

**FURTHER DETAILS DOCUMENT IN RESPECT OF THE €400,000,000 ZERO COUPON NOTES DUE FEBRUARY 2051 (SERIES 13) (ISIN: XS1038896426)**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE NOTICE OF MEETING DATED 24 JULY 2017.

IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT IMMEDIATELY YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER.

**FURTHER DETAILS OF MEETING**

of the holders of

**Novo Banco S.A., acting through the Luxembourg branch** (the “**Issuer**”)  
(*incorporated with limited liability in Portugal*)

**€400,000,000 Zero Coupon Notes due February 2051 (Series 13)**  
(ISIN: XS1038896426; Common Code: 103889642)  
(the “**Securities**”)

under the Euro Medium Term Note Programme of the Issuer

This document provides further details in relation to the meeting of holders of the Securities (the “**Meeting**”) called pursuant to the notice of meeting in respect of the Securities dated 24 July 2017 (the “**Notice**”). This document should be read in conjunction with the Notice. Unless the context otherwise requires or otherwise defined herein, terms used in this Further Details Document shall bear the meanings given to them in the Trust Deed dated 17 July 2013 (the “**Trust Deed**”).

**General**

The attention of beneficial owners of the Securities is particularly drawn to the quorum required for the Meeting and for an adjourned Meeting which is set out in “*Voting and Quorum*” below. Having regard to such requirements, beneficial owners of the Securities are strongly urged either to submit valid Tender Instructions or Voting-Only Instructions in accordance with the tender offer and solicitation memorandum prepared by Novo Banco S.A. (the “**Bank**”) dated 24 July 2017 (the “**Tender Offer and Solicitation Memorandum**”) or the Portuguese offer memorandum prepared by the Bank dated 24 July 2017 (the “**Portuguese Offer Memorandum**”), the Terms and Conditions, the provisions for meetings as set out in Schedule 3 of the Trust Deed (the “**Meeting Provisions**”) and the Trust Deed or to attend or to take steps to be duly represented at the Meeting, as referred to below, as soon as possible.

**Background and rationale**

For details of the background to and rationale for the Proposal, holders of the Securities are referred to the announcement of the Offers and the Proposals dated 24 July 2017 which is available for viewing on the website of Novo Banco, S.A. at [www.novobanco.pt](http://www.novobanco.pt), the website of the Portuguese Securities Market Commission [www.cvm.pt](http://www.cvm.pt) and the website of the Luxembourg Stock Exchange at [www.bourse.lu](http://www.bourse.lu).

**None of the Dealer Managers has any role or responsibility in relation to, or liability for, the Offers and the Proposals as made by the Bank to Non-Eligible Securityholders. None of the Issuer, Deutsche Bank AG, London Branch, J.P. Morgan Securities plc and Mediobanca – Banca di Credito Finanziario S.p.A. (together, the “Dealer Managers” and each a “Dealer Manager”), The Bank of New York Mellon (the “Trustee”) or Lucid Issuer Services Limited (the “Tender Agent”) expresses any view as to the merits of**

**the Offer, the Proposal or the Extraordinary Resolution. None of the Dealer Managers, the Trustee or the Tender Agent has been involved in negotiating the Offer, the Proposal or the Extraordinary Resolution or makes any representation that all relevant information has been disclosed to the beneficial owners of the Securities in or pursuant to the Tender Offer and Solicitation Memorandum, this Further Details Document and the Notice. Furthermore, none of the Issuer, the Dealer Managers, the Trustee or the Tender Agent makes any assessment of the impact of the Proposal presented to beneficial owners of the Securities in the Tender Offer and Solicitation Memorandum on the interests of the beneficial owners of the Securities or makes any recommendations on the Offer or the Proposal or whether acceptance of, or consent to, the Offer or the Proposal should be made or given. Accordingly, beneficial owners of the Securities who are unsure of the impact of the Proposal and the Extraordinary Resolution should seek their own financial, legal and tax advice.**

Beneficial owners of the Securities wishing to attend the Meeting in person have the right to attend in accordance with the provisions set out in the Meeting Provisions. Among other persons, representatives of the Issuer and the Trustee and their respective legal advisers shall have the right to attend the meeting in accordance with the Tender Offer and Solicitation Memorandum, the Terms and Conditions, the Meeting Provisions and the Trust Deed, even if they have not been requested to attend.

### **Voting and Quorum**

#### **IMPORTANT:**

The Securities are currently represented by a bearer global security, deposited with and held by a Common Safekeeper for Euroclear and/or Clearstream, Luxembourg (together with Euroclear, the “**Clearing Systems**” and each a “**Clearing System**”). Only Direct Participants may deliver Tender Instructions or Voting-Only Instructions or be issued with a voting certificate in accordance with the procedures described below. Each beneficial owner of a Security held, directly or indirectly, in an account in the name of a Direct Participant acting on such beneficial owner's behalf should arrange for the Direct Participant through which they hold their Securities to make arrangements on their behalf for the delivery of a vote to the relevant Clearing System or the issue of a voting certificate.

- (1) The provisions governing the convening and holding of the Meeting are set out in Schedule 3 of the Trust Deed, a copy of which is available for inspection at the office of the Tender Agent specified below and at the registered office of the Bank. A beneficial owner of the Securities who has delivered or procured the delivery of a Tender Instruction or a Voting-Only Instruction need take no further action.
- (2) The Principal Paying Agent may by an instrument in writing in the English language (a “**block voting instruction**”) in the form available from the specified office of the Principal Paying Agent specified below signed by the Principal Paying Agent appoint the Tender Agent (or its nominee) (the “**proxy**”) to vote at the Meeting (and any adjourned Meeting).
- (3) The proxy so appointed shall so long as such appointment remains in full force be deemed, for all purposes in connection with the Meeting (and any adjourned Meeting), to be the holder of the Securities to which such appointment relates and the Common Safekeeper shall be deemed for such purposes not to be the holder.
- (4) A beneficial owner can request through his Direct Participant for the Principal Paying Agent to appoint one or more representatives of the Tender Agent as its proxy to cast the votes relating to the Securities in which he has an interest at the Meeting (and any adjourned Meeting).
- (5) Alternatively, beneficial owners who wish for a different person to be appointed as their proxy to attend and vote at the Meeting (and any adjourned Meeting) and beneficial owners who wish to

personally attend and vote at the Meeting (and any adjourned Meeting) should request their Direct Participant to contact the relevant Clearing System to make arrangements for the issue of a voting certificate in respect of the Securities in which they have an interest for the purposes of attending and voting at the Meeting (and any adjourned such meeting) in accordance with the Tender Offer and Solicitation Memorandum, the Terms and Conditions, the Meeting Provisions and the Trust Deed.

- (6) In either case, beneficial owners must have made arrangements to vote with the relevant Clearing System by not later than 48 hours before the time fixed for the Meeting (or an adjourned Meeting) and within the relevant time limit specified by the relevant Clearing System and request or make arrangements for the relevant Clearing System to block the Securities in the relevant account holder's account and to hold the same to the order or under the control of the Tender Agent.
- (7) Any Security/Securities so held and blocked for either of these purposes will be released to the Direct Participant by the relevant Clearing System on the earlier of (i) the conclusion of the Meeting (or, if later, an adjourned Meeting) or (ii) an adjourned Meeting not having been quorate and validly held and the Chairman's (with the Trustee's approval) decision not to convene a further adjourned Meeting or (iii) the receipt by the Tender Agent of the relevant revocation instruction in the circumstances set out in the Tender Offer and Solicitation Memorandum or (iv) prior to 48 hours before the time fixed for the Meeting (or an adjourned Meeting) upon such Security/Securities ceasing in accordance with the procedures of the relevant Clearing System and with the agreement of the Tender Agent to be held to its order or under its control; provided, however, in the case of (iii) and (iv) above, that if a beneficial owner or Direct Participant has caused a proxy to be appointed or has had a voting certificate issued in respect of such Security/Securities, such Security/Securities will not be released to the relevant Direct Participant unless and until the Bank and the Tender Agent has received notice of the necessary revocation of or amendment to such proxy or has received the relevant voting certificate (as the case may be).
- (8) Any vote given in accordance with the terms of the block voting instruction shall be valid notwithstanding the previous revocation or amendment of it or of any of the instructions of beneficial owners of the Securities pursuant to which it was executed, **provided that** no notification in writing of such revocation or amendment shall have been received by the Principal Paying Agent or by the Tender Agent, in each case not less than 24 hours before the commencement of the Meeting (or adjourned Meeting) at which the block voting instruction is intended to be used.
- (9) The Meeting shall be entitled to pass the Extraordinary Resolution if one or more persons holding or representing in the aggregate not less than two-thirds of the nominal amount of the Securities for the time being outstanding are present, and the Extraordinary Resolution shall be passed if a majority of at least 75 per cent. of the votes cast at the Meeting are in favour of the Extraordinary Resolution. In the case that one or more persons holding or representing not less than two-thirds of the nominal amount of the Securities for the time being outstanding are not present within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) from the time initially fixed for the Meeting, an adjourned Meeting may be convened to be held not less than 13 clear days nor more than 42 clear days following the first Meeting (exclusive of the date of such Meeting and the date fixed for the adjourned Meeting), and will be validly constituted if one or more persons holding or representing in the aggregate not less than one-third in nominal amount of the Securities for the time being outstanding is or are present at the adjourned Meeting and the Extraordinary Resolution may be passed if a majority of at least 75 per cent. of the votes cast at the adjourned Meeting are in favour of the Extraordinary Resolution.

For the purposes of determining whether the requisites of quorum and majority of votes referred to above are complied with, the Tender Agent will follow the Tender Instructions or Voting-Only

Instructions delivered by the beneficial owners of the Securities in the manner contemplated in the Tender Offer and Solicitation Memorandum as well as the Meeting Provisions.

If a quorum is not present within 15 minutes (or such longer period not exceeding 30 minutes as the Chairman may decide) at any adjourned Meeting, such adjourned Meeting shall either (with the approval of the Trustee) be dissolved or further adjourned as provided in the Meeting Provisions.

- (10) Notice of an adjourned Meeting shall be given not less than 10 days prior to the date set for such adjourned Meeting in the same manner as notice of the original Meeting.
- (11) At the Meeting, on a show of hands, each person present and holding or representing a Security shall have the right to one vote. On a poll every person who is so present or represented shall have one vote in respect of each €1 in nominal amount of the Securities held or represented by him, or in respect of which he is a proxy.
- (12) If passed, the Extraordinary Resolution shall become effective upon signing by the Chairman of the Minutes of the Meeting at which the Extraordinary Resolution was passed. The Extraordinary Resolution once passed will be binding on the holder of Securities and all beneficial owners of the Securities whether or not represented at the Meeting and whether or not voting.
- (13) This notice and any non-contractual obligations arising out of or in connection with it shall be governed by, and shall be construed in accordance with, English law. By submitting a Tender Instruction or a Voting-Only Instruction, a beneficial owner of the Securities irrevocably and unconditionally agrees for the benefit of the Issuer, the Dealer Managers, the Tender Agent and the Trustee that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Offer or the Proposal or any of the documents referred to above and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.
- (14) Beneficial owners of the Securities should contact the Tender Agent.

The Tender Agent with respect to the Offer and the Proposal (as made through the Tender Offer and Solicitation Memorandum) is:

**Lucid Issuer Services Limited**

Tankerton Works  
12 Argyle Walk  
London WC1H 8HA  
United Kingdom

Tel: +44 20 7704 0880  
Attention: Paul Kamminga / Arlind Bytyqi  
Email: novobanco@lucid-is.com  
Website: www.lucid-is.com/novobanco

- (15) The Dealer Managers with respect to the Offer and the Proposal (as made to Eligible Securityholders through the Tender Offer and Solicitation Memorandum) are:

**Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

Tel: +44 20 7545 8011  
Attention: Liability Management Group

**J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

Tel: +44 207 134 2468  
Attention: Liability Management  
Email: emea\_lm@jpmorgan.com

**Mediobanca – Banca di Credito Finanziario S.p.A.**

Piazzetta Enrico Cuccia, 1  
20121 Milan  
Italy

Tel: +39 02 8829984  
Attention: Liability Management FIG  
Email: MB\_Liability\_Management\_FIG@mediobanca.com

- (16) Non-Eligible Securityholders should contact the Bank with respect to the Offer and the Proposal (as made by the Bank to Non-Eligible Securityholders):

**Novo Banco S.A.**

(Investor Relations)  
Av. da Liberdade, n.º 195  
Lisbon  
Portugal

Tel: +351 21 359 7390  
Attention: Luis Sarmiento, Investor Relations  
Email: investidor@novobanco.pt

- (17) The Trustee with respect to the Securities is:

**The Bank of New York Mellon**

One Canada Square  
London E14 5AL  
United Kingdom

- (18) The Principal Paying Agent with respect to the Securities is:

**The Bank of New York Mellon**

One Canada Square  
London E14 5AL  
United Kingdom

## **Interpretation**

As used in this Further Details Document:

“**Clearing System Notice**” means the “Deadlines and Corporate Events” or similar form of notice to be sent to Direct Participants by each of the Clearing Systems on or about the date of the Tender Offer and Solicitation Memorandum informing Direct Participants of the procedures to be followed in order to participate in the Offer or the Proposal;

“**Direct Participants**” means each person shown in the records of the Clearing Systems as a holder of the Securities;

“**Eligible Securityholders**” any holder of Securities that is (a) in a Member State of the European Union (the “EU”), a “professional client” as defined in Section 1 of Annex II of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments or (b) in a jurisdiction outside of the EU, an institutional holder under applicable local law and not a retail holder;

“**Extraordinary Resolution**” means the extraordinary resolution as set out in the Notice;

“**Non-Eligible Securityholders**” means any holder of Securities that is not an Eligible Securityholder;

“**Offer**” means the invitation by the Bank to the holders of the Securities to tender such Securities for purchase by the Bank for cash, on the terms and subject to the conditions set out in (i) the Tender Offer and Solicitation Memorandum and (ii) the Portuguese Offer Memorandum;

“**Proposal**” means the invitation by the Bank to the holders of the Securities to approve the modification of the relevant Terms and Conditions as set out in the Notice, on the terms and subject to the conditions set out in (i) the Tender Offer and Solicitation Memorandum and (ii) the Portuguese Offer Memorandum;

“**Tender Instruction**” means the electronic tender and blocking instruction in the form specified in the Clearing System Notice for submission by Direct Participants to the Tender Agent via the relevant Clearing System and in accordance with the requirements of such Clearing System by the deadline in order for the holders of Securities to be able to participate in the Offer;

“**Terms and Conditions**” means the terms and conditions of the Securities scheduled to the Trust Deed, as completed by the Final Terms with respect to the Securities; and

“**Voting-Only Instruction**” means the electronic voting and blocking instruction in the form specified in the Clearing System Notice for submission by Direct Participants to the Tender Agent via the relevant Clearing System and in accordance with the requirements of such Clearing System by the deadline in order for the holders of Securities to be able to participate in the Proposal other than by the submission of Tender Instructions.