



**Cartera de
Inversiones
Venezolanas, C.A.**

RIF J-00331248-7

Dear Stakeholders of the Bankruptcy of Banco del Orinoco, N.V. ("BDO")

We are reaching out to you as the principal shareholder of BDO and representatives of the Cartera Group and related individuals and companies to update you on the progress and potential amendments to the Composition Plan submitted on December 1, 2023, to the Court of First Instance of Curaçao, as received by the court on December 4, 2023 ('Composition Plan').

The Cartera Group stands as the principal shareholder of BDO and, alongside our Related Individuals and Companies, constitutes the largest group of creditors involved in BDO's bankruptcy. This position is crucial for the bankruptcy process, and it is in the best interest of the Cartera Group and Related Individuals and Companies to ensure that this process is executed successfully and to our collective satisfaction through the approval and implementation of the Composition Plan.

Considering the upcoming Creditors' Meeting set for September 27th, we feel it necessary to inform you of our evaluation of the payment proposal included in the Composition Plan due to recent political developments in Venezuela and its inclusion on the Grey List of the Financial Action Task Force (FATF). These factors compel us to reassess certain proposals originally incorporated in the Composition Plan.

While the current Composition Plan provides viable payment alternatives for each creditor group, the aforementioned circumstances necessitate modifications to some of the initial proposals. Furthermore, we have taken into careful consideration the suggestions and concerns raised by the Receivers and members of the Creditors' Committee in relation to the original plan. We are actively working to incorporate most of these suggestions into the revised Composition Plan to demonstrate our commitment to good faith and our intention to propose a plan that is acceptable to all creditors.

To facilitate this process, we require further collaboration and input from all stakeholders involved. Your cooperation is vital as we strive for a resolution that will benefit all parties concerned.

To this end, we require additional time to finalize the development of these alternatives and present a revised proposal for the Composition Plan that is in the best interest of BDO's creditors.

It is the primary responsibility of all parties involved in the BDO bankruptcy process to seek a viable solution that enables creditors to recover their claims. Therefore, postponing the Creditors' Meeting is both necessary and essential to ensure the success of our efforts in safeguarding the best interests of all creditors.

In the spirit of transparency and efficiency, we wish to provide you with a preliminary outline of some of the modifications we intend to incorporate into the new Composition Plan. Additionally, we aim to clarify certain fundamental issues that we believe are critical for achieving a definitive and satisfactory resolution to the bankruptcy process of BDO.



I. Distribution of the creditors' estate in bankruptcy.

The total claims in the bankruptcy proceedings amount to USD 825,615,287.24. Of this total, the Cartera Group holds 50.44% of the claims, equivalent to approximately USD 416,411,962.73. The remaining claims, totaling approximately USD 409,173,324.51, represent 49.56% of the overall claims in the bankruptcy.

CLAIMS	Creditors		Claims	
	2.687	USD	825.615.287,24	
CARTERA GROUP	556	USD	416.441.962,73	
	20,69%			50,44%
REMAINDER OF CLAIMS	2.131	USD	409.173.324,51	
	79,31%			49,56%

The amended Composition Plan will be specifically tailored to address the 'Remainder of Claims,' which total USD 409,173,324.51. This approach aims to significantly lower the liquidation amount owed to the remaining creditors outside of the Cartera Group.

Under the terms of the Composition Plan, creditors holding these Remainder of Claims will have the opportunity to exchange their claims against BDO for an interest in a Private Commercial Fund (the "Fund").

This Fund will consist of various financial instruments and/or bonds from leading companies across several sectors, including construction, advertising, oil and gas, and real estate development.

The specific characteristics and details will be outlined in the amended Composition Plan.

- The Cartera Group will acquire the creditor's position in BDO as a result of this exchange and will provide compensation in the form of a participation in the Fund, reflecting the proportional value of the transferred claim.
- The Cartera Group will acquire the creditor's position in BDO through this exchange, compensating at the same proportional value with a participation in the Fund. As a result, the Cartera Group will be subrogated to all rights of the creditor associated with BDO, effectively assuming the role of creditor for the assigned position. This position will be valued in relation to the BDO Investment Portfolio held by the custodian, ensuring a consistent and equitable discounting process.

This process was included in the original Composition Plan, as follows:

"Remaining Funds after Settlement of Claims

Any remaining portion of the Investment Portfolio will be transferred to the Cartera Group, or a third party to be appointed in writing, by notice to the Parties, by the Cartera Group, in the Cartera Group's sole discretion provided that the transfers and procedures contemplated under sections 2.1, 2.2, and 2.3 above have been completed."



II. Private Commercial Fund.

The Cartera Group will invite all creditors and clients of BDO to participate in the Fund. This Fund will consist of bonds and/or financial instruments from leading companies across various sectors, including construction, advertising, oil and gas, and real estate development, all of which are owned by the Cartera Group.

Creditors will have the opportunity to participate in the Fund by exchanging their claims for Fund Units. To support this decision-making process, comprehensive information will be provided to creditors and clients, including asset identification, valuations, and projections, among other relevant details.

Through this exchange, creditors will obtain a stake in the Fund equivalent to the total amount of their claim, calculated at its current market value. Additionally, they will receive a percentage of the profits generated by the Fund.

The Fund will be established with a reputable first-tier bank in Venezuela.

III. Assets Comprising the Fund.

As previously mentioned, the Fund will consist of bonds and/or other financial instruments from select leading companies across various sectors, including construction, advertising, oil and gas, and real estate development, all of which are owned by the Cartera Group.

The companies included in the Fund are well-established entities with a proven track record of success in their respective industries. They demonstrate strong potential for growth and profitability. The real estate developments within the Fund will feature complexes situated in Venezuela, all of which are anticipated to appreciate in value over time.

These companies are currently undergoing evaluation, certification, and auditing by internationally recognized firms to ensure their credibility and investment viability. To provide transparency regarding the Fund's progress leading up to the final Composition Plan, a preliminary list of the companies whose bonds and/or financial instruments may be included in the Fund is presented below.

- a) **Company 1):** It is Leading Company with over 30 years of experience, Company 1 is a premier provider of specialized technical services for the oil and natural gas industry. Their expertise includes the supply of drilling fluids, well recovery, maintenance, rehabilitation, and related processes.

The company's installed capacity has been certified by the major oil companies in Venezuela and is currently undergoing a certification and auditing process by one of the world's top 5 leading auditing firms.

As part of their ongoing commitment to quality and compliance, Company's installed capacity is presently being assessed for certification by a leading global auditing firm.

- b) **Company 2:** Founded over 15 years ago, Company 2. specializes in the production, distribution, and commercialization of asphalt and its derivatives, initially focusing on asphalt-based waterproofing products.



The production plant is equipped with two main processing trains: (i) Asphalt Oxidation and (ii) Solvent Distillation.

Through the distillation of hydrocarbons, paraffin, and diesel oil, the facility produces aliphatic solvents that are essential for various industrial applications, including solvents, paints, and dyes.

Company 2 installed capacity is currently undergoing certification by one of the world's leading auditing firms.

- c) **Company 3:** This company owns 100% of the Class B shares of a mixed-ownership company established for the development and exploitation of an oil field located in Venezuela.

As recorded in the Official Book of Reserves at the end of 2022, the Field contains a total of 49 deposits, including 43 proven reserves and 6 probable reserves. The predominant type of crude oil found in this field is medium crude, with an average API gravity of approximately 23° API.

Significantly, the crude oil produced from the Field does not require diluents, which is a key advantage. This medium crude, with a 23° API, can serve as a diluent itself for transporting crude oil from the Orinoco Oil Belt in Venezuela. This capability facilitates the movement of crude through the various trunk networks and pipeline systems, from extraction sites to final disposal points.

- d) **Company 4:** This company boasts over 70 years of experience in the advertising sector and has established itself as a leader in the Venezuelan market. With extensive expertise, robust operational capacity, and a relentless drive for innovation, it has achieved prominent leadership across all our lines of business, gaining significant competitive advantages. Currently, the company offers a diverse range of services, including:

- Advertising Units
- Special Productions.
- Corporate and Visual Identification.
- LED Sculptures.

- e) **Company 5:** This Company comprises a portfolio of eight companies that encompass all facets of the real estate and construction sector. With over 30 years of experience, it is committed to delivering high-quality services in Project Management, Administration, and Construction.

One key company of this group specializes in the establishment, construction, urbanization, rehabilitation, planning, programming, design, conservation, and maintenance of all types of engineering and architectural works, both public and private. This includes the execution of a wide range of complementary, related, and ancillary projects.

Several large commercial, industrial and residential projects have been developed or are under development or administration in major cities in Venezuela.



IV. Cash Option for small creditors

As outlined in the Composition Plan, creditors with claims of less than USD 10,000.00 will have the opportunity to exchange their participation in the Fund for cash. We confirm that this option will be retained in the amended Composition Plan, ensuring that small creditors have a viable alternative to participate in the process.

V. Payment of bankruptcy costs.

We would like to reiterate, as we have previously stated, that in alignment with the Memorandum of Understanding (MOU) signed between the Cartera Group and the BDO Receiver, the Cartera Group guarantees the payment of bankruptcy costs associated with BDO's proceedings. This guarantee is contingent upon the costs being assessed and approved by the Supervisory Judge, as stipulated in paragraph 2 of the MOU.

To date, the Cartera Group has already covered over 40 percent of the costs incurred in relation to BDO's bankruptcy.

VI. Portfolio Information vs. Claims and Equity.

The securities investment portfolio ('Investment Portfolio') of BDO, which is held in custody by a professional third-party institution known for its expertise in the field, has a nominal value of USD 1,347,949,500. Claims represent 61.25% and Equity 38.75%.

INVESTMENTS	USD	1.347.949.500,00	100%
CLAIMS	USD	825.615.287,24	61,25%
EQUITY	USD	522.334.212,76	38,75%



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Considering the claims of the Cartera Group, which total approximately USD 416,441,962, along with the Bank's equity of around USD 522,334,212 (owned by the shareholders), the combined total of both (Cartera Group claims plus Equity) amounts to approximately USD 938,776,175. This total represents approximately 70% of the Investment Portfolio attributed to the Cartera Group.

INVESTMENTS	USD 1.347.949.500,00 100%
CLAIMS	USD 825.615.287,24 61,25%
CARTERA GROUP CLAIMS	USD 416.441.962,73 30,89%
EQUITY	USD 522.334.212,76 38,75%

The required certifications for the Investment Portfolio will be provided in accordance with the terms outlined in the Memorandum of Understanding (MOU). This information has been communicated and reaffirmed to the Receivers on multiple occasions.

It is crucial to assess and comprehend the current environment surrounding the Investment Portfolio, especially considering the following factors:

- BDO is undergoing a bankruptcy process that has been widely reported by various media outlets and online platforms.
- BDO is a bank incorporated in Curaçao, a jurisdiction known for its low tax regulations.
- Venezuela is subject to a wide range of economic sanctions severely affecting regular operations.
- The bank's shareholders are Venezuelan nationals, who have faced ongoing media scrutiny, including derogatory labels such as "Chávez's Banker."
- Over 95% of the creditors are also Venezuelan nationals.

The custodians of BDO's Investment Portfolio have maintained a successful business relationship with the Cartera Group for more than 30 years despite the above-mentioned adverse environment. Given BDO's unique circumstances, the main shareholder has had to assume risks using its own assets to preserve this commercial relationship with the custodians and ensure the continuity of the portfolio's management.

Due to the challenging environment, the Memorandum of Understanding (MOU) explicitly outlined the conditions established by the custodians for managing communications regarding BDO's Investment Portfolio. Unfortunately, these conditions were not adhered to. All actions taken and to be taken by the Receivers that breach the provisions of the MOU affect the relationship with the custodians. These unwarranted actions create mistrust and unease among the custodians, who are understandably



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reluctant to assume additional risks for a bank's Investment Portfolio given the current conditions of the BDO.

We once again reaffirm that the documents required by the MOU concerning the BDO Investment Portfolio, along with any other documentation that may be requested from the custodians in a consensual manner regarding the BDO Investment Portfolio, will be provided.

VII. MOU

We acknowledge the communication received on September 20, 2024, from Michiel R. B. Gorsira, which indicates the unilateral termination of the MOU executed on October 26, 2023.

Cartera remains committed to advancing with this process in the best interests of the creditors, in accordance with the original spirit of the MOU, while reserving all rights concerning the Receivers' unilateral dissolution of the agreement.

VIII. Extension for holding the Creditors' Meeting.

In light of the aforementioned reasons, we have determined that an extension of one hundred eighty (180) days would be adequate to finalize the necessary actions for submitting an adjusted "Composition Plan" and to effectively convene the Meeting of Creditors.

However, the Cartera Group remains committed to making every effort to present the Composition Plan as expeditiously as possible, without compromising its integrity or viability. Our goal is to ensure that this process serves the best interests of BDO's creditors.

The adjusted Composition Plan may be supplemented or modified to incorporate additional feedback from the Creditors Committee, the Receivers, Creditors, and the Court.
