

Carrard Consulting SA

To the holders of accounts and
custody deposit accounts at Banque
Privée Espirito Santo Ltd, in
liquidation

Lausanne, October 28, 2014

Banque Privée Espirito Santo Ltd in liquidation (BPES): Circular n° 3 from the Liquidator relating to Claims and Titles held on a Fiduciary Basis on behalf of Account Holders

Dear Madam, dear Sir,

We are providing you the following information in connection with fiduciary transactions carried out by BPES for the account of the holders of accounts and/or custody deposit accounts (the **Account Holders**) involving companies within the Espirito Santo group (the **Relevant Companies**).

1. Segregation of Claims and Titles Held on a Fiduciary Basis by BPES

BPES carried out fiduciary transactions for the account of Account Holders, including such transactions as fiduciary investments with, and the subscription, on a fiduciary basis, of notes or bonds issued by, Relevant Companies. These transactions were carried out in the name of BPES but for the account of the Account Holders. All claims against Relevant Companies, irrespectively of whether they have been issued as certificated securities (such as, for instance, a bearer note), resulting from fiduciary investments or the subscription of notes or bonds issues and which BPES would hold in its name on behalf of Account Holders (the **Fiduciary Claims**), constitute valuables in custody deposit accounts as defined in Article 16 paragraph 2 of the Swiss Federal Act on Banks and Saving Banks (**BA**). Therefore, the Fiduciary Claims are to be segregated and transferred to the relevant Account Holders (see Circular n° 2 from the Liquidator in this regard).

2. Relevant Companies Declared Bankrupt in Luxembourg

Bankruptcy proceedings have been opened in Luxembourg against the following Relevant Companies: (i) Espirito Santo Financial SA (**ESFIL**) and (ii) Espirito Santo Financial Group SA (**ESFG**). According to the bankruptcy judgments issued in Luxembourg, their creditors were requested to file their claims until a formal deadline set on October 26, 2014, extended until October 27, 2014. BPES holds Fiduciary Claims against ESFIL as well as ESFG for the account of Account Holders.

The Liquidator decided to take precautionary action and file the Fiduciary Claims in the bankruptcy proceedings against ESFIL and ESFG in order to safeguard the Account Holders' rights. However, the Liquidator is not required to take any further precautionary actions in this regard. The Liquidator will endeavor to cause the transfer of the Fiduciary Claims which BPES holds against the Relevant Companies to the Account Holders to be carried out in the best delays, in accordance with the provisions applicable to their transfer.

As the case may be, the Liquidator will also take precautionary action to file the Fiduciary Claims which it would hold against Relevant Companies other than ESFIL and ESFG on behalf of the Account Holders.

3. Chances of Fiduciary Claims to be Satisfied

It will be up to the Account Holders to enforce their claims against the Relevant Companies in connection with the Fiduciary Claims which will have been transferred to them and, to the extent necessary, seek legal advice in this respect from the experts they chose.

Risks of default of the Relevant Companies are exclusively borne by the Accounts Holders. The Liquidator and BPES are not making any statement in connection with the chances of the Accounts Holders' Fiduciary Claims of being satisfied, whether fully or in part, nor do they give or make any guarantee, representation or warranty, implied or express, in this regard.

4. Time for Transferring the Fiduciary Claims

As there is a large number of Fiduciary Claims to be transferred and BPES has only limited operational capacities as a consequence of the ongoing bankruptcy proceedings, it is expected that their transfer will take a long time. The Liquidator and BPES' staff will endeavor to carry out the transfers as quickly as possible, taking into account the resources at disposal.

5. Costs

Transfer costs will be charged to the Accounts Holders. Unless these costs may be set-off against cash amounts available on the Account Holders' accounts, the Liquidator will invoice the Accounts Holders for these costs.

Yours truly

The Liquidator, Carrard Consulting SA