		Uganda	Publication of telephone directories.	75.00%
Elta Empresa de Listas Telefónicas de Angola, Lda.		Luanda	Publication of telephone directories.	41.25%
Openideia Marrocos, S.A.		Casablanca	Provision of IT systems and services.	100.00%

Edgar Filing: FOREST OIL CORP - Form SC 13G

Company	Notes	Head office	Activity	PERCENTAGE OF OWNERSHIP
				Dec 13 Effective
Openideia Angola, S.A.		Luanda	Provision of telecommunications services and IT systems and services.	100.00%
Kenya Postel Directories, Ltd.		Nairobi	Production, editing and distribution of telephone directories and other publications.	45.00%
LTM Listas Telefónicas de Moçambique, Lda.		Maputo	Management, editing, operation and commercialization of listings of subscribers and classified telecommunications directories.	37.50%
Mobile Telecommunications Limited		Namíbia	Mobile cellular services operator	25.50%
TMM Telecomunicações Móveis de Moçambique, S.A.		Maputo	Mobile cellular services operator	98.00%
STP Cabo, SARL		São Tomé e Príncipe	Submarine cable manager	28.50%

Other subsidiaries

Company	Notes	Head office	Activity	PERCENTAGE OF OWNERSHIP
				Dec 13 Effective
Carrigans Finance S.A.R.L		Luxembourg	Management of investments.	100.00%
Africatel GmbH		Germany	Management of investments	100.00%
Africatel Holdings, BV		Amsterdam	Management of investments	75.00%
CVTEL, BV		Amsterdam	Management of investments.	100.00%
Portugal Telecom Europa, S.P.R.L. ("PT Europa")		Brussels	Technical and commercial management consultancy in the communication area with respect to the European market and community matters.	98.67%
Portugal Telecom Internacional Finance B.V		Amsterdam	Obtaining financing for the group in international markets.	100.00%
Timor Telecom, SA		Timor	Provider of telecommunications services in Timor	44.17%

F-120

II. Associated companies**Associated companies in Portugal**

Company	Notes	Head office	Activity	PERCENTAGE OF OWNERSHIP Dec 13 Effective
Janela Digital Informativo e Telecomunicações, Lda		Caldas da Rainha	Development of IT solutions to the real state market.	50.00%
Broadnet Portugal		Lisbon	Provision of services to access the internet.	21.27%
Caixanet Telemática e Comunicações, SA		Lisbon	Provision of e.banking services.	15.00%
Capital Criativo SCR, SA		Loures	Management of investments.	20.00%
Entigere Entidade Gestora Rede Multiserviços, Lda.		Lisbon	Networks management.	25.00%
INESC Instituto de Engenharia de Sistemas e Computadores, SA ("INESC")		Lisbon	Scientific research and technological consultancy.	35.89%
INESC Inovação Instituto de novas tecnologias		Lisbon	Scientific research and technological consultancy.	32.30%
Multicert Serviços de Certificação Electrónica, SA		Lisbon	Supply of electronic certification services.	20.00%
Páginas Amarelas		Lisbon	Production, editing and distribution of telephone directories and publications.	20.00%
PT P&F ACE		Lisbon	Consultancy services, advice and support to the implementation of printing & finishing processes.	49.00%
Yunit Serviços, SA		Lisbon	Provision of development and consultancy services in the areas of electronic commerce, contents and information technology.	33.33%
Siresp Gestão de Rede Digitais de Segurança e Emergência, SA		Lisbon	Networks management.	30.55%
Sportinvest Multimédia, SGPS, SA		Lisbon	Management of investments.	50.00%
Tradedforum-Soluções de Comercio Electronico, A.C.E.		Lisbon	Provides solutions for e-commerce business-to-business on the domestic market and solutions for automate the purchase process.	16.50%
Vantec Tecnologias de Vanguarda Sistemas de Informação, S.A.		Lisbon	Solutions and equipments for the audiovisual sector.	25.00%

Other associated companies

Company	Notes	Head office	Activity	PERCENTAGE OF OWNERSHIP Dec 13 Effective
Multitel Serviços de Telecomunicações, Lda.		Luanda	Provision of data communications services and digital information communication services, in Angola.	30.00%
Unitel, SARL.		Luanda	Provision of mobile telecommunications services in Angola.	18.75%
Hungaro Digital KFT		Budapest	Provision of telecommunications services.	44.62%

F-121

Table of Contents

EXHIBIT INDEX

Exhibit Number	Description
1.1	Articles of Association of Portugal Telecom SGPS, S.A., incorporated by reference to Exhibit 1.1 of Portugal Telecom, SGPS S.A.'s Annual Report on Form 20-F filed with the Commission on April 30, 2012 (File No. 001-13758).
2.1	Form of Fourth Amended and Restated Deposit Agreement, dated as of January 25, 2013, incorporated by reference to Exhibit (a) to Portugal Telecom, SGPS S.A.'s Registration Statement on Form F-6 (File No. 333-186095) filed with the Commission on January 18, 2013.
4.1	Shareholders' Agreement of Telemar Participações S.A., dated as of April 25, 2008, among AG Telecom Participações S.A., LF Tel S.A., Fundação Atlântico de Seguridade Social, Asseca Participações S.A. and, as intervening parties, Telemar Participações S.A. and Andrade Gutierrez Investimentos em Telecomunicações S.A. (English translation), incorporated by reference to the first Form 6-K of Tele Norte Leste Participações S.A. filed on February 19, 2009 (File No. 001-14487).
4.2	Amendment to the Shareholders Agreement of Telemar Participações S.A., dated as of January 25, 2011, among AG Telecom Participações S.A., Luxemburgo Participações S.A., LF Tel S.A., Fundação Atlântico de Seguridade Social, and, as intervening party, Telemar Participações S.A. (English translation), incorporated by reference to Exhibit 3.02 of the Form 20-F of Tele Norte Leste Participações S.A. filed on May 4, 2011 (File No. 001-14487).
4.3	Private Shareholders Agreement of Telemar Participações S.A., dated as of April 25, 2008, among AG Telecom Participações S.A., LF Tel S.A., Asseca Participações S.A., BNDES Participações S.A. BNDESPAR, Fiago Participações S.A., Fundação Atlântico de Seguridade Social and, as intervening parties, Telemar Participações S.A., Caixa de Previdência dos Funcionários do Banco do Brasil PREVI, Fundação Petrobras de Seguridade Social PETROS, Fundação dos Economistas Federais FUNCEF and Andrade Gutierrez Investimentos em Telecomunicações S.A. (English translation), incorporated by reference to the Form 6-K/A of Tele Norte Leste Participações S.A. filed on November 27, 2009 (File No. 001-14487).
4.4	Amendment to the Shareholders Agreement of Telemar Participações S.A., dated as of January 25, 2011, among AG Telecom Participações S.A., Luxemburgo Participações S.A., BNDES Participações S.A. BNDESPAR, Caixa de Previdência dos Funcionários do Banco do Brasil PREVI, Fundação Atlântico de Seguridade Social, Fundação dos Economistas Federais FUNCEF, Fundação Petrobras de Seguridade Social PETROS, LF Tel S.A., Bratel Brasil S.A. and, as intervening parties, Telemar Participações S.A. and Portugal Telecom, SGPS S.A. (English translation), incorporated by reference to Exhibit 3.04 of the Form 20-F of Tele Norte Leste Participações S.A. filed on May 4, 2011 (File No. 001-14487).
4.5	Shareholders Agreement of Pasa Participações S.A., dated as of January 25, 2011, between Andrade Gutierrez Telecomunicações Ltda., Bratel Brasil S.A. and, as intervening parties, Pasa Participações S.A., AG Telecom Participações S.A., Luxemburgo Participações S.A., La Fonte Telecom S.A., EDSP75 Participações S.A., LF Tel S.A. and Portugal Telecom, SGPS, S.A. (English Translation), incorporated by reference to Exhibit 4.10 of Portugal Telecom, SGPS S.A.'s Annual Report on Form 20-F filed with the Commission on May 6, 2011 (File No. 001-13758).

Edgar Filing: FOREST OIL CORP - Form SC 13G

Table of Contents

Exhibit Number	Description
4.6	Shareholders Agreement of EDSP75 Participações S.A., dated as of January 25, 2011, between La Fonte Telecom S.A., Bratel Brasil S.A. and, as intervening parties, EDSP75 Participações S.A., LF Tel S.A., Pasa Participações S.A., Andrade Gutierrez Telecomunicações Ltda., AG Telecom Participações S.A., Luxemburgo Participações S.A., and Portugal Telecom, SGPS, S.A. (English Translation), incorporated by reference to Exhibit 4.11 of Portugal Telecom, SGPS S.A.'s Annual Report on Form 20-F filed with the Commission on May 6, 2011 (File No. 001-13758).
4.7	Memorandum of Understanding, dated as of October 1, 2013, among Oi S.A., AG Telecom Participações S.A., LF Tel. S.A., PASA Participações S.A., EDSP75 Participações S.A., Bratel Brasil S.A., Portugal Telecom SGPS, S.A., Avistar, SGPS, S.A. and Nivalis Holding B.V. (English Translation), incorporated by reference to Exhibit 9 to Amendment No. 1 to Schedule 13D filed with the Commission on October 8, 2013.
4.8	Memorandum of Understanding relating to CTX Participações S.A. and Contax Participações S.A., dated as of October 1, 2013, among AG Telecom Participações S.A., Andrade Gutierrez Telecomunicações Ltda., LF Tel. S.A., La Fonte Telecom S.A., PASA Participações S.A., EDSP75 Participações S.A., Bratel Brasil S.A. and Portugal Telecom SGPS, S.A., incorporated by reference to Exhibit 10 of Amendment No. 1 to Schedule 13D filed with the Commission on October 8, 2013.
4.9	Share Exchange Agreement (<i>Contrato de Permuta de Participações Societárias</i>), dated as of February 19, 2014, among Andrade Gutierrez S.A., Bratel Brasil S.A. and, as intervening parties, Pasa Participações S.A., AG Telecom Participações S.A., Jereissati Telecom S.A., EDSP75 Participações S.A., L.F. Tel S.A. and Fundação Atlântico de Seguridade Social (English Translation), incorporated by reference to Exhibit 11 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.10	Share Exchange Agreement (<i>Contrato de Permuta de Participações Societárias</i>), dated as of February 19, 2014, among Jereissati Telecom S.A., Bratel Brasil S.A. and, as intervening parties, Pasa Participações S.A., AG Telecom Participações S.A., Andrade Gutierrez S.A., EDSP75 Participações S.A., L.F. Tel S.A. and Fundação Atlântico de Seguridade Social (English Translation), incorporated by reference to Exhibit 12 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.11	Second Amendment to the Shareholders' Agreement of Telemar Participações S.A. (<i>2º Aditivo ao Acordo de Acionistas da Telemar Participações S.A.</i>), dated as of February 19, 2014, among AG Telecom Participações S.A., LF Tel S.A., Fundação Atlântico de Seguridade Social and, as intervening party, Telemar Participações S.A. (English Translation), incorporated by reference to Exhibit 13 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.12	Terms of Termination of the Shareholders' Agreement of Telemar Participações S.A. (<i>Termo de Resilição do Acordo de Acionistas da Telemar Participações S.A.</i>), dated as of February 19, 2014, among AG Telecom Participações S.A., LF Tel S.A., Fundação Atlântico de Seguridade Social and, as intervening party, Telemar Participações S.A. (English Translation), incorporated by reference to Exhibit 14 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.

Edgar Filing: FOREST OIL CORP - Form SC 13G

Table of Contents

Exhibit Number	Description
4.13	Second Amendment to the Shareholders' Agreement of Telemar Participações S.A. (<i>2º Aditivo ao Acordo de Acionistas da Telemar Participações S.A.</i>), dated as of February 19, 2014, among AG Telecom Participações S.A., BNDES Participações S.A. BNDESPAR, Caixa de Previdência dos Funcionários do Banco do Brasil PREVI, Fundação Atlântico de Seguridade Social, Fundação dos Economistas Federais FUNCEF, Fundação Petrobras de Seguridade Social PETROS, LF Tel S.A., Bratel Brasil S.A. and, as intervening parties, Telemar Participações S.A. and Portugal Telecom, SGPS, S.A. (English Translation), incorporated by reference to Exhibit 15 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.14	Terms of Termination of the Shareholders' Agreement of Telemar Participações S.A. (<i>Termo de Resilição do Acordo de Acionistas da Telemar Participações S.A.</i>), dated as of February 19, 2014, among AG Telecom Participações S.A., BNDES Participações S.A. BNDESPAR, Caixa de Previdência dos Funcionários do Banco do Brasil PREVI, Fundação Atlântico de Seguridade Social, Fundação dos Economistas Federais FUNCEF, Fundação Petrobras de Seguridade Social PETROS, LF Tel S.A., Bratel Brasil S.A. and, as intervening parties, Telemar Participações S.A. and Portugal Telecom, SGPS, S.A. (English Translation), incorporated by reference to Exhibit 16 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.15	First Amendment to the Shareholders' Agreement of Pasa Participações S.A. (<i>1º Aditivo ao Acordo de Acionistas da Pasa Participações S.A.</i>), dated as of February 19, 2014, among Andrade Gutierrez S.A., Bratel Brasil S.A. and, as intervening parties, Pasa Participações S.A., AG Telecom Participações S.A., Jereissati Telecom S.A., EDSP75 Participações S.A., LF Tel S.A., Portugal Telecom, SGPS, S.A., Sayed RJ Participações S.A., Venus RJ Participações S.A. and PTB2 S.A. (English Translation), incorporated by reference to Exhibit 17 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.16	Terms of Termination of the Shareholders' Agreement of Pasa Participações S.A. (<i>Termo de Resilição do Acordo de Acionistas da Pasa Participações S.A.</i>), dated as of February 19, 2014, among Andrade Gutierrez S.A., Bratel Brasil S.A. and, as intervening parties, Pasa Participações S.A., AG Telecom Participações S.A., Jereissati Telecom S.A., EDSP75 Participações S.A., LF Tel S.A. and Portugal Telecom, SGPS, S.A. (English Translation), incorporated by reference to Exhibit 18 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.17	First Amendment to the Shareholders' Agreement of EDSP75 Participações S.A. (<i>1º Aditivo ao Acordo de Acionistas da EDSP75 Participações S.A.</i>), dated as of February 19, 2014, among Jereissati Telecom S.A., Bratel Brasil S.A. and, as intervening parties, EDSP75 Participações S.A., LF Tel S.A., Andrade Gutierrez S.A., Pasa Participações S.A., AG Telecom Participações S.A., Portugal Telecom, SGPS, S.A., Sayed RJ Participações S.A., Venus RJ Participações S.A. and PTB2 S.A. (English Translation), incorporated by reference to Exhibit 19 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.18	Terms of Termination of the Shareholders' Agreement of EDSP75 Participações S.A. (<i>Termo de Resilição do Acordo de Acionistas da EDSP75 Participações S.A.</i>), dated as of February 19, 2014, among Jereissati Telecom S.A., Bratel Brasil S.A. and, as intervening parties, EDSP75 Participações S.A., LF Tel S.A., Andrade Gutierrez S.A., Pasa Participações S.A., AG Telecom Participações S.A. and Portugal Telecom, SGPS, S.A. (English Translation), incorporated by reference to Exhibit 20 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.

Edgar Filing: FOREST OIL CORP - Form SC 13G

Table of Contents

Exhibit Number	Description
4.19	Temporary Voting Agreement of the Shareholders of Oi S.A. and Telemar Participações S.A. (<i>Compromisso Provisório de Voto dos Acionistas da Oi S.A. e da Telemar Participações S.A.</i>), dated February 19, 2014, among Portugal Telecom, SGPS, S.A., Caravelas Fundo de Investimento em Ações, Bratel Brasil S.A., Telemar Participações S.A., Andrade Gutierrez S.A., Jereissati Telecom S.A. and, as intervening party, Oi S.A. (English Translation), incorporated by reference to Exhibit 21 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.20	Subscription Agreement for Shares of Capital Stock Issued by Oi S.A. (<i>Contrato de Subscrição de Ações de Emissão da Oi S.A.</i>), dated February 19, 2014, between Oi S.A. and Portugal Telecom, SGPS, S.A. (English Translation), incorporated by reference to Exhibit 22 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.21	Private Instrument of Commitment to Assign Priority Rights (<i>Instrumento Particular de Compromisso de Cessão de Direito de Prioridade</i>), dated February 19, 2014, among Telemar Participações S.A., Valverde Participações S.A., AG Telecom Participações S.A., LF Tel S.A. and Portugal Telecom, SGPS, S.A. (English Translation), incorporated by reference to Exhibit 23 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.22	Debenture Subscription Agreement for the First Private Issuance of Unsecured Debentures Convertible into Common and Preferred Shares, in a Single Series, of Venus RJ Participações S.A. (<i>Contrato de Subscrição de Debêntures da Primeira Emissão Privada de Debêntures Conversíveis em Ações Ordinárias e Preferenciais, da Espécie Quirografária em Série Única, da Venus RJ Participações S.A.</i>), dated as of February 19, 2014, between PTB2 S.A. and Venus RJ Participações S.A. (English Translation), incorporated by reference to Exhibit 24 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.23	Debenture Subscription Agreement for the First Private Issuance of Unsecured Debentures Convertible into Common and Preferred Shares, in a Single Series, of Sayed RJ Participações S.A. (<i>Contrato de Subscrição de Debêntures da Primeira Emissão Privada de Debêntures Conversíveis em Ações Ordinárias e Preferenciais, da Espécie Quirografária em Série Única, da Sayed RJ participações S.A.</i>), dated as of February 19, 2014, between Sayed RJ Participações S.A. and PTB2 S.A. (English Translation), incorporated by reference to Exhibit 25 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.24	Debenture Subscription Agreement for the First Private Issuance of Unsecured Debentures Convertible into Common and Preferred Shares, in Series, of Pasa Participações S.A. (<i>Contrato de Subscrição de Debêntures da Primeira Emissão Privada de Debêntures Conversíveis em Ações Ordinárias e Preferenciais, da Espécie Quirografária em Séries, da Pasa Participações S.A.</i>), dated as of February 19, 2014, among Pasa Participações S.A., Bratel Brasil S.A. and Venus RJ Participações S.A. (English Translation), incorporated by reference to Exhibit 26 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.

Table of Contents

Exhibit Number	Description
4.25	Debenture Subscription Agreement for the First Private Issuance of Unsecured Debentures Convertible into Common and Preferred Shares, in Series, of EDSP75 Participações S.A. (<i>Contrato de Subscrição de Debêntures da Primeira Emissão Privada de Debêntures Conversíveis em Ações Ordinárias e Preferenciais, da Espécie Quirografária em Séries, da EDSP75 Participações S.A.</i>), dated as of February 19, 2014, among EDSP75 Participações S.A., Bratel Brasil S.A. and Sayed RJ Participações S.A. (English Translation), incorporated by reference to Exhibit 27 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.26	Debenture Subscription Agreement for the Third Private Issuance of Subordinated Debentures Convertible into Common Shares, in a Single Series, of AG Telecom Participações S.A. (<i>Contrato de Subscrição de Debêntures da Terceira Emissão Privada de Debêntures Conversíveis em Ações Ordinárias, da Espécie Subordinada em Série Única, da AG Telecom Participações S.A.</i>), dated as of February 19, 2014, among Pasa Participações S.A. and AG Telecom S.A. (English Translation), incorporated by reference to Exhibit 28 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.27	Debenture Subscription Agreement for the Fifth Private Issuance of Subordinated Debentures Convertible into Common Shares, in a Single Series, of LF Tel S.A. (<i>Contrato de Subscrição de Debêntures da Quinta Emissão Privada de Debêntures Conversíveis em Ações Ordinárias, da Espécie Subordinada em Série Única, da LF Tel Participações S.A.</i>), dated as of February 19, 2014, among LF Tel S.A. and EDSP75 Participações S.A. (English Translation), incorporated by reference to Exhibit 29 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.28	Debenture Subscription Agreement for the Twelfth Private Issuance of Subordinated Debentures Convertible into Common Shares, in a Single Series, of Telemar Participações S.A. (<i>Contrato de Subscrição de Debêntures da Décima Segunda Emissão Privada de Debêntures Conversíveis em Ações Ordinárias, da Espécie Subordinada em Série Única, da Telemar Participações S.A.</i>), dated as of February 19, 2014, among Telemar Participações S.A., AG Telecom Participações S.A. and LF Tel S.A. (English Translation), incorporated by reference to Exhibit 30 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.29	Debenture Subscription Agreement for the Twelfth Private Issuance of Subordinated Debentures Convertible into Common Shares, in a Single Series, of Telemar Participações S.A. (<i>Contrato de Subscrição de Debêntures da Décima Segunda Emissão Privada de Debêntures Conversíveis em Ações Ordinárias, da Espécie Subordinada em Série Única, da Telemar Participações S.A.</i>), dated as of February 19, 2014, among Telemar Participações S.A., AG Telecom Participações S.A. and LF Tel S.A. (English Translation), incorporated by reference to Exhibit 30 of Amendment No. 2 to the Statement on Schedule 13D, filed with the Commission on February 27, 2014.
4.30	Waiver Letter (<i>Renúncia de Condição Precedente do Contrato de Subscrição de Ações de Emissão da Oi S.A.</i>), dated as of April 28, 2014, relating to the waiver by Portugal Telecom, SGPS, S.A. of a condition precedent to the Subscription Agreement entered into between Portugal Telecom, SGPS, S.A. and Oi S.A., dated as of February 19, 2014 (English translation) (incorporated by reference to Exhibit 31 of Amendment No. 3 to the Schedule 13D of Oi S.A., filed on May 14, 2014 (SEC File No. 005-83981)).

Edgar Filing: FOREST OIL CORP - Form SC 13G

Table of Contents

Exhibit Number	Description
4.31	Memorandum of Understanding (<i>Memorando de Entendimentos</i>), dated as of July 15, 2014, between Portugal Telecom SGPS, S.A. and Oi S.A. (incorporated by reference to Exhibit 32 of Amendment No. 4 to the Schedule 13D of Oi S.A., filed on July 28, 2014 (SEC File No. 005-83981)) (English translation) (incorporated by reference to Exhibit 32 of Amendment No. 4 to the Schedule 13D of Oi S.A., filed on July 28, 2014 (SEC File No. 005-83981)).
4.32	Exchange Agreement, and Other Covenants (<i>Contrato de Permuta e Outras Avenças</i>), dated September 8, 2014, among PT International Finance B.V., PT Portugal, SGPS, S.A. and Portugal Telecom, SGPS, S.A. and, further, Oi S.A. and Telemar Participações S.A. (English translation) (incorporated by reference to Exhibit 33 of Amendment No. 5 to the Schedule 13D of Oi S.A., filed on September 17, 2014 (SEC File No. 005-83981)).
4.33	Call Option Agreement, and Other Covenants (<i>Contrato de Opção de Compra de Ações e Outras Avenças</i>), dated September 8, 2014, among PT International Finance B.V., PT Portugal, SGPS, S.A. and Portugal Telecom, SGPS, S.A. and, further, Oi S.A. and Telemar Participações S.A. (English translation) (incorporated by reference to Exhibit 34 of Amendment No. 5 to the Schedule 13D of Oi S.A., filed on September 17, 2014 (SEC File No. 005-83981)).
4.34	Third Amendment to the Shareholders' Agreement of Telemar Participações S.A. (<i>3º Aditivo ao Acordo de Acionistas da Telemar Participações S.A.</i>), dated September 8, 2014, among AG Telecom Participações S.A., LF Tel S.A., Fundação Atlântico de Seguridade Social and, as intervening party, Telemar Participações S.A. (English Translation) (incorporated by reference to Exhibit 35 of Amendment No. 5 to the Schedule 13D of Oi S.A., filed on September 17, 2014 (SEC File No. 005-83981)).
4.35	First Amendment to the Terms of Termination of the Shareholders' Agreement of Telemar Participações S.A. executed on February 19, 2014 (<i>1º Aditivo ao Termo de Resilição do Acordo de Acionistas da Telemar Participações S.A.</i>), dated September 8, 2014, among AG Telecom Participações S.A., LF Tel S.A., Fundação Atlântico de Seguridade Social and, as intervening party, Telemar Participações S.A. (English Translation) (incorporated by reference to Exhibit 36 of Amendment No. 5 to the Schedule 13D of Oi S.A., filed on September 17, 2014 (SEC File No. 005-83981)).
4.36	Second Amendment to the Shareholders' Agreement of Pasa Participações S.A. (<i>2º Aditivo ao Acordo de Acionistas da Pasa Participações S.A.</i>), dated September 8, 2014, among Andrade Gutierrez S.A., Bratel Brasil S.A. and, as intervening parties, Pasa Participações S.A., AG Telecom Participações S.A., Jereissati Telecom S.A., EDSP75 Participações S.A., LF Tel S.A., Portugal Telecom, SGPS, S.A., Sayed RJ Participações S.A., Venus RJ Participações S.A. and PTB2 S.A. (English Translation) (incorporated by reference to Exhibit 39 of Amendment No. 5 to the Schedule 13D of Oi S.A., filed on September 17, 2014 (SEC File No. 005-83981)).
4.37	Second Amendment to the Shareholders' Agreement of EDSP75 Participações S.A. (<i>2º Aditivo ao Acordo de Acionistas da EDSP75 Participações S.A.</i>), dated September 8, 2014, among Jereissati Telecom S.A., Bratel Brasil S.A. and, as intervening parties, EDSP75 Participações S.A., LF Tel S.A., Andrade Gutierrez S.A., Pasa Participações S.A., AG Telecom Participações S.A., Portugal Telecom, SGPS, S.A., Sayed RJ Participações S.A., Venus RJ Participações S.A. and PTB2 S.A. (English Translation) (incorporated by reference to Exhibit 40 of Amendment No. 5 to the Schedule 13D of Oi S.A., filed on September 17, 2014 (SEC File No. 005-83981)).

Edgar Filing: FOREST OIL CORP - Form SC 13G

Table of Contents

Exhibit Number	Description
4.38	First Amendment to the Temporary Voting Agreement of the Shareholders of Oi S.A. and Telemar Participações S.A. executed on February 19, 2014 (<i>Compromisso Provisório de Voto dos Acionistas da Oi S.A. e da Telemar Participações S.A.</i>), dated September 8, 2014, to be entered into among Portugal Telecom, SGPS, S.A., Caravelas Fundo de Investimento em Ações, Bratel Brasil S.A., Telemar Participações S.A., Andrade Gutierrez S.A., Jereissati Telecom S.A. and, as intervening party, Oi S.A. (English Translation) (incorporated by reference to Exhibit 41 of Amendment No. 5 to the Schedule 13D of Oi S.A., filed on September 17, 2014 (SEC File No. 005-83981)).
4.39	Terms of Commitment (<i>Termo de Compromisso</i>), dated September 8, 2014, among Portugal Telecom, SGPS, S.A., Oi S.A. and Telemar Participações S.A. (English Translation) (incorporated by reference to Exhibit 42 of Amendment No. 5 to the Schedule 13D of Oi S.A., filed on September 17, 2014 (SEC File No. 005-83981)).
4.40	Private Instrument of Commitment to Assign Rights, Obligations and Other Covenants (<i>Instrumento Particular de Cessão de Direitos e Obrigações e Outras Avenças</i>), dated March 24, 2015, among Portugal Telecom, SGPS, S.A., PT International Finance B.V., PT Portugal, SGPS, S.A., Oi S.A. and Telemar Participações S.A. (English Translation)(incorporated by reference to Exhibit 43 of the Schedule 13D of Portugal Telecom SGPS S.A., filed on April 16, 2015 (SEC File No. 005-83981)).
4.41	First Amendment to Call Option Agreement, and Other Covenants (<i>Contrato de Opção de Compra de Ações e Outras Avenças</i>), dated March 31, 2015, among PT International Finance B.V. and Portugal Telecom, SGPS, S.A. and, further, Oi S.A. and Telemar Participações S.A. (English translation) (incorporated by reference to Exhibit 44 of the Schedule 13D of Portugal Telecom SGPS S.A., filed on April 16, 2015 (SEC File No. 005-83981)).
4.42	Second Amendment to the Temporary Voting Agreement of the Shareholders of Oi S.A. and Telemar Participações S.A. executed on February 19, 2014 and amended on September 8, 2014 (<i>Compromisso Provisório de Voto dos Acionistas da Oi S.A. e da Telemar Participações S.A. firmado em 19 de fevereiro de 2014 e aditado em 8 de setembro de 2014</i>), dated March 31, 2015, entered into among Portugal Telecom, SGPS, S.A., Caravelas Fundo de Investimento em Ações, Bratel Brasil S.A., Telemar Participações S.A., Andrade Gutierrez S.A., Jereissati Telecom S.A. and, as intervening party, Oi S.A. (English Translation) (incorporated by reference to Exhibit 45 of the Schedule 13D of Portugal Telecom SGPS S.A., filed on April 16, 2015 (SEC File No. 005-83981)).
4.43	First Amendment to the Terms of Commitment (<i>Termo de Compromisso</i>), dated March 31, 2015, among Portugal Telecom, SGPS, S.A., Oi S.A. and Telemar Participações S.A. (English Translation) (incorporated by reference to Exhibit 45 of the Schedule 13D of Portugal Telecom SGPS S.A., filed on April 16, 2015 (SEC File No. 005-83981)).
8.1	List of Significant Subsidiaries and Jointly Controlled Entities.
12.1	Section 302 Certification of Principal Executive Officer and Principal Financial Officer.
13.1	Section 906 Certification.
99.1	Deloitte & Associados, SROC S.A. letter addressed to the SEC, dated May 15, 2015.
99.2	Consolidated financial statements of Oi S.A. as of December 31, 2014 and 2013 and for the three years ended December 31, 2014, 2013 and 2012, and the Report of Independent Registered Public Accounting Firm on Consolidated Financial Statements issued by KPMG Auditores Independentes, dated May 6, 2015, incorporated by reference to Item 19(a) to the Annual Report on Form 20-F of Oi for the year ended December 31, 2014, filed with the Commission on May 6, 2015 (File No. 001-15256).
