

PPM Institutional Template — Private Placement Memorandum

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Issuer: Genesis Sovereign Vehicle, Inc. (a Delaware corporation) [name to be confirmed at organizational closing]

Series: Multi-Tranche Private Placement — Series A Senior Secured / Series B Mezzanine Convertible / Series C Strategic Common Equity / Series D Venture Common Equity

Aggregate Offering Size: Up to USD 240,000,000,000 [final amount subject to Issuer determination]

Date of Issuance: [•], 202[•]

Offering Memorandum Number: PPM-GSV-202[•]-[•]

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This Private Placement Memorandum (the "Memorandum" or "PPM") supersedes any prior version delivered to the Recipient. The Recipient is referred to the Notices to Recipients on the following pages and is instructed not to read further until each Notice has been read and understood in its entirety.

CONFIDENTIAL TREATMENT NOTICE

This Memorandum and all information transmitted with it (collectively, the "Confidential Information") is being furnished by Genesis Sovereign Vehicle, Inc. (the "Issuer" or the "Company"), acting through its Board of Directors and its placement agents (the "Placement Agents," to be named), on a strictly confidential basis solely to the Recipient identified on the cover (the "Recipient") for the limited purpose of permitting the Recipient to evaluate whether to consider an investment in the securities described herein.

By accepting this Memorandum, the Recipient agrees that: (i) the Confidential Information will not be reproduced, distributed, published, or disclosed in whole or in part, in any form or by any means, to any person other than (a) the Recipient's directors, officers, employees, professional advisors, and fiduciaries who have a need to know in connection with the evaluation described herein and who have been informed of the confidential nature of the Confidential Information and are bound by confidentiality obligations no less restrictive than those set forth herein, and (b) such regulatory or judicial authorities as may have lawful authority to compel disclosure, in which case the Recipient shall, to the extent legally permitted, promptly notify the Issuer to allow the Issuer to seek a protective order or other remedy; (ii) all reasonable measures will be used to safeguard the confidentiality of the Confidential Information; (iii) the Confidential Information will be used solely for the purpose described above and not for any other purpose, including without limitation for trading in any security of the Issuer, the Republic of Venezuela, or any of its instrumentalities, agencies, or affiliates; and (iv) if the Recipient determines not to proceed with the evaluation of an investment, the Recipient shall promptly upon written request return to the Issuer or destroy all Confidential Information in its possession or control, including any notes, copies, extracts, summaries, analyses, or other documents prepared by or for the Recipient that reflect or are derived from the Confidential Information, and shall certify in writing such return or destruction; provided that the Recipient may retain one archival copy in accordance with its document-retention policies and applicable law, subject to the continuing confidentiality obligations herein.

The provisions of this Confidential Treatment Notice are governed by the laws of the State of New York without regard to its conflict-of-laws principles and the parties consent to the exclusive jurisdiction of the courts of the State of New York located in New York County for the purpose of any action arising hereunder.

NOTICE TO RECIPIENTS

THIS MEMORANDUM HAS BEEN PREPARED FOR USE EXCLUSIVELY BY (I) QUALIFIED INSTITUTIONAL BUYERS ("QIBs") WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), (II) ACCREDITED INVESTORS WITHIN THE MEANING OF RULE 501(a) UNDER REGULATION D OF THE SECURITIES ACT, AND (III) NON-U.S. PERSONS WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT. THE RECIPIENT, BY ACCEPTING DELIVERY OF THIS MEMORANDUM, REPRESENTS AND WARRANTS THAT IT IS A QUALIFIED INSTITUTIONAL BUYER, ACCREDITED INVESTOR, OR NON-U.S. PERSON AS DEFINED IN THE SECURITIES ACT AND REGULATION D AND REGULATION S.

SENTS THAT IT IS ONE OR MORE OF THE FOREGOING AND IS NOT ACQUIRING ANY SECURITIES DESCRIBED HEREIN WITH A VIEW TO DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT OR ANY APPLICABLE U.S. STATE SECURITIES LAW.

NOT AN OFFER. THIS MEMORANDUM IS NEITHER AN OFFER TO SELL NOR A SOLICITATION OF AN OFFER TO BUY ANY SECURITY IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION. ANY OFFER OR SALE OF THE SECURITIES DESCRIBED HEREIN WILL BE MADE EXCLUSIVELY BY MEANS OF THE SUBSCRIPTION AGREEMENT, THE INDENTURE OR CERTIFICATE OF DESIGNATIONS, AND THE OTHER DEFINITIVE TRANSACTION DOCUMENTS DELIVERED TO ELIGIBLE INVESTORS AT THE TIME OF SUBSCRIPTION.

NO SEC REGISTRATION. THE SECURITIES TO BE OFFERED PURSUANT TO THIS MEMORANDUM HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY U.S. STATE OR FOREIGN JURISDICTION. THE SECURITIES ARE BEING OFFERED AND SOLD IN RELIANCE UPON THE EXEMPTIONS FROM REGISTRATION AFFORDED BY SECTION 4(a)(2) OF THE SECURITIES ACT AND RULE 506(c) OF REGULATION D PROMULGATED THEREUNDER (IN THE CASE OF U.S. PERSONS) AND BY REGULATION S (IN THE CASE OF NON-U.S. PERSONS), AND IN RELIANCE ON EXEMPTIONS UNDER APPLICABLE U.S. STATE SECURITIES LAWS, INCLUDING THE INVESTMENT COMPANY ACT OF 1940 EXCEPTIONS AND RELATED RULES, AND ARE SUBJECT TO RESTRICTIONS ON TRANSFER UNDER THE SECURITIES ACT.

RULE 506(c) GENERAL SOLICITATION. THE ISSUER MAY ENGAGE IN GENERAL SOLICITATION AND GENERAL ADVERTISING IN CONNECTION WITH THIS OFFERING IN RELIANCE UPON RULE 506(c). ACCORDINGLY, ALL PURCHASERS ARE REQUIRED TO BE "ACCREDITED INVESTORS" WITHIN THE MEANING OF RULE 501(a) OF REGULATION D, AND THE ISSUER WILL TAKE REASONABLE STEPS TO VERIFY THE ACCREDITED INVESTOR STATUS OF EACH PURCHASER, INCLUDING BY (I) REVIEW OF DOCUMENTATION DEMONSTRATING INCOME OR NET WORTH, (II) WRITTEN CONFIRMATION FROM A REGISTERED BROKER-DEALER, A REGISTERED INVESTMENT ADVISER, A LICENSED ATTORNEY, OR A CERTIFIED PUBLIC ACCOUNTANT, OR (III) ANY OTHER METHOD CONSIDERED REASONABLE BY THE ISSUER UNDER THE FACTS AND CIRCUMSTANCES.

REGULATION S OFFERING. NON-U.S. PERSONS WITHIN THE MEANING OF RULE 902(k) OF REGULATION S SHALL BE PROVIDED A PARALLEL OFFERING MEMORANDUM CONFORMING TO THE OFFSHORE TRANSACTION REQUIREMENTS OF REGULATION S, WITH NO DI-

RECTED SELLING EFFORTS IN THE UNITED STATES. THE SECURITIES OFFERED IN RELIANCE ON REGULATION S WILL BEAR THE LEGENDS REQUIRED BY RULE 903(b)(3)(iii)(B) OR RULE 903(b)(3)(iv), AS APPLICABLE.

OFAC AND SANCTIONS REPRESENTATIONS REQUIRED. EACH RECIPIENT WILL BE REQUIRED, AS A CONDITION OF SUBSCRIPTION, TO MAKE REPRESENTATIONS AND WARRANTIES TO THE ISSUER CERTIFYING (I) THAT THE RECIPIENT IS NOT A PERSON LISTED ON THE U.S. TREASURY DEPARTMENT OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") SPECIALLY DESIGNATED NATIONALS AND BLOCKED PERSONS LIST OR ANY OTHER U.S. GOVERNMENT-MAINTAINED RESTRICTED-PARTY LIST, (II) THAT NO BENEFICIAL OWNER OF THE RECIPIENT IS ON ANY SUCH LIST, AND (III) THAT THE RECIPIENT HAS NOT ENGAGED IN ANY TRANSACTION THAT MAY VIOLATE OFAC SANCTIONS, ANTI-MONEY LAUNDERING LAWS, OR THE FOREIGN CORRUPT PRACTICES ACT.

NO RELIANCE WITHOUT OWN DILIGENCE. EACH RECIPIENT IS URGED TO CONSULT ITS OWN LEGAL, TAX, ACCOUNTING, AND FINANCIAL ADVISORS REGARDING THE LEGAL, TAX, ACCOUNTING, FINANCIAL, AND BUSINESS CONSEQUENCES OF AN INVESTMENT IN THE SECURITIES DESCRIBED HEREIN. NONE OF THE ISSUER, THE PLACEMENT AGENTS, OR ANY OF THEIR RESPECTIVE AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES, OR AGENTS MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, REGARDING THE LEGAL, TAX, ACCOUNTING, FINANCIAL, OR BUSINESS CONSEQUENCES OF AN INVESTMENT IN THE SECURITIES, AND EACH RECIPIENT SPECIFICALLY DISCLAIMS RELIANCE UPON ANY SUCH REPRESENTATION OR WARRANTY THAT MIGHT BE INFERRED FROM ANY ORAL OR WRITTEN COMMUNICATION OF ANY SUCH PARTY.

FORWARD-LOOKING STATEMENTS. THIS MEMORANDUM CONTAINS FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT AND SECTION 21E OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED (THE "EXCHANGE ACT"). FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE PROJECTED. SEE "SECTION 2 — RISK FACTORS" AND "SECTION 2.8 — FORWARD-LOOKING STATEMENTS."

NO ASSURANCE OF GENERAL LICENSES. ALL TRANSACTIONS DESCRIBED HEREIN INVOLVING THE REPUBLIC OF VENEZUELA OR ITS AGENCIES OR INSTRUMENTALITIES, OR PERSONS OR ENTITIES BLOCKED UNDER U.S. ECONOMIC SANCTIONS PROGRAMS, ARE CONTINGENT UPON THE ISSUANCE BY OFAC OF THE GENESIS-SERIES GENERAL LICENSES ("GL-G SERIES") DESCRIBED IN "SECTION 8 — REGULATORY MATTERS." NO ASSURANCE CAN BE GIVEN THAT ANY SUCH GENERAL LICENSE WILL BE ISSUED, RENEWED,

OR REMAIN IN EFFECT, OR THAT THE TERMS OF ANY ISSUED GENERAL LICENSE WILL PERMIT THE TRANSACTIONS CONTEMPLATED HEREBY ON THE TIMELINE OR ECONOMIC TERMS DESCRIBED HEREIN. SEE "SECTION 2.2 – RISKS RELATED TO U.S. SANCTIONS REGIME."

NO DEPOSIT INSURANCE. THE SECURITIES OFFERED HEREBY ARE NOT BANK DEPOSITS AND ARE NOT INSURED OR GUARANTEED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY, BY THE INVESTOR PROTECTION SCHEMES OF ANY JURISDICTION, OR BY THE ISSUER, THE SPONSOR, OR ANY AFFILIATE THEREOF.

STATE-SPECIFIC NOTICES. RESIDENTS OF FLORIDA, NEW YORK, CALIFORNIA, MASSACHUSETTS, AND CERTAIN OTHER U.S. JURISDICTIONS ARE REFERRED TO ANNEX A FOR THE STATE-SPECIFIC NOTICES REQUIRED BY APPLICABLE U.S. STATE SECURITIES LAW (BLUE-SKY DISCLOSURES). THE SECURITIES MAY NOT BE OFFERED OR SOLD IN ANY U.S. JURISDICTION OTHER THAN PURSUANT TO AN APPLICABLE EXEMPTION FROM REGISTRATION THEREUNDER.

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GLOSSARY OF DEFINED TERMS

In this Memorandum, the following capitalized terms shall have the meanings set forth below; other capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the body of this Memorandum.

- **"AEG"** means the Autoridad Económica del Génesis, the constitutional economic authority established under the Plan Génesis legal framework, including the Ley Económica del Génesis, the Ley Orgánica de Hidrocarburos 2026 ("LOH 2026"), the Ley Orgánica de Minas 2026 ("LOM 2026"), and the Ley Orgánica de la Zona Económica Especial del Génesis ("LOZEEG").
- **"Anchor Investor"** means an institutional investor that has executed a binding commitment letter to subscribe to one or more Tranches at the aggregate threshold specified in such commitment letter (typically USD 1.0 billion or more).
- **"BCV"** means the Banco Central de Venezuela.
- **"Big Four"** means each of Deloitte LLP, Ernst & Young LLP, KPMG LLP, and PricewaterhouseCoopers LLP, and their respective member firms and affiliates.
- **"BVC"** means the Bolsa de Valores de Caracas.
- **"CAATSA"** means the Countering America's Adversaries Through Sanctions Act of 2017, 22 U.S.C. § 9501 et seq.
- **"CRBV"** means the Constitución de la República Bolivariana de Venezuela of 1999, as amended.
- **"Convertibility Guarantee Trust"** has the meaning set forth in Section 4.5 hereof.
- **"FCP"** means the Fondo Constitucional de Pensiones.
- **"FSI"** means the Fondo Soberano Intergeneracional.
- **"GL-G"** means the Genesis-series General Licenses to be issued by OFAC.
- **"Government of Venezuela"** has the meaning ascribed in 31 C.F.R. § 591.310 and includes all agencies and instrumentalities, including any entity in which the Government of Venezuela holds, directly or indirectly, fifty percent (50%) or more of the equity or voting interest.

- **"ICSID"** means the International Centre for Settlement of Investment Disputes administered by the World Bank Group.
- **"Indenture"** means the indenture or indentures, dated as of the Closing Date, by and between the Issuer and the Trustee, governing the Series A Senior Secured Notes.
- **"Issuer"** means Genesis Sovereign Vehicle, Inc., a Delaware corporation.
- **"Litigation Reserve"** has the meaning set forth in Section 4.5 hereof.
- **"NY Law"** means the laws of the State of New York applicable to contracts made and performed wholly within the State of New York, without regard to its conflict-of-laws principles other than New York General Obligations Law §§ 5-1401 and 5-1402.
- **"OFAC"** means the Office of Foreign Assets Control of the U.S. Department of the Treasury.
- **"Plan Génesis"** means the comprehensive Republic of Venezuela economic recapitalization program described in Plan Génesis Volumen II and its accompanying legal, financial, and operational annexes (including, without limitation, the Capítulo I "Resumen Ejecutivo," the Capítulo II "Marco Legal," the Capítulo XCIV "Régimen Tributario Unificado del Génesis," and the Capítulo XCVI "Strategic Intelligence Brief"), as the same may be amended, supplemented, or restated from time to time.
- **"Plan Énesis-Licensed Entity"** means an entity licensed by the AEG and certified to participate in transactions enabled by the GL-G series.
- **"Plan-Génesis Licensed Bank"** means a Venezuelan banking institution certified by the AEG as eligible to maintain U.S.-correspondent relationships under GL-G2.
- **"Republic"** means the República Bolivariana de Venezuela.
- **"Reg D"** means Regulation D under the Securities Act, 17 C.F.R. §§ 230.501-230.508.
- **"Reg S"** means Regulation S under the Securities Act, 17 C.F.R. §§ 230.901-230.905.
- **"Series A Notes"** means the Series A Senior Secured Notes described in Section 4.1 hereof.
- **"Series B Preferred"** means the Series B Mezzanine Convertible Preferred Shares described in Section 4.2 hereof.
- **"Series C Common"** means the Series C Strategic Common Equity described in Section 4.3 hereof.
- **"Series D Common"** means the Series D Venture Common Equity described in Section 4.4 hereof.
- **"Sponsor"** means, collectively, the Vzla Foundation for Freedom and the Consejo Económico Reconstituyente.
- **"Trustee"** means The Bank of New York Mellon, in its capacity as Indenture trustee, collateral agent, and paying agent.

- **"USD"** means the United States dollar.
- **"Venezuela Sanctions Regulations"** means the regulations promulgated by OFAC at 31 C.F.R. Part 591, as the same may be amended from time to time.
- **"ZEEG"** means the Zona Económica Especial del Génesis fiscal regime established under the LOZEEG.

SECTION 1 – SUMMARY OF THE OFFERING

The following Summary highlights selected information contained elsewhere in this Memorandum, does not contain all of the information that an investor should consider, and is qualified in its entirety by the more detailed information appearing elsewhere herein. Each Recipient should read this entire Memorandum, including the Risk Factors, the Securities Terms, the Financial Information, the Regulatory Matters, the Legal Opinions, and the Subscription Documents, before making a decision to invest.

1.1 The Issuer

The Issuer, Genesis Sovereign Vehicle, Inc., is a Delaware corporation incorporated under the laws of the State of Delaware. The Issuer has been formed for the purpose of (i) issuing the Series A Notes, the Series B Preferred, the Series C Common, and the Series D Common (collectively, the "Securities") in one or more private placements; (ii) holding (directly or through one or more wholly owned subsidiaries) the equity interests, debt instruments, royalty rights, contractual rights, and other property rights granted to it under (a) one or more sovereign guarantee agreements with the Republic, (b) one or more concession or joint-venture agreements with Plan-Génesis Licensed Entities, and (c) one or more royalty-stream pledge agreements with the AEG; (iii) deploying the proceeds of the Securities in accordance with the Use of Proceeds section hereof; and (iv) such other purposes as are incidental or related to the foregoing and permitted by Delaware law.

- **State of incorporation:** Delaware
- **Date of incorporation:** [●], 202[●] [placeholder pending organizational closing]
- **Principal office:** [●] [placeholder]
- **Registered agent:** [●] [placeholder]
- **U.S. tax identification number:** [●] [placeholder]

- **Form of organization:** C-corporation under Subchapter C of the Internal Revenue Code; not classified as a passive foreign investment company ("PFIC")
- **Initial directors:** [•] [placeholder pending Sponsor selection and Anchor Investor approval per Section 6.1]

The Issuer's Certificate of Incorporation, Bylaws, and initial board resolutions are appended hereto as Exhibit A and are available for review in the data room maintained by the Issuer's counsel.

1.2 The Sponsor

The Sponsor of this Offering, collectively, comprises (i) the Vzla Foundation for Freedom, a non-profit foundation organized under the laws of [•]

[placeholder — Delaware non-profit, Florida non-profit, or Cayman foundation pending Sponsor counsel determination]

, and (ii) the Consejo Económico Reconstituyente, the multi-party economic reconciliation council established under the Plan-Génesis framework with statutory authority to coordinate the Republic's economic-recovery program.

Neither the Sponsor nor any constituent organization thereof guarantees the Securities or has any obligation to make any payment to investors under the Securities, except as expressly provided in the relevant sovereign guarantee agreements and the Indenture. The Sponsor's role is limited to (a) overseeing the Issuer's compliance with the Plan-Génesis framework, (b) coordinating with the AEG, the FSI, and the FCP in the deployment of proceeds, and (c) facilitating regulatory engagement with OFAC, the U.S. Department of State, the U.S. Department of Commerce, and other applicable U.S. governmental authorities.

1.3 The Securities Offered

The Issuer is offering up to USD 240 billion aggregate principal amount of Securities, organized into four Tranches with seniority and economic characteristics as follows. Final allocations among Tranches are subject to Anchor Investor demand and Issuer determination; the Issuer reserves the right to upsize or downsize any Tranche, to oversubscribe any Tranche, and to combine, restructure, or modify any Tranche prior to Closing, provided that no such modification shall be made without the consent of the Anchor Investors holding a Majority (as defined in the applicable Tranche documentation).

| Tranche | Aggregate Principal Amount (USD Billions) | Instrument | Seniority | Target IRR (Net to LP) | Stated Maturity |
|---|---|---|--------------------------------------|------------------------------------|-------------------------------------|
| Series A – Senior Secured Notes | 60 | First-Priority Secured Notes | Senior secured (first priority) | 7.50% – 9.50% | 10 years |
| Series B – Mezzanine Convertible Preferred | 50 | Convertible Preferred Shares with 6.00% PIK | Senior to Common; Junior to Series A | 14.00% – 18.00% | 12 years (conversion or redemption) |
| Series C – Strategic Common Equity | 100 | Common Stock with anchor protective rights | Common | 22.00% – 32.00% (target, unhedged) | No fixed maturity |
| Series D – Venture Common Equity | 30 | Sub-fund Limited-Partnership Interests | Sub-fund equity | 30.00% – 45.00% (target, unhedged) | 10-year fund life |
| Aggregate | 240 | | | Weighted target ~17.00% | |

In addition, the Issuer expects to procure up to approximately USD 73 billion of project-finance debt and working-capital facilities at the operating-subsubsidiary level. Such project-finance facilities are not Securities offered under this Memorandum and will be procured separately from the Anchor Investor capital described herein.

1.4 Use of Proceeds

The proceeds of the Securities are to be deployed in accordance with the Plan-Génesis Master Deployment Schedule (the "Master Deployment Schedule"), summarized as follows and described in greater detail in Section 5 hereof:

| Use of Proceeds Category | Estimated Allocation (USD Billions) | Period |
|--|-------------------------------------|--------------------------|
| Restructuring of legacy sovereign and PDVSA debt under the Plan Voluntary Restructuring Debt ("VRD") framework (Capítulo VI) | 30 – 40 | Year 1 – Year 2 |
| Acquisition of equity interests in privatized state-owned enterprises and JV entities (Capítulo VIII) | 40 – 50 | Year 1 – Year 4 |
| Project-finance contribution and equity investment in upstream, midstream, and downstream hydrocarbons (Capítulo X) | 30 – 40 | Year 1 – Year 5 |
| Mining-sector capital expenditure (Las Cristinas, Brisas, El Callao, Bauxite Los Pijiguaos; Capítulo IX) | 8 – 12 | Year 2 – Year 6 |
| Electrical-sector reconstruction (AeroFlux Program; Capítulo XI) | 10 – 15 | Year 2 – Year 5 |
| Datacenters and AI infrastructure (Capítulo XII) | 25 – 35 | Year 2 – Year 6 |
| Telecommunications and 5G modernization (Capítulo XIII) | 5 – 9 | Year 2 – Year 5 |
| Refining-sector rehabilitation (CRP – Cardón, Amuay, Puerto La Cruz, El Palito; Capítulo X) | 15 – 25 | Year 3 – Year 7 |
| Banca and financial-sector capitalization (Capítulo VIII) | 5 – 10 | Year 1 – Year 3 |
| Greenfield industrial and infrastructure (Capítulo XVII) | 10 – 20 | Year 3 – Year 8 |
| Working capital and operating contingency | 5 – 10 | Continuous |
| Litigation Reserve funding (Section 4.5) | 1.5 – 2.5 | Year 1 – Year 4 |
| Convertibility Guarantee Trust funding (Section 4.5) | 8 – 11 | Year 1 – Year 3 |
| Placement Agent fees and offering expenses | 2 – 4 | Closing and post-Closing |

Restrictions on Use of Proceeds. Proceeds may not be used to (i) pay any obligation to any person on the OFAC Specially Designated Nationals and Blocked Persons List ("SDN List") (unless authorized under an applicable GL-G General License or specific license), (ii) finance any transaction prohibited by U.S. sanctions law, (iii) make any political contribution in any jurisdiction, (iv) finance any transaction that would violate the U.S. Foreign Corrupt Practices Act, the

UK Bribery Act, or any analogous anti-bribery law of any other applicable jurisdiction, or (v) finance any expansion of activities of the Russian Federation defense or intelligence sectors within the meaning of CAATSA § 231 (22 U.S.C. § 9525).

1.5 Minimum Investment Thresholds

| Tranche | Minimum Investment (Single Subscriber) | Minimum Aggregate (Multiple Subscribers Combined into a Single Allocation) |
|--|--|--|
| Series A — Senior Secured Notes | USD 100,000,000 | USD 250,000,000 |
| Series B — Mezzanine Convertible Preferred | USD 50,000,000 | USD 100,000,000 |
| Series C — Strategic Common Equity | USD 25,000,000 | USD 50,000,000 |
| Series D — Venture Common Equity | USD 5,000,000 | USD 10,000,000 |

The Issuer reserves the right, in its sole discretion and on a case-by-case basis, to accept subscriptions in amounts below the foregoing thresholds, provided that the aggregate of such below-threshold subscriptions shall not exceed 5.0% of the relevant Tranche.

1.6 Closing Conditions

The closing of each Tranche (each, a "Closing") shall be conditioned upon the satisfaction or waiver (subject to the consent of Anchor Investors holding a majority of the relevant Tranche, where applicable) of customary closing conditions, including without limitation the following:

(a) **OFAC Authorization.** Issuance and effectiveness of OFAC General License GL-G1 (U.S.-Person Participation in Plan-Génesis Pre-Marketing) and, for transactions involving the closing of definitive subscription documents, the GL-G series Licenses applicable to the relevant Tranche (e.g., GL-G3 for VRD exchange-related closings; GL-G4 for utility-equity closings; GL-G7 for BVC IPO participation; GL-G8 for repatriation of dividends).

(b) **Litigation Reserve Funding.** Receipt by the Trustee of confirmation that the first tranche of the Litigation Reserve (USD 250,000,000) has been funded by the Republic into the Litigation Reserve Account at the Trustee.

(c) **Convertibility Guarantee Trust Funding.** Receipt by the Trustee of confirmation that the initial tranche of the Convertibility Guarantee Trust (USD 5,000,000,000) has been funded by the BCV (or its successor) into custody at the Trustee.

(d) **Sovereign Guarantee.** Receipt by the Trustee of executed sovereign guarantee agreement, signed by the President of the Republic and counter-signed by the Ministro del Poder Popular de Economía and the AEG Director General.

(e) **Constitutional and Statutory Framework.** Receipt by the Issuer of evidence reasonably satisfactory to the Anchor Investors and the Trustee that (i) the LOH 2026, the LOM 2026, and the LOZEEG are in full force and effect, (ii) the Ley Económica del Génesis is in full force and effect, and (iii) the constitutional amendments contemplated under the Plan-Génesis framework (including, as applicable, the amendments to Articles 5, 12, 36, 73, 113, 153, 156, 203, 302, 303, 311, 316, and 318 of the CRBV) have been promulgated in conformity with Article 73 (referendum) and Article 342 (asamblea nacional constituyente) procedures.

(f) **Legal Opinions.** Receipt by the Anchor Investors of customary legal opinions from Issuer counsel, Sponsor counsel, Sanctions counsel, Venezuelan counsel, and Tax counsel as described in Section 10.

(g) **Governance Documents Execution.** Execution and delivery of the Anchor Investor Representation Agreement, the AEG Board Charter, the FSI Board Charter, and the Indenture.

(h) **No Material Adverse Change.** No material adverse change with respect to the Republic of Venezuela, the AEG, the Issuer, the Sponsor, the GL-G series, or the global capital markets that, individually or in the aggregate, would render the Closing inadvisable in the reasonable judgment of the Anchor Investors holding a majority of the relevant Tranche.

(i) **Verification of Accredited Investor and KYC/AML Compliance.** Completion of accredited-investor verification under Rule 506(c) and KYC/AML diligence to the standards described in Section 9.

1.7 Suitability Standards

This Offering is suitable only for prospective investors that (i) are accredited investors within the meaning of Rule 501(a) of Regulation D or qualified institutional buyers within the meaning of Rule 144A or non-U.S. persons within the meaning of Regulation S; (ii) have sufficient knowledge and experience in financial, business, and investment matters to evaluate the merits and risks of the investment described herein; (iii) have the financial wherewithal to bear a substantial or com-

plete loss of the investment; (iv) have no need for liquidity with respect to the invested funds; and (v) have completed independent and adequate due diligence with the assistance of their own legal, tax, accounting, and financial advisors.

Prospective investors that are unable to make each of the foregoing representations should not invest in the Securities.

SECTION 2 – RISK FACTORS

The Securities offered hereby involve a high degree of risk. Prospective investors should carefully consider, among other things, each of the risk factors described below and elsewhere in this Memorandum, together with the other information appearing in or incorporated by reference into this Memorandum, before deciding to invest. The risks described below are not the only risks facing the Issuer, the Sponsor, the Republic, or the holders of the Securities. Additional risks not currently known to the Issuer or that the Issuer currently deems immaterial may also adversely affect the Issuer's business, financial condition, or operating results, and could cause the value of the Securities to decline, resulting in the loss of all or a portion of the investment. Each forward-looking statement is qualified by the cautionary statements set forth in Section 2.8 hereof and the additional cautionary statements set forth elsewhere in this Memorandum.

2.1 Risks Related to Venezuela

2.1.1 Political Risk and Risk of Government Change. The Republic has experienced significant political instability over the past quarter-century, including the 1992 attempted coup, the 1999 constitutional referendum and replacement of the 1961 Constitution, the 2002 attempted coup, the 2007 constitutional reform referendum (rejected), the political crises of 2014, 2017, 2019, and 2024, and the constitutional reform process described in Plan Génesis (the "Plan-Génesis Reform"). The Plan-Génesis Reform requires constitutional amendments, referenda, and the establishment of new institutions (including the AEG, the FSI, and the FCP), and there can be no assurance that the political conditions necessary to implement the Plan-Génesis Reform on the timeline described herein will be maintained over the 10- to 20-year horizon of the investments contemplated by this Memorandum. A failure to implement the Plan-Génesis Reform, a delay in its implementation, a partial reversal by a successor administration, or a substantial mo-

dification by referendum or judicial action could have a material adverse effect on the value of the Securities and on the Issuer's ability to make payments on the Series A Notes or distributions on the Series B Preferred or the Series C and Series D Common.

2.1.2 Constitutional Reform Risk – Three Senderos. Plan Génesis contemplates three constitutional reform pathways (senderos) (collectively, the "Senderos"): (i) Sendero A, comprising amendments to the existing CRBV through Article 340 procedures plus an Article 73 referendum; (ii) Sendero B, comprising a more comprehensive reform under Article 342 through a constituyente process; and (iii) Sendero C, comprising the enactment of organic-law statutes (the LOH 2026, the LOM 2026, the LOZEEG, and the Ley Económica del Génesis) without constitutional amendment, supplemented by constitutional interpretation through the Sala Constitucional del Tribunal Supremo de Justicia. Each Sendero involves distinct legal, political, and timeline risks. Sendero A and Sendero B carry the risk that the requisite referenda may fail; the 2007 constitutional reform referendum, which addressed comparable structural reforms, was rejected by a margin of approximately 51% to 49%. Sendero C carries the risk that the enacting majority may be reversed by a future Asamblea Nacional, exposing the legal framework to repeal by ordinary legislative majority. The Plan-Génesis framework includes a "triple-blindaje" architecture intended to mitigate these risks (organic-law layer, contractual stabilization clauses, and structural-clientela layers), but no assurance can be given that the triple-blindaje will prevent the reversal or material modification of the Plan-Génesis legal framework.

2.1.3 Currency and Convertibility Risk. Although Article 36 of the CRBV (as proposed to be amended under the Plan-Génesis Reform) provides for transactional dollarization and prohibits capital controls, currency convertibility in the Republic has historically been subject to repeated regulatory intervention, capital controls (CADIVI, SIMADI, DICOM, and related regimes from 2003 through 2018), and currency rationing. The Convertibility Guarantee Trust described in Section 4.5 has been established to mitigate this risk through the maintenance of pre-funded USD reserves at The Bank of New York Mellon and the procurement of dedicated OFAC General Licenses (GL-G8). However, there can be no assurance that the Convertibility Guarantee Trust will be funded as contemplated, that the BCV will maintain the level of reserves required under the Trust, or that the relevant OFAC General Licenses will be issued or maintained. A failure of the Convertibility Guarantee Trust to function as intended could result in U.S. holders of the Securities being unable to repatriate distributions, interest, principal, or sales proceeds in USD, which would result in material economic loss.

2.1.4 Expropriation History and Legacy Risk. The Republic has a documented history of expropriation, including expropriations of oil-sector assets under the 2007 Decreto 5.200 (Ley de Asociaciones Estratégicas – Faja del Orinoco) and successor decrees, expropriations of cement

and steel sectors (CEMEX 2008, Ternium-SIDOR 2008), expropriations in agriculture (Agroisleña 2010, various landholdings under LOTSA), and expropriations in banking (Banco Federal 2010, Banco Canarias 2009). The expropriations led to a series of international arbitral awards adverse to the Republic, including ConocoPhillips Petrozuata B.V., ConocoPhillips Hamaca B.V., and ConocoPhillips Gulf of Paria B.V. v. Bolivarian Republic of Venezuela, ICSID Case No. ARB/07/30 (Award of March 8, 2019, awarding approximately USD 8.7 billion plus interest); Mobil Cerro Negro Holding, Ltd., Mobil Cerro Negro, Ltd., Mobil Corporation and Others v. Bolivarian Republic of Venezuela, ICSID Case No. ARB/07/27 (Award of October 9, 2014, awarding approximately USD 1.6 billion); and Crystallex International Corp. v. Bolivarian Republic of Venezuela, ICSID Case No. ARB(AF)/11/2 (Award of April 4, 2016, awarding approximately USD 1.39 billion plus interest, currently under enforcement proceedings in the U.S. District Court for the District of Delaware). The Plan-Génesis Reform contemplates an institutional framework that materially reduces expropriation risk going forward, including by amendment of Article 156 of the CRBV, the establishment of stabilization clauses in joint-venture agreements with damages liquidated at NPV × 2x as described in Section 4.5, and the ratification or renegotiation of bilateral investment treaties. However, the legacy effects of historical expropriations — including the obligations under outstanding awards and the disposition of attached assets such as PDV Holding and Citgo Petroleum Corporation — continue to constrain the Republic's fiscal and operational flexibility and may affect the value of the Securities. See Section 2.3 below.

2.1.5 Sovereign Default and Restructuring History. The Republic has been in default on its external sovereign debt obligations since November 2017, when the Republic and PDVSA failed to make scheduled debt-service payments on outstanding notes. Multiple defaults have been confirmed by the international credit-rating agencies. Cumulative arrears, including missed coupons and unpaid principal, exceed USD 70 billion. The Plan-Génesis Reform contemplates a comprehensive sovereign-debt restructuring under the VRD framework (Capítulo VI), to be implemented in coordination with U.S.-court proceedings, ICSID enforcement proceedings, and the disposition of PDV Holding and Citgo Petroleum Corporation. The VRD framework includes mandatory exchange terms calibrated to comply with the NML Capital, Ltd. v. Republic of Argentina, 727 F.3d 230 (2d Cir. 2013), *pari passu* doctrine, but no assurance can be given that holdout creditors will not pursue litigation, that the VRD framework will achieve participation thresholds sufficient to clear, or that the cumulative cost of restructuring (including settlements with non-participating holders) will not exceed the levels assumed in the Master Deployment Schedule.

2.1.6 Macroeconomic Risk. The Republic's macroeconomic environment has been characterized by severe hyperinflation (cumulative inflation 2017-2022 exceeded 100,000%), GDP contraction (cumulative GDP decline 2013-2020 exceeded 70%), and severe currency depreciation. The Plan-Génesis Reform contemplates monetary stabilization through (i) full operational inde-

pendence of the BCV under amended Article 318 of the CRBV, (ii) the maintenance of transactional dollarization under amended Article 36, (iii) inflation targeting, (iv) reconstitution of international reserves, and (v) coordination with the International Monetary Fund and the World Bank Group. No assurance can be given that monetary stabilization will be achieved on the timeline described in the Plan-Génesis Reform, that inflation will be reduced to single-digit levels within the projected horizon, or that the Republic's GDP and economic activity will return to historical levels.

2.1.7 Operational and Infrastructure Risk in Venezuela. Operational risk in the Republic is significant. Physical infrastructure — electrical generation and transmission, water and wastewater, ports, airports, highways, and telecommunications — has suffered from approximately 15-25 years of underinvestment and deferred maintenance. The Master Deployment Schedule allocates approximately USD 30-50 billion to infrastructure rehabilitation, but no assurance can be given that infrastructure capacity will be restored on the timeline assumed in the financial projections (Section 7), that operational disruptions will not adversely affect production from royalty-generating activities (the collateral for the Series A Notes), or that capacity-related supply-chain bottlenecks will not delay project completion.

2.1.8 Human Capital and Skilled-Workforce Constraints. The Republic has experienced an estimated outmigration of approximately 7.7 million persons (representing approximately 25% of the pre-crisis population), with disproportionate departure of professional, technical, and managerial talent (the so-called "fuga de cerebros"). Reconstitution of the skilled labor force required to operate the Plan-Génesis transactions at the projected scale — including engineers, accountants, IT professionals, medical and educational professionals, and legal counsel — represents a substantial risk that may materialize as operational shortfalls, project delays, and cost overruns. Mitigation strategies described in the Plan-Génesis publication include (i) targeted return-of-diaspora programs, (ii) talent partnerships with international firms (Big Four, McKinsey/BCG/Bain, Bechtel, ProEnergy, GE Vernova) operating under GL-G5 advisory authorizations, and (iii) graduate-level training and apprenticeship programs. However, no assurance can be given that these strategies will produce a workforce sufficient for the Plan-Génesis projected scale.

2.1.9 Indigenous-Community Operational Risk. Operations in the Arco Minero del Orinoco intersect with territories of the Pemón, Yanomami, Ye'kwana, and Pumé indigenous communities. The Plan-Génesis Reform provides for a 5% ad valorem indigenous-community royalty paid to community-administered trusts. However, the prior, free, and informed consultation required under Convenio 169 of the International Labour Organization (ratified by the Republic in 2002) is operationally complex and time-consuming. Delays in completing the consultation process, dis-

putes among community sub-groups, and litigation under domestic and international fora (including the Inter-American Court of Human Rights) may delay project launches, increase the cost of mining-sector operations, and create reputational risk for Anchor Investors.

2.1.10 Environmental, Social, and Governance (ESG) Risk. Many institutional Anchor Investors — including Norges Bank Investment Management (NBIM), CalPERS, CalSTRS, the New York State Common Retirement Fund, the Ontario Teachers' Pension Plan, the Dutch ABP, and the German BVV — are subject to ESG and exclusion policies that may limit or prohibit investment in jurisdictions with documented human-rights, environmental, or governance concerns. The Plan-Génesis Reform contemplates a Verdad y Reconciliación process (Capítulo XLI) that, if successful, would establish the Republic's status as a "verified-reforming jurisdiction" and would unlock allocation by certain ESG-screened pools. However, the typical 24-48-month "track record" requirement for re-eligibility may delay full Anchor Investor commitment. ESG-screened pools that elect to commit at earlier dates may face reputational risk and potentially litigation from beneficiaries, regulators, or activist organizations.

2.1.11 Macroeconomic and Banking-System Risk. Despite the Plan-Génesis Reform, the Republic's banking system remains structurally weak, with limited domestic credit availability, capital flight, asset-quality deterioration, and significant exposure to political risk. The privatization of Banco de Venezuela (and possibly other banks) under the Plan-Génesis Reform is intended to inject capital, expertise, and risk-management capacity into the system. However, until the banking system has re-established a stable credit base, working-capital availability for Anchor Investor-financed projects may be limited, requiring greater reliance on offshore project finance and on the Issuer's own working-capital reserve.

2.1.12 Inflation and Currency-Convertibility Operational Risk. Even with the Convertibility Guarantee Trust and the prohibition on capital controls under amended Article 36 of the CRBV, transient periods of currency convertibility difficulty or rapid currency depreciation are likely during the first 18-24 months of the Plan-Génesis Reform. During such periods, operating costs denominated in bolivars (payroll, certain materials and services, local taxes if applicable) may increase rapidly relative to USD revenue. The Hedging Mandate (Defense Layer 3) addresses commodity-price risk but not currency-mismatch risk; bolivar-denominated cost inflation may erode operating margins.

2.1.13 Risk of Failure of Plan-Génesis Reform Implementation. Each component of the Plan-Génesis Reform — including the AEG establishment, the FSI/FCP establishment, the constitutional amendments, the LOH 2026/LOM 2026/LOZEEG enactment and effectivity, the BCV restructuring, the AEG-PDVSA institutional separation, and the VRD framework — represents a substantial institutional undertaking that may fail or be delayed. The Plan-Génesis publication descri-

bes the implementation as a five-year process, but historical sovereign-reconstruction processes (Argentina 2001-2005, Iraq 2003-2008, Greece 2010-2014, Brazil 1994-1998) have typically required 5-10 years to achieve full operational maturity. Implementation delays may push back the timeline for GL-G series issuance, for joint-venture closings, for the deployment of capital, and for the realization of Anchor Investor IRRs.

2.2 Risks Related to U.S. Sanctions Regime

2.2.1 Existing U.S. Sanctions Architecture and Blocked-Person Status. The U.S. economic-sanctions regime applicable to the Republic — and to a substantial number of state-owned enterprises and individuals associated with the Government of Venezuela — is set forth principally in Executive Orders 13692, 13808, 13827, 13835, 13850, 13857, and 13884, as well as in the implementing regulations promulgated by OFAC at 31 C.F.R. Part 591. Persons listed on the SDN List that are relevant to the Plan-Génesis transactions include, without limitation, Petróleos de Venezuela, S.A. ("PDVSA") and a substantial class of its subsidiaries, the Banco Central de Venezuela ("BCV"), Banco de Venezuela, S.A. Banco Universal, the Banco de Desarrollo Económico y Social de Venezuela ("BANDES"), the Compañía Anónima Nacional Teléfonos de Venezuela ("CANTV") (by virtue of fifty-percent or greater Government ownership), MINERVEN (the state-owned gold-mining company), the Compañía Anónima Venezolana de Industrias Militares ("CAVIM"), and the Corporación Eléctrica Nacional, S.A. ("Corpoelec"). Each Plan-Génesis transaction involves at least one such blocked person on the seller side. Consummation of each such transaction therefore requires either (i) issuance by OFAC of a General License (as described in Section 8.1 below) authorizing the transaction, (ii) issuance by OFAC of a specific license, or (iii) the de-listing or successor-entity-creation of the relevant blocked person prior to closing.

2.2.2 IEEPA Criminal and Civil Penalties. Violations of the U.S. sanctions regime, including violations resulting from the failure to obtain an applicable General License or specific license prior to a transaction, expose violators to criminal penalties of up to USD 1,000,000 per violation and imprisonment for up to 20 years per violation under the International Emergency Economic Powers Act ("IEEPA"), 50 U.S.C. § 1705. Civil penalties under IEEPA are the greater of USD 250,000 (adjusted annually for inflation, presently approximately USD 360,000) or twice the value of the transaction, per violation. Each transaction is a separate violation. Recent enforcement actions under IEEPA have produced settlements in excess of USD 1 billion (the BNP Paribas settlement of 2014, the Société Générale settlement of 2018, the Standard Chartered settlement of 2019). Although the Issuer has implemented comprehensive OFAC-compliance programs and seeks to obtain all required General Licenses prior to consummating any transaction, no assurance can be given that an OFAC determination will not subsequently conclude that any transaction was

conducted in violation of the sanctions regime, in which case Holders of the Securities could face direct or indirect exposure (including possible exposure under derivative-liability theories, secondary-sanctions theories, and aiding-and-abetting theories).

2.2.3 CAATSA Section 231 Secondary Sanctions Exposure. Section 231 of CAATSA, 22 U.S.C. § 9525, requires the President to impose secondary sanctions on persons that knowingly engage in significant transactions with persons that are part of, or operate for or on behalf of, the defense or intelligence sectors of the Government of the Russian Federation. The Republic has had a substantial defense-procurement and military-cooperation relationship with the Russian Federation since approximately 2006, including with respect to Su-30MK2 fighter aircraft, T-72B1 main battle tanks, S-300VM surface-to-air missile systems, and BUK-M2E air-defense systems. To the extent that the Issuer, any of its joint-venture partners, or any of its subsidiaries engages in transactions in Venezuela that are determined to be "significant transactions" with the Russian defense sector, the Issuer, its joint-venture partners, and its directors and officers could face Section 231 designations, with cascading consequences for the Issuer's banking, capital-markets, and operational relationships. Compliance with CAATSA Section 231 requires (i) operational segregation from Russian defense-sector counterparties, (ii) careful supply-chain due diligence to identify and remove Russian-sourced components, and (iii) coordination with the U.S. Department of State on any potential exposure. No assurance can be given that the Issuer or its joint-venture partners can fully eliminate Section 231 exposure on the timeline of the Master Deployment Schedule.

2.2.4 Executive Order Rescission, Expansion, or Modification Risk. The Venezuela sanctions program is administered under Executive Orders that may be rescinded, expanded, or modified at the discretion of the President of the United States, in coordination with the U.S. Department of State, the U.S. Department of the Treasury, and the National Security Council. A successor U.S. administration may take a different approach to Venezuela sanctions, including by tightening sanctions, rescinding General Licenses (including the GL-G series), or imposing additional secondary sanctions. Any such action could materially adversely affect the value of the Securities, the operational viability of the joint-venture partners, and the ability of U.S. Holders to repatriate distributions, interest, or principal. Conversely, a sustained relaxation of sanctions, including a de-listing of PDVSA from the SDN List, could materially alter the competitive landscape and the economics of the Plan-Génesis transactions, in ways that may not benefit the Issuer or the Anchor Investors.

2.2.5 General License Issuance and Renewal Risk. The Plan-Génesis architecture is contingent upon the issuance and continued effectiveness of the GL-G series General Licenses described in Section 8.1. As of the date of this Memorandum, none of the GL-G series Licenses has

been issued. Each License is the subject of pre-decisional engagement with the Treasury Office of Terrorism and Financial Intelligence, the U.S. Department of State, and the National Security Council, but no assurance can be given that any GL-G License will be issued, that issued GL-G Licenses will be issued on the timeline or with the scope described in Section 8.1, that issued GL-G Licenses will not be modified, restricted, or rescinded prior to or following the consummation of transactions made in reliance thereon, or that issued GL-G Licenses will be renewed upon their stated expiration dates.

2.2.6 Compliance Program Failure Consequences. Material failure of the Issuer's OFAC compliance program — including failure to conduct adequate KYC and AML diligence on counterparties, failure to maintain transaction-screening controls, failure to maintain documentation sufficient to evidence compliance, failure to escalate compliance issues to senior management or to the Board, or failure to remediate compliance findings — could result in (i) enforcement action by OFAC, including civil and criminal penalties, (ii) reputational damage that could materially affect the Issuer's ability to access capital markets, (iii) loss of correspondent banking relationships, (iv) listing of the Issuer or its directors and officers on the SDN List, and (v) enforcement of cross-default provisions in the Series A Notes Indenture. The Issuer's compliance program is being developed in coordination with sanctions counsel (Akin Gump Strauss Hauer & Feld LLP) and an independent OFAC-compliance auditor (Promontory Financial Group, Treliant, or K2 Integrity, as selected by the Anchor Investors), but no assurance can be given that the compliance program will detect or prevent all violations.

2.2.7 50-Percent Rule and Successor-Entity Risk. OFAC's 50-Percent Rule (codified at 31 C.F.R. § 591.406; OFAC Guidance on Entities Owned by Blocked Persons, August 13, 2014, as updated) provides that any entity in which the Government of Venezuela holds, directly or indirectly, fifty percent (50%) or more of the equity or voting interest is itself a blocked person. The Plan-Génesis structure contemplates that operating entities will be reorganized as Plan-Génesis-Licensed Entities with non-Government-of-Venezuela majority ownership (typically through joint ventures in which a non-blocked investor holds the majority equity interest). However, the technical determination of whether any particular successor entity has been adequately separated from the Government of Venezuela, for purposes of the 50-Percent Rule, requires careful legal analysis and OFAC concurrence. Errors in this analysis could result in transactions being treated as transactions with blocked persons, with consequent enforcement risk.

2.2.8 Forfeiture Overhang — PDV Holding / Citgo Disposition Risk. The Citgo Petroleum Corporation forfeiture and Special Master sale process administered by the U.S. District Court for the District of Delaware (Robert Pincus, Special Master), pursuant to the Crystallex litigation, places PDV Holding shares — and indirectly Citgo Petroleum Corporation — at imminent risk of

court-administered sale to satisfy ICSID and arbitral creditors. The disposition of PDV Holding could materially affect (i) the value of the Republic's downstream oil-sector assets, (ii) the structure of the Plan-Génesis VRD framework, (iii) the negotiating leverage of the Issuer and the Republic in respect of the Crystallex, ConocoPhillips, and other ICSID creditors, and (iv) the timing and economics of Citgo's reintegration into the Plan-Génesis Reform. The pending status of the Special Master sale process is described in further detail in Capítulo VI of the Plan-Génesis publication.

2.2.9 Sanctions Snapback Risk Following Trade Deal Failures. History demonstrates that sanctions regimes may be tightened, expanded, or "snapped back" in response to perceived counterparty non-compliance. The Iran JCPOA "snapback" of 2018 illustrates how a substantial portfolio of operational and financial transactions may be unwound on short notice. The Plan-Génesis transactions are contingent upon the maintenance of the GL-G series Licenses; in the event of a perceived non-compliance event (including by the Republic, by joint-venture partners, or by the Issuer) or a change in U.S. political posture, the GL-G Licenses could be rescinded with limited notice. In a sanctions-snapback scenario, the Issuer's pre-existing positions may face attachment, freeze, or wind-down compulsion.

2.3 Risks Related to International Litigation

2.3.1 ICSID Jurisdiction and the 2012 Venezuelan Denuncia. On January 24, 2012, the Republic deposited with the Secretary-General of ICSID a notice of denunciation of the ICSID Convention, in accordance with Article 71 thereof. The denunciation became effective on July 25, 2012. The Republic's denunciation does not retroactively extinguish ICSID jurisdiction over disputes arising under investments made prior to the date of denunciation, nor does it affect jurisdiction over disputes arising under bilateral investment treaties ("BITs") that include ICSID consent. However, the denunciation creates legal uncertainty regarding the availability of ICSID jurisdiction for post-2012 investments, including investments to be made under the Plan-Génesis Reform. The Plan-Génesis architecture addresses this risk through (i) the proposed re-accession of the Republic to the ICSID Convention, (ii) the inclusion of ICSID, LCIA, and UNCITRAL multi-tier arbitration clauses in joint-venture agreements (see Section 4.5), and (iii) explicit FSIA § 1605(a)(2) commercial-activity waivers, as described in Section 4.5 and Section 8. No assurance can be given that ICSID jurisdiction will be available for any particular dispute under the Plan-Génesis Reform.

2.3.2 NML Capital v. Argentina-Type Attachment Exposure. The decision of the U.S. Court of Appeals for the Second Circuit in *NML Capital, Ltd. v. Republic of Argentina*, 727 F.3d 230 (2d Cir. 2013), and the subsequent enforcement decisions of the U.S. District Court for the Southern

District of New York, established the broad enforceability of *pari passu* clauses in sovereign-debt instruments and the availability of attachment remedies against sovereign assets located in the United States. The Plan-Génesis VRD framework (Capítulo VI) is calibrated to comply with the NML doctrine through uniform-treatment terms and the inclusion of Collective Action Clauses where applicable. However, residual exposure exists if (i) holdout creditors elect not to participate and pursue NML-type attachment in U.S. courts, (ii) U.S.-court rulings in pending Venezuela-related litigation (including the Citgo receivership proceedings administered by the U.S. District Court for the District of Delaware and the Crystallex enforcement proceedings) materially affect the Plan-Génesis VRD framework, or (iii) attachment is sought against Issuer-held assets in the U.S. notwithstanding the Convertibility Guarantee Trust structure. Stress Test 2 (Section 7.3) models the impact of an NML-type attachment of USD 5 billion of Issuer assets.

2.3.3 ConocoPhillips Award Enforcement Proceedings. The ICSID award in *ConocoPhillips Petrozuata B.V., et al. v. Bolivarian Republic of Venezuela*, ICSID Case No. ARB/07/30 (Award of March 8, 2019), as supplemented and amended, presently approximately USD 8.7 billion plus accumulated interest, is the subject of ongoing enforcement proceedings in multiple jurisdictions. The Plan-Génesis VRD framework contemplates a global settlement of the ConocoPhillips, Mobil, and other ICSID-judgment creditors as part of the comprehensive restructuring (Capítulo VI). However, no assurance can be given that a global settlement will be achieved, that the settlement terms will be acceptable to all judgment creditors, or that judgment creditors will refrain from pursuing attachment remedies against Issuer-held or Republic-held assets during the pendency of negotiations.

2.3.4 Mobil Cerro Negro Enforcement Proceedings. The ICSID award in *Mobil Cerro Negro Holding, Ltd., et al. v. Bolivarian Republic of Venezuela*, ICSID Case No. ARB/07/27 (Award of October 9, 2014), approximately USD 1.6 billion, is the subject of enforcement proceedings, including the U.S. Court of Appeals for the Second Circuit's decision in *Mobil Cerro Negro, Ltd. v. Bolivarian Republic of Venezuela*, 87 F.4th 95 (2d Cir. 2023), addressing standards for compliance with subject-matter jurisdiction under the FSIA. The pending status of the Mobil enforcement proceedings introduces uncertainty into the Plan-Génesis transactions, including the disposition of PDV Holding and Citgo.

2.3.5 Crystallex Enforcement Proceedings. The ICSID award in *Crystallex International Corp. v. Bolivarian Republic of Venezuela*, ICSID Case No. ARB(AF)/11/2 (Award of April 4, 2016), approximately USD 1.39 billion plus interest, is the subject of ongoing enforcement proceedings before the U.S. District Court for the District of Delaware, including a Special Master process for the disposition of PDV Holding shares (Robert Pincus, Special Master). The disposition of PDV Holding shares — and indirectly of Citgo Petroleum Corporation — could materially affect (i) the

value of the Republic's downstream oil-sector assets, (ii) the structuring of the Plan-Génesis VRD framework, and (iii) the timeline and economics of the Plan-Génesis transactions in the hydrocarbons sector.

2.3.6 Indigenous-Community Litigation Exposure (Convenio 169 OIT). Operations in the Arco Minero del Orinoco — including the Las Cristinas, Brisas, and El Callao projects — and certain hydrocarbons operations along the Faja Petrolífera del Orinoco are located in territories overlapping with indigenous-community lands of the Pemón, Yanomami, Ye'kwana, and Pumé peoples. Under Convenio 169 of the International Labour Organization, ratified by the Republic in 2002, prior, free, and informed consultation is required prior to the commencement of activities affecting indigenous communities. Failure to comply with Convenio 169 may give rise to litigation in domestic and international fora, including the Inter-American Court of Human Rights. The Plan-Génesis Reform allocates a five-percent (5%) ad valorem indigenous-community royalty contribution to a community-administered trust to mitigate this risk, but no assurance can be given that compliance will be achieved or that adverse litigation will be avoided.

2.3.7 Securities Litigation — Section 10(b) and Rule 10b-5. This Memorandum, the related Plan-Génesis disclosure documents, and any subsequent securities offerings could give rise to securities litigation under Section 10(b) of the Exchange Act and SEC Rule 10b-5, alleging material misrepresentation or omission in connection with the offer or sale of the Securities. While the Issuer believes that this Memorandum, when read in its entirety together with the data-room materials and other Plan-Génesis publications, accurately and completely describes the Securities and the underlying transactions, the legal standard for securities-fraud liability is fact-intensive and the outcome of any such litigation cannot be predicted. The Issuer's directors, officers, and the Placement Agents may be named as defendants in any such litigation.

2.3.8 New York Martin Act Exposure. The New York General Business Law Article 23-A (the "Martin Act") confers on the New York Attorney General broad authority to investigate and prosecute securities fraud, including in connection with private placements. Any offer or sale of the Securities to New York residents or any conduct of any aspect of the offering from a New York office would subject the Issuer and its officers to Martin Act jurisdiction. The Martin Act does not require proof of scienter for civil liability and authorizes injunctive, restitutionary, and disgorgement remedies. The Issuer will undertake reasonable measures to comply with the Martin Act, but no assurance can be given that compliance will be perfect or that Martin Act exposure will not arise.

2.3.9 SEC Enforcement Exposure under Section 5 and Rule 506. Even though the Securities are being offered in reliance upon the Section 4(a)(2) and Rule 506(c) exemptions from registration, the Securities and Exchange Commission has broad enforcement authority under Section

21(a) of the Exchange Act and Section 20(a) of the Securities Act. The SEC could allege (i) that the offering did not satisfy the conditions of the relevant exemption (for example, by failing to take reasonable steps to verify accredited-investor status under Rule 506(c)(2)(ii)), (ii) that the offering involved general solicitation that disqualified the offering from one or more exemptions, or (iii) that the Issuer, the Placement Agents, or the directors and officers thereof engaged in fraudulent, deceptive, or manipulative practices. SEC enforcement could result in rescission, disgorgement, civil penalties, and the imposition of officer-and-director bars. The Issuer will retain qualified securities counsel and will implement industry-standard Rule 506(c) compliance procedures.

2.3.10 FSIA Exception and Sovereign Immunity Considerations. The Foreign Sovereign Immunities Act of 1976, 28 U.S.C. §§ 1602 et seq. ("FSIA"), generally immunizes foreign sovereigns from the jurisdiction of U.S. courts, subject to enumerated exceptions including the commercial-activity exception (28 U.S.C. § 1605(a)(2)) and the explicit-waiver exception (28 U.S.C. § 1605(a)(1)). The Plan-Génesis Indenture, the joint-venture agreements, and the sovereign-guarantee agreements will include explicit waivers of sovereign immunity from suit and from execution. Notwithstanding such waivers, U.S. courts apply careful scrutiny to FSIA waivers, particularly with respect to execution against central-bank assets (28 U.S.C. § 1611(b)(1)), property of a state used or intended to be used in connection with a military activity (28 U.S.C. § 1611(b)(2)), and property of a foreign state held in connection with diplomatic missions. The effectiveness of the FSIA waivers in the Plan-Génesis transactions therefore depends on (i) the scope and clarity of the waiver language, (ii) the nature and location of the asset against which execution is sought, and (iii) the disposition of any reciprocity arguments raised by the Republic.

2.3.11 Lesión Enorme / Unconscionability Theory. Venezuelan civil law (Código Civil Venezolano, Arts. 1.350-1.361) provides a doctrine of lesión enorme (or "lesion") permitting the rescission of a contract where there is a material disparity between performance and counter-performance, particularly in respect of immovable property. Venezuelan judicial decisions interpreting this doctrine could be invoked by counterparties or by future Venezuelan administrations to challenge the validity of joint-venture or concession agreements entered into during the Plan-Génesis Reform on the theory that the consideration paid by the operator is disproportionately low relative to the value received. The Plan-Génesis Reform addresses this risk through (i) AEG-supervised auction processes designed to establish market-clearing prices, (ii) independent valuation reports prepared by Big Four firms, and (iii) Stabilization Clauses (Defense Layer 7). However, the lesión-enorme defense remains a litigation possibility, particularly under successor administrations adverse to the Plan-Génesis Reform.

2.3.12 Securities Litigation by Anchor Investor Counterparties. Future Anchor Investors of additional Tranches or in successor offerings may bring securities-litigation claims against the Issuer, the Sponsor, or the Placement Agents, alleging that (i) representations made to such later Anchor Investors regarding the participation of earlier Anchor Investors were inaccurate or misleading, (ii) the disclosed status of GL-G series Licenses was inaccurate, or (iii) the represented operational milestones were not achieved. The Plan-Génesis publication has historically named or referenced certain potential Anchor Investors (including BlackRock, Blackstone, the Saudi Arabian Public Investment Fund (PIF), the Government of Singapore Investment Corporation (GIC), the Abu Dhabi Investment Authority (ADIA), Temasek, and Norges Bank Investment Management (NBIM)) without confirmed binding commitments from those institutions. Such references, even where qualified with appropriate disclaimers, could give rise to securities-fraud claims under Section 10(b) and Rule 10b-5 if such references are determined to have been material and misleading.

2.3.13 Adverse Outcome in Pending OFAC Enforcement Investigations. The Republic and certain affiliated persons may be subject to pending or future OFAC enforcement investigations. An adverse outcome in such investigations could result in (i) the imposition of additional sanctions or the modification of existing General Licenses, (ii) court-supervised supplemental settlement obligations affecting the Republic's financial flexibility, and (iii) reputational damage. The Issuer's compliance posture is designed to monitor and respond to such investigations, but the timing, scope, and outcome of any OFAC enforcement action cannot be predicted.

2.3.14 Risk of Strategic Litigation by Hostile Holdout Creditors. A small number of holdout creditors of the Republic may, after the closure of the VRD restructuring, pursue strategic-litigation campaigns designed to maximize their negotiating leverage by attaching Issuer or Republic assets in multiple jurisdictions. Such campaigns may impose significant litigation, attachment, and discovery costs on the Issuer that cannot be fully captured by the Litigation Reserve (Defense Layer 2). The Issuer's outside counsel (Sullivan & Cromwell LLP and Cleary Gottlieb LLP) maintains experience in defending against analogous strategic-litigation campaigns (including in the Argentina, Greece, and Russia contexts), but no assurance can be given that the Issuer will prevail in any particular proceeding.

2.4 Risks Related to the Specific Offering

2.4.1 Reg D 506(c) Accredited-Investor Verification Failure. Rule 506(c) of Regulation D permits general solicitation and general advertising in connection with a private offering, but only if all purchasers are accredited investors and the issuer takes "reasonable steps" to verify accredited-investor status (Rule 506(c)(2)(ii)). The Issuer will take reasonable steps to verify accredited-

investor status by, among other things, requiring documentation evidencing income or net worth, requiring written confirmation from a registered broker-dealer, a registered investment adviser, a licensed attorney, or a certified public accountant, or any other method that the Issuer reasonably determines to be sufficient under the facts and circumstances. However, if any purchaser is later determined not to have been an accredited investor at the time of subscription, the Issuer's reliance on Rule 506(c) could fail, exposing the Issuer to (i) rescission claims by purchasers, (ii) SEC enforcement action, (iii) integration with subsequent offerings under Rule 152, and (iv) loss of the "bad-actor" disqualification safe harbor under Rule 506(d). The Issuer's reliance on third-party verification methods does not insulate the Issuer from this risk.

2.4.2 Information Asymmetry Between Sponsor and Investors. The Sponsor and certain of the Issuer's directors, officers, advisors, and counsel have access to information regarding the Republic, the Plan-Génesis transactions, the regulatory environment, and the Anchor Investor pipeline that is not available to recipients of this Memorandum. Although the Issuer has made commercially reasonable efforts to disclose material information in this Memorandum and in the data room maintained for the benefit of prospective investors, no assurance can be given that the disclosed information is comprehensive or that adverse information unknown to or unappreciated by the Sponsor has been disclosed.

2.4.3 Conflicts of Interest. The Sponsor and its constituent organizations, the Issuer's directors and officers, the Placement Agents, and certain other persons involved in the Plan-Génesis transactions have, or may from time to time have, economic, political, or operational interests that may conflict with the interests of holders of the Securities. Such conflicts include (i) the Sponsor's interest in advancing the Plan-Génesis political program, which may from time to time diverge from the maximization of returns to holders of the Securities; (ii) the Placement Agents' interest in receiving placement fees, which may incentivize the placement of Securities to investors regardless of whether such Securities are suitable for the investor; (iii) the relationship between the AEG (which controls the calibration of the ZEEG royalty rates under the LOZEEG) and the Issuer (which receives royalty-stream pledges collateralizing the Series A Notes); and (iv) the relationship between the Issuer and the operating entities (whose operating margins affect the cash flows pledged to holders of the Series A Notes). The Indenture and the Anchor Investor Representation Agreement include provisions designed to mitigate certain of these conflicts, including independent valuation, audit, and consent rights for Anchor Investors, but no assurance can be given that conflicts will be fully resolved.

2.4.4 Placement Agent Compensation. The Placement Agents will receive aggregate placement fees of up to two percent (2.0%) of the gross proceeds raised under each Tranche, plus expense reimbursement. Placement fees reduce the proceeds available to the Issuer for deploy-

ment. The Placement Agents' compensation structure may incentivize the placement of Securities to investors notwithstanding suitability considerations. Each prospective investor should consider its own suitability for the investment independently of any representations by Placement Agents.

2.4.5 No Underwriting; No Listing. The Securities are not being offered through a firm-commitment underwriting. The Placement Agents are acting on a best-efforts basis and have no obligation to purchase any Securities. The Securities will not be listed on any national securities exchange or quoted on any over-the-counter quotation system at the time of original issuance. Although the Issuer expects that one or more of the Securities (in particular, the underlying equity interests pursuant to BVC IPO and NYSE dual-listing pathways) may be listed in the future as described in Section 4.5 (Layer 9 Exit Liquidity), no assurance can be given that any such listing will occur or that, if any such listing occurs, an active trading market will develop or be sustained.

2.5 Risks Related to Use of Proceeds

2.5.1 Master Deployment Schedule Timing Risk. The Master Deployment Schedule contemplates deployment of approximately 80% of total proceeds within five years of the first Closing. The timing of deployments is contingent upon (i) the issuance of relevant GL-G series Licenses, (ii) the satisfactory completion of joint-venture due diligence, (iii) the obtaining of operational permits and authorizations from the Republic and the AEG, (iv) the resolution of legacy litigation, (v) market conditions, and (vi) the operational readiness of joint-venture partners. Delays in deployment may result in the holding of significant cash balances by the Issuer, generating temporary returns substantially below the targeted IRRs and creating idle-capital opportunity costs.

2.5.2 Currency Mismatch Risk. Substantially all of the operating activities funded by the Securities are conducted in the Republic, where operating expenses, payroll, and certain capital expenditures are denominated in Venezuelan bolivars ("VES"). Substantially all of the Issuer's revenue from royalty streams, dividends, and other distributions is denominated in USD. To the extent that VES-denominated operating costs increase relative to USD revenue (whether through currency depreciation, inflation, or other factors), the operating margins available to support the Securities may be adversely affected. The Hedging Mandate (Layer 3, Section 4.5) addresses commodity-price risk but not all currency-mismatch risk.

2.5.3 Working Capital Sufficiency. The Master Deployment Schedule allocates approximately USD 5-10 billion to working capital and operating contingency. No assurance can be given that this allocation is sufficient to fund operations through a period of operational disruption, regula-

tory delay, or unfavorable commodity-price conditions. The Issuer may be required to seek additional working capital through the issuance of additional Securities (which may be dilutive of existing holders) or through debt financing (which may be subordinated to the Series A Notes or that may impose additional covenants on the Issuer).

2.5.4 Counterparty Risk in Joint Ventures. The Issuer's investment program is substantially executed through joint ventures with Plan-Génesis Licensed Entities, including major international operators (the named ConocoPhillips, Mobil, Chevron, Repsol, Reliance, ENI, Maurel & Prom, Total, etc., to the extent that any of them are accepted as joint-venture partners under the Plan-Génesis framework). Joint-venture partners may default on their funding commitments, breach operational covenants, withdraw from joint ventures, or pursue interests adverse to the Issuer. The Issuer's recourse in such cases may be limited to remedies under joint-venture agreements (which are subject to arbitration, with attendant delays and costs).

2.5.5 Reserve-Allocation Inadequacy. The Litigation Reserve (USD 1.5-2.5 billion target) and the Convertibility Guarantee Trust (USD 8-11 billion target) are sized based on actuarial assumptions and contingent-liability modeling. If actual claims exceed Litigation Reserve capacity or if convertibility demand exceeds Trust capacity, the Issuer's cash flow available to service the Securities could be materially adversely affected.

2.5.6 Cost Overrun Risk in Reconstruction Programs. The Master Deployment Schedule (Capítulo I, Tabla Maestra) presumes specific capital-expenditure budgets for each sector. Historical reconstruction programs (Iraq 2003-2010, Afghanistan 2002-2010, post-disaster reconstruction in multiple jurisdictions) have routinely experienced cost overruns of 25-100% above initial budgets due to (i) underestimation of the degraded condition of existing assets, (ii) labor and materials inflation, (iii) regulatory delays, (iv) security and logistics premiums, (v) currency effects, and (vi) project-management complexity. Cost overruns may require additional capital calls on Anchor Investors, may compress operating margins, and may delay the achievement of operational milestones.

2.5.7 Project Finance Counterparty Risk. The USD 73 billion of project-finance debt expected to be raised at the operating-subsubsidiary level requires the willingness of project-finance banks (JPMorgan, Citibank, Bank of America, Wells Fargo), development-finance institutions (the U.S. International Development Finance Corporation ("DFC"), the Export-Import Bank of the United States ("EXIM Bank"), the International Finance Corporation ("IFC"), the Inter-American Development Bank ("IADB")), and bilateral export-credit agencies (EulerHermes, Coface, JBIC, Sinosure) to extend credit to Plan-Génesis-licensed entities. The DFC is currently restricted from operations in Venezuela by Country Risk Rating policies; the EXIM Bank Country Limitation Schedule

presently classifies Venezuela in Category 7 (no transactions). The relaxation of these classifications is a Plan-Génesis priority, but no assurance can be given that the relaxations will occur on the timeline assumed in the Master Deployment Schedule.

2.5.8 Acquisition Pricing and Auction Risk. Each privatization of state-owned enterprises (Banco de Venezuela, CANTV/Movilnet, Hidroven successor, Corpoelec successor entities) and each concession award (Las Cristinas, Brisas, etc.) is to be conducted through AEG-supervised auctions. The economic outcome of each auction depends on the depth of bidder participation, the integrity of the auction process, the accuracy of asset valuations, and market conditions. Insufficient bidder participation may result in (i) below-market acquisition prices for the Anchor Investors that participate, (ii) failure to consummate planned privatizations, or (iii) public-policy challenges to the integrity of the privatization process.

2.6 Risks Related to Investor Rights

2.6.1 Limited Liquidity. The Securities are not traded on any national securities exchange or over-the-counter quotation system. Holders will not have a ready market for the resale of the Securities. The Securities are subject to transfer restrictions under U.S. federal securities laws and under the terms of the Indenture and the Subscription Agreement. Holders may not be able to resell the Securities for an indefinite period of time or at prices that reflect their fundamental value.

2.6.2 Lock-Up Periods. Holders of the Series C Common and the Series D Common are subject to lock-up periods of three to five years from the Closing of the relevant Tranche, during which the Securities may not be transferred except in limited circumstances (estate distributions, intra-fund-family transfers, transfers to affiliates).

2.6.3 Information Rights. Holders will be entitled to certain information rights as set forth in the Indenture or the Subscription Agreement, but these rights may not be coextensive with the information rights typically available to public-company shareholders. In particular, the Issuer is not subject to the periodic reporting requirements of the Exchange Act (Sections 13 and 15(d)), and the Issuer is not required to maintain a public reporting infrastructure (although the Issuer will provide quarterly and annual reporting to Anchor Investors and Holders as described in Section 6.5).

2.6.4 Board Representation Rights. Anchor Investors holding aggregate Series A and Series B principal of USD 5 billion or more will be entitled to nominate and to seat board representatives at the Issuer, the AEG, and the FSI (collectively, the "Anchor Governance Rights") as described in Section 6.5. Anchor Governance Rights include a binding veto over certain enumerated categories

ries of decisions (including modifications to the LOZEEG calibrated rates, the imposition of capital controls, restrictions on currency convertibility, and the liquidation of single positions exceeding USD 5 billion without 60-day notice). However, the Anchor Governance Rights are conditioned on (i) the maintenance of Anchor commitment thresholds, (ii) the avoidance of certain "Anchor Disqualifying Events," and (iii) the continued operability of the AEG and FSI as institutional bodies. No assurance can be given that the Anchor Governance Rights will function as designed or that Anchor Investors will be able to exercise such rights to protect their economic interests in disputes with the Republic.

2.6.5 Veto Rights. The Anchor Governance Rights include binding vetoes that may be overridden under specified circumstances, including by AEG supermajority (two-thirds of the full Board) plus a sixty-day cooling-off period plus public disclosure of the override rationale. Anchor Investors should not assume that the veto rights will operate as absolute protections; rather, the rights operate as a procedural friction that imposes political cost on actions adverse to the Anchor Investors' interests.

2.7 Tax Risks

2.7.1 U.S. Federal Income Tax — GILTI Exposure. The Issuer expects to be classified as a U.S. C-corporation for U.S. federal income tax purposes. However, certain of the Issuer's operating subsidiaries and joint-venture vehicles are or may be classified as Controlled Foreign Corporations ("CFCs") under Section 957 of the U.S. Internal Revenue Code ("IRC"). U.S. holders of the Securities (including U.S. individual investors and U.S. corporate investors that are at least 10-percent shareholders, by vote or value, of one or more CFCs) may be subject to current taxation under the Global Intangible Low-Taxed Income ("GILTI") regime of IRC § 951A on their pro rata share of CFC earnings, even if no distributions are made to such shareholders. The GILTI regime currently provides a 50-percent deduction (under IRC § 250) and may permit certain foreign-tax credits, but these mechanisms may be insufficient to fully offset the GILTI inclusion. Each U.S. investor is advised to consult its own tax advisor regarding the potential GILTI consequences of an investment in the Securities.

2.7.2 BEAT Exposure. U.S. corporate investors that are subject to the Base Erosion and Anti-Abuse Tax ("BEAT") under IRC § 59A may be subject to additional U.S. federal income tax on payments made to foreign related parties, depending on the structure of the Issuer's operations and the related-party status of various payees.

2.7.3 Subpart F Income. Certain types of income earned by CFC subsidiaries of the Issuer — including passive income, certain related-party payments, and sales income — may be classified as Subpart F income under IRC § 952 and may be currently includible in the U.S. taxable income of U.S. shareholders without regard to whether actual distributions are made.

2.7.4 Withholding Tax Considerations. Distributions to non-U.S. holders may be subject to U.S. withholding tax under IRC § 1441 et seq. The Issuer expects that distributions classified as dividends under U.S. tax principles will be subject to 30-percent U.S. withholding tax in the case of non-U.S. holders, subject to reduction under applicable income-tax treaties. Distributions classified as return of capital or as interest may be subject to different withholding treatment. The Issuer makes no representation regarding the availability or applicability of any tax-treaty benefits.

2.7.5 FATCA and CRS Reporting. The Issuer is subject to reporting and withholding requirements under the U.S. Foreign Account Tax Compliance Act ("FATCA"), IRC §§ 1471-1474, and may be subject to similar reporting obligations under the OECD Common Reporting Standard ("CRS") in respect of investors that are tax-resident in CRS-participating jurisdictions. Each investor will be required to provide such information and documentation as the Issuer may reasonably request to satisfy these reporting and withholding obligations.

2.7.6 Estate Tax Considerations for U.S. Persons. U.S. citizens and U.S.-domiciled individuals may be subject to U.S. estate tax on the value of the Securities held at death, subject to the unified credit and any available marital or charitable deductions. Non-U.S. domiciled holders may be subject to U.S. estate tax only on Securities deemed to be "U.S.-situs" property. The classification of the Securities for estate-tax purposes depends on their characterization and the applicable estate-tax rules in effect at the time of death.

2.7.7 Venezuelan Withholding and ZEEG Regime. Under the ZEEG regime (LOZEEG), the Republic does not impose corporate income tax on activities licensed by the AEG. However, certain related-party payments, royalty payments, and other transfers from operating subsidiaries to the Issuer may be subject to Venezuelan tax withholding or to other forms of fiscal treatment as established by the AEG. Each non-Venezuelan holder is advised to consult Venezuelan counsel regarding the Venezuelan-tax consequences of holding the Securities.

2.7.8 PFIC Status and Mark-to-Market Election. The Issuer does not currently expect to be classified as a passive foreign investment company ("PFIC") within the meaning of IRC § 1297. However, this conclusion depends on the relative composition of the Issuer's gross income and assets, which may change over time as the Issuer's operating profile evolves. If the Issuer (or any of its non-U.S. subsidiaries) is classified as a PFIC for any taxable year, U.S. holders may be

subject to materially adverse U.S. federal income tax consequences, including (i) tax at ordinary-income rates on certain distributions and gains, (ii) a deferred-interest charge on certain gains, and (iii) elective adjustments under IRC §§ 1295 (Qualified Electing Fund) or 1296 (Mark-to-Market). U.S. holders should consult their own tax advisors regarding PFIC classification and elections.

2.7.9 Section 367 and Inversion Risks. Transactions involving the contribution of property to, or transfers between, the Issuer and its non-U.S. subsidiaries may be subject to IRC § 367 anti-inversion and anti-deferral provisions. The Issuer believes that its structure has been designed to avoid being treated as a "surrogate foreign corporation" under IRC § 7874, but no assurance can be given that subsequent IRS guidance or audit positions will not result in adverse treatment.

2.7.10 Mexican, EU, Asian, and Other Foreign Tax Considerations. Non-U.S. Holders should be aware that the Securities and the Issuer may be subject to taxation in multiple jurisdictions, including (i) the home jurisdiction of the Holder, (ii) jurisdictions in which the Issuer's operations are conducted (in particular, the Republic), and (iii) jurisdictions in which custody, payment, or distribution operations occur. Each Holder is advised to consult its own tax counsel regarding the consequences of holding the Securities in light of its particular circumstances.

2.8 Forward-Looking Statements

This Memorandum contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Such statements include, without limitation, statements regarding the projected financial performance of the Republic and of the Plan-Génesis transactions, statements regarding the expected issuance and effectiveness of the GL-G series, statements regarding the timing and economics of the Master Deployment Schedule, statements regarding the expected resolution of the legacy debt and litigation overhang, statements regarding expected royalty streams and operating margins, statements regarding currency stabilization and macroeconomic recovery, and statements regarding the expected behavior of joint-venture partners and counterparties.

Forward-looking statements are based on assumptions, estimates, and projections that involve known and unknown risks and uncertainties. Forward-looking statements speak only as of the date of this Memorandum. The Issuer disclaims any obligation to update any forward-looking statement to reflect events or circumstances after the date hereof, except as required by law. The bespeaks-caution doctrine and the safe-harbor provisions of the Securities Litigation Reform Act of 1995 apply to forward-looking statements in this Memorandum, as supplemented by

the risk factors set forth in this Section 2 and elsewhere in this Memorandum. Prospective investors are cautioned that actual results may differ materially from the results implied by forward-looking statements.

In addition to the risks identified in this Section 2 and elsewhere in this Memorandum, the following factors, among others, may cause actual results to differ materially from those implied by forward-looking statements: (i) failure of the GL-G series Licenses to be issued or renewed; (ii) reimposition or expansion of U.S. sanctions on the Republic, PDVSA, or other counterparties; (iii) failure of the Plan-Génesis Reform to be implemented as described herein; (iv) macroeconomic deterioration in the Republic; (v) significant declines in commodity prices (oil, natural gas, gold, iron ore, copper, bauxite); (vi) escalation of geopolitical risk; (vii) adverse outcomes in pending or threatened litigation; (viii) failure of joint-venture partners to perform; and (ix) operational disruptions in royalty-generating activities.

2.9 Sectoral and Operational Risks

2.9.1 Hydrocarbons Sector – Faja Production-Recovery Risk. The recovery of Faja Petrolífera del Orinoco production to the projected 1.4-1.8 million barrels per day by Year 5 (compared to approximately 0.4 million barrels per day at the date of this Memorandum) is contingent upon (i) the rehabilitation of upstream infrastructure (including wells, gathering systems, diluent supply, and upgrader operations), (ii) the maintenance of joint-venture partnerships with international operators (including the Chevron-Petropiar joint venture under GL 41 and successor frameworks, and additional JVs to be developed under GL-G6), (iii) sustained access to diluent supply (light crude or naphtha for blending with the heavy and extra-heavy crude), and (iv) the absence of operational shocks (industrial accidents, blockades, security incidents). Delays or shortfalls in any of these dimensions could materially adversely affect the Faja royalty stream pledged to the Series A Notes.

2.9.2 Refining Sector – Operational Restoration Risk. The Venezuelan refining sector (CRP – Cardón, Amuay, Bajo Grande; El Palito; Puerto La Cruz) operates at approximately 15-25% of historical nameplate capacity. Full rehabilitation requires approximately USD 15-25 billion of capital expenditure and 4-7 years of operational ramp-up. Project execution risks include (i) the complexity of refining-equipment procurement under EAR controls and CHIPS-Act-class supply-chain restrictions, (ii) the technical complexity of the Cardón and Amuay refineries (heavy-and-extra-heavy crude processing under harsh operating conditions), (iii) operational continuity during rehabilitation (the refineries cannot be fully shut down without disrupting fuel supply to the domestic market), and (iv) labor and skills constraints.

2.9.3 Mining Sector — Operational and Permitting Risk. The Las Cristinas, Brisas, and El Callao gold projects represent some of the largest undeveloped gold and copper resources in the Western Hemisphere. However, project development is subject to (i) Convenio 169 OIT consultation requirements (described above), (ii) permitting processes that have historically been opaque and subject to political intervention, (iii) artisanal-mining encroachment and informal-economy disruption, (iv) infrastructure constraints (electrical supply, water supply, road access), (v) operational complexity in heavy-rainfall and dense-jungle environments, and (vi) ICMM Sustainable Development Framework compliance requirements imposed by Anchor Investors. Project ramp-up to commercial production typically requires 5-8 years from financial close.

2.9.4 Electrical Sector — Grid Stability Risk. The AeroFlux Program (Capítulo XI) contemplates installation of approximately 8-15 GW of new generation capacity over Years 2-5, sourced from U.S. Original Equipment Manufacturers (GE Vernova 7HA and 9HA gas turbines; ProEnergy PE6000 aeroderivatives; Mitsubishi Power; Siemens Energy Americas). However, grid stability depends on transmission and distribution rehabilitation, which is a separate capital-expenditure category. Delayed transmission-and-distribution rehabilitation may result in the new generation capacity being stranded, with substantial impairment of returns. Conversely, weather-related disruption (the Republic experiences seasonal hurricane and tropical-storm exposure) may cause periodic grid outages affecting royalty-generating activities.

2.9.5 Telecom Sector — 5G Build-Out and Equipment Authorization Risk. The CANTV/Movilnet successor entity, post-privatization, will execute a 5G build-out using Western (non-Huawei, non-ZTE) equipment per Secure Networks Act and E.O. 13873 controls. Equipment procurement (from Cisco, Juniper, Samsung, Mavenir, Ericsson U.S. subsidiary, Nokia U.S. subsidiary) is subject to (i) FCC equipment authorization for RF equipment, (ii) CFIUS-equivalent outbound-investment review under E.O. 14105 for AI-relevant components, and (iii) supply-chain validation under the Information and Communications Technology Supply Chain Rules. Delays or restrictions on equipment procurement could affect the timing of telecom-sector reconstruction.

2.9.6 Datacenter and AI Sector — Power and Cooling Constraints. Datacenters require substantial and reliable electrical supply, with cooling and water availability. The Plan-Génesis Reform contemplates approximately USD 25-35 billion of datacenter and AI infrastructure investment by Year 6, with initial site procurement targeted for the Maracaibo, Caracas, and Maturín regions. Operational viability depends on the parallel reconstruction of electrical-supply and water-supply infrastructure. Delays in such reconstruction could result in datacenter capacity being unavailable for revenue generation.

2.9.7 Banking Sector — Credit-Quality and AML Risk. The privatization of Banco de Venezuela and successor entities introduces credit-quality risk (the existing loan portfolio includes legacy assets of uncertain quality), AML risk (Venezuela has historically been classified as a high-risk AML jurisdiction by FATF), and capital-adequacy risk (Basel III implementation under the AEG's banking-supervisory framework). The Anchor Investor purchasing the privatized bank must (i) absorb the legacy portfolio and complete write-downs, (ii) install Western-standard AML and KYC programs, and (iii) inject sufficient capital to support Basel III ratios.

2.10 Risks Related to Specific Plan-Génesis Features

2.10.1 ZEEG Calibration Risk by AEG. The ZEEG calibrated royalty rates (15-30% by sector) are established by the AEG within statutory ranges set by the LOH 2026, LOM 2026, and LO-ZEEG. The AEG retains discretion to modify calibrations from time to time, subject to (i) the supermajority requirement, (ii) Anchor Investor binding-veto rights for changes outside the statutory 15-30% range, and (iii) Stabilization Clause damages for material modifications. However, calibration changes within the statutory range (e.g., adjustment from a 22% calibration to a 28% calibration for hydrocarbons) may not trigger Stabilization Clause damages but may still materially affect operator economics. Operators may seek calibration assurances or specific stability provisions in joint-venture agreements.

2.10.2 Triple Blindaje Effectiveness Risk. The triple-blindaje architecture (organic-law layer, contractual stabilization, structural clientela) is described in Section 8.4 above. Each layer of the blindaje is subject to its own risk: (i) organic-law repeal could be achieved through Asamblea Nacional supermajority plus referendum, with referendum-failure probability estimated at 30-40% under adverse conditions (Capítulo XXIV.2.P1-quater); (ii) contractual-stabilization-clause enforcement requires successful arbitration and execution, which depends on the effectiveness of FSIA waivers and ICSID/LCIA jurisdiction (Defense Layer 5); and (iii) structural clientela depends on the broad distribution of ZEEG-funded benefits, which could be politically disrupted by polarization or partisan capture.

2.10.3 Referendum-Failure Fallback Risk. The referéndum aprobatorio required by Article 73 of the CRBV to confer constitutional rank on the LOZEEG may fail (estimated probability 30-40% under adverse scenarios). In the event of referendum failure, the Plan-Génesis Reform fallback contemplates operation under the LOH 2026 plus LOM 2026 plus a reformed LISLR with a reduced corporate tax rate of approximately 25%, capturing approximately USD 45-55 billion of annual revenue (compared to USD 52.5 billion under full ZEEG). The fallback regime is less protec-

ted against successor-administration reversion but provides a substantial operational framework. Anchor Investors investing in the Plan-Génesis transactions are subject to the additional uncertainty of which regime will be in force during their commitment period.

2.10.4 Sovereign Guarantee Performance Risk. The Sovereign Guarantee Agreement (Section 1.6(d) above) is signed by the President of the Republic and counter-signed by the Ministro del Poder Popular de Economía and the AEG Director General. The Guarantee is governed by New York law with consent to SDNY jurisdiction and FSIA waivers. However, the Guarantee's effectiveness depends on (i) the continuing authority of the signatory officials, (ii) the absence of subsequent challenges based on internal Venezuelan-law theories (excess of authority, contradiction with public policy, etc.), and (iii) the practical enforceability of the Guarantee in the face of potential opposition from successor administrations.

2.10.5 AEG-PDVSA Institutional Separation Risk. The Plan-Génesis Reform requires the institutional separation of the AEG from PDVSA, with the AEG operating as a separate organic body with its own fiscal authority and governance. However, in practice, the AEG-PDVSA separation may be incomplete or contested, particularly in the early years of the Plan-Génesis Reform. Incomplete separation could (i) compromise the OFAC analysis of Plan-Génesis-Licensed Entities as non-blocked persons, (ii) create operational confusion in the chain of command for oil-sector operations, and (iii) increase the political vulnerability of the AEG to PDVSA-affiliated political interests.

2.10.6 Trust Fund Governance Risk. The Litigation Reserve and the Convertibility Guarantee Trust are administered by BNY Mellon as Trustee. Trustee performance, the integrity of the trust-funding mechanism, and the maintenance of asset segregation are all subject to operational risk. Although BNY Mellon is a sophisticated institutional Trustee with substantial sovereign-trust experience, no assurance can be given that Trust operations will be free from administrative errors, regulatory enforcement actions against BNY Mellon, or operational disruptions affecting the Trust.

2.10.7 Risk of Coordination Failure with U.S. Department of State and National Security Council. The Plan-Génesis Reform requires sustained coordination among the U.S. Department of the Treasury (OFAC, FinCEN, Office of Tax Policy), the U.S. Department of State (Bureau of Western Hemisphere Affairs, Bureau of Energy Resources, Bureau of Economic and Business Affairs, S/CT, S/CT/SAS), the National Security Council (Senior Director for Western Hemisphere), the U.S. Department of Commerce (Bureau of Industry and Security), the U.S. Securities and Exchange Commission, and other U.S. agencies. Coordination failure or interagency disagreement could materially delay the issuance of GL-G Licenses, the issuance of equipment export licenses, the resolution of legacy investigations, and the conduct of the Plan-Génesis transactions.

2.10.8 Risk of Multilateral Cooperation Failure. The Plan-Génesis Reform contemplates coordination with the International Monetary Fund (concerning monetary stabilization, BCV reconstitution, and conditional financial support), the World Bank Group (concerning sovereign-debt restructuring and reconstruction lending), the Inter-American Development Bank (concerning project finance), the International Finance Corporation (concerning private-sector investment), the Multilateral Investment Guarantee Agency (concerning political-risk insurance), and the Paris Club (concerning bilateral debt restructuring). Failure of any of these multilateral cooperation tracks could materially affect (i) the recovery trajectory of the Republic's macroeconomic indicators, (ii) the availability of project finance under the Master Deployment Schedule, and (iii) the political legitimacy of the Plan-Génesis Reform internationally.

2.10.9 Risk of European Union and OECD Adverse Action. EU-headquartered Anchor Investors and EU-based joint-venture counterparties may be subject to (i) EU Foreign Subsidies Regulation (Regulation (EU) 2022/2560) review, (ii) EU Corporate Sustainability Reporting Directive (CSRD) reporting obligations, (iii) OECD Common Reporting Standard ("CRS") reporting obligations, and (iv) EU sanctions enforcement (the EU maintains its own Venezuela sanctions regime under Council Decision (CFSP) 2017/2074 and Regulation (EU) 2017/2063). Adverse EU action (e.g., the imposition of additional sanctions or the determination that ZEEG fiscal benefits constitute foreign subsidies) could materially affect the participation of European Anchor Investors.

2.10.10 Risk of Adverse FATF Action. The Financial Action Task Force ("FATF") maintains a list of jurisdictions with strategic AML/CFT deficiencies. Venezuela has historically been monitored under FATF protocols. Adverse FATF action (e.g., the placement of Venezuela on the FATF "grey list" or "blacklist") could result in (i) increased correspondent-banking due diligence requirements, (ii) restrictions on international financial transactions involving Venezuelan counterparties, and (iii) reputational damage. The Plan-Génesis Reform contemplates significant AML/CFT improvements through the privatization of Banco de Venezuela and the installation of Western-standard compliance programs, but FATF assessment cycles typically take 2-4 years.

SECTION 3 – THE PLAN GÉNESIS THESIS

3.1 The Investment Opportunity

Plan Génesis represents an unprecedented sovereign-recapitalization opportunity in the Western Hemisphere. The opportunity rests on four observations described in detail in Capítulo I (Resumen Ejecutivo) and Capítulo XCVI (Strategic Intelligence Brief) of the Plan-Génesis publication, summarized as follows:

First, the Republic possesses the largest proven oil reserves in the world (approximately 304 billion barrels, certified by the U.S. Energy Information Administration), the second-largest natural-gas reserves in Latin America, and substantial undeveloped resources in gold (Las Cristinas, Brisas, El Callao), iron ore (Cerro Bolívar), bauxite (Los Pijiguaos), and rare-earth elements. The Republic also possesses a strategic geographic position with deep-water ports at Maracaibo, Puerto Cabello, La Guaira, and Puerto Ordaz, and extensive river-system access via the Orinoco.

Second, the Republic's productive base has been severely degraded by approximately 25 years of state-led economic mismanagement, hyperinflation, currency controls, expropriation, and underinvestment. As a consequence, the Republic's GDP is presently approximately USD 75-90 billion (depending on data source), down from approximately USD 350 billion at the 2013 peak. Estimated reconstruction capital required to restore the Republic to capacity utilization comparable to peer Latin American economies is approximately USD 250-350 billion over a ten-year horizon.

Third, the Plan-Génesis Reform, including the ZEEG fiscal regime (LOZEEG), the LOH 2026, the LOM 2026, and the Ley Económica del Génesis, establishes the constitutional and statutory foundation for orderly foreign-investor entry into the Republic's economic recovery on a fiscal-stability-protected basis. The ZEEG calibrated royalty regime (15-30% by sector, calibrated by the AEG) replaces the historical pattern of unstable taxation that has deterred long-horizon investment. The triple-blindaje architecture (organic-law layer, contractual stabilization, structural clientela) is designed to protect the regime from successor-administration reversion.

Fourth, the post-default sovereign-debt overhang (approximately USD 87 billion in legacy sovereign and PDVSA debt) creates an opportunity for orderly restructuring under the VRD framework (Capítulo VI), at clearing terms that are economically rational for both the Republic and the bondholder community. The VRD framework, if implemented as designed, would enable the simultaneous resolution of (i) the sovereign-debt default, (ii) the disposition of PDV Holding and Citgo, and (iii) the ICSID-award enforcement overhang.

The combination of (i) substantial undeveloped resources, (ii) substantial reconstruction capital required, (iii) institutional and fiscal framework providing for orderly entry, and (iv) restructured legacy debt creating clean cap-table for the new institutional framework presents an extraordinary risk-return opportunity for institutional capital — provided the structural protections described in Sections 4 and 6 are operative.

3.2 The Nine Sovereign Vehicles

The Plan-Génesis institutional architecture comprises nine sovereign vehicles, each with a specialized fiduciary mandate. The vehicles are described in detail in Capítulos XV (Private-Equity Fund — FPV), XVI (Tech VC Fund — FTV), XVII (Greenfield Fund — FIG), XVIII (Sovereign Wealth Fund — FSI), XIII (Pensions Fund — FCP), and corresponding chapters for the Capital-Markets Vehicle (FCM), the Strategic Investment Fund (FIA), the Capital-Restitution Fund (FRC), and the Reconstruction Trust Fund (FRT). Each vehicle is established under specific authorizing legislation, capitalized by specific funding streams (typically a defined percentage of consolidated royalty revenue under the ZEEG regime), and governed by Anchor Investor representation rights as described in Section 6.

The vehicles, collectively, are designed to (i) provide a long-horizon allocation framework for institutional capital, (ii) capture the upside of the Republic's reconstruction across asset classes, and (iii) provide governance protection through diversified Anchor Investor participation.

3.3 The ZEEG Tax Regime

The ZEEG regime (Capítulo XCIV) replaces the Republic's historical multi-layered tax system (corporate income tax of approximately 34%, plus oil-sector income tax of 50%, plus VAT, plus regional taxes, plus parafiscal contributions, plus social-security contributions) with a single, calibrated, sector-specific royalty regime. Under the ZEEG, the AEG sets the royalty rate for each sector within a statutorily defined range (15-30%), based on the operational characteristics of the sector. There is no corporate income tax for AEG-licensed activities. There is no withholding tax on dividends. There is no VAT on B2B transactions (a consumer-level VAT of 8% applies, the proceeds of which are dedicated to education).

The estimated steady-state revenue under the ZEEG regime is approximately USD 52.5 billion per year by Year 10, of which approximately USD 17.5 billion is dedicated to the FCP (pensions), approximately USD 10.1 billion is dedicated to the FSI (sovereign wealth), and the remainder is distributed across general budget, regional transfer (15%), and reserve buildup.

The ZEEG regime presents two structural advantages from an institutional-capital perspective: (i) tax certainty (a single, calibrated royalty replaces multiple variable taxes, eliminating the regulatory arbitrage and discretionary-application risks that characterized the prior regime); and (ii) cross-cycle stability (calibration adjustments require AEG board consultation and stability-clause review, providing a procedural friction that protects investors against arbitrary policy change).

3.4 Comparable Precedents

The Plan-Génesis architecture draws on, and is benchmarked against, four comparable sovereign-recapitalization precedents:

Saudi Arabia – Public Investment Fund (PIF). The PIF model, particularly the post-2015 Vision 2030 expansion, demonstrates how a sovereign wealth vehicle can be capitalized and deployed at scale (AUM exceeding USD 925 billion at present) while serving both fiscal-stabilization and economic-diversification objectives. The PIF model provides reference architecture for the FSI (Capítulo XVIII) and for the relationship between the sovereign vehicle and the operating SOEs (Saudi Aramco for PIF; PDVSA Holding for the FSI).

Norway – Government Pension Fund Global (GPF). The Norwegian model (AUM approximately USD 1.7 trillion) demonstrates the long-horizon discipline of sovereign-wealth deployment, the importance of operational separation from political authorities (Norges Bank Investment Management is operationally independent of the Storting), and the value of transparent ESG and exclusion policies. The GPF architecture provides reference for the operational independence of the FSI and the FCP.

Singapore – Temasek Holdings. The Temasek model (AUM approximately USD 286 billion) demonstrates how a sovereign vehicle can combine strategic equity participation in domestic SOEs with international institutional investment, producing both strategic stability and risk-adjusted returns. The Temasek architecture provides reference for the Strategic Investment Fund (FIA) and the joint-venture governance structures.

Brazil – Pre-Sal Production-Sharing Regime. The Brazilian Pre-Sal regime (Lei 12.351/2010) demonstrates how a sovereign can structure foreign-investor entry into a strategic resource sector through production-sharing contracts that provide fiscal certainty to both the State and the operator. The Pre-Sal architecture, supplemented by U.S. and Norwegian precedents, provides reference for the LOH 2026 and the ZEEG hydrocarbons regime.

In addition, the Plan-Génesis architecture incorporates lessons from less successful precedents, including the Argentine 2001 default and successor restructurings (informing the VRD framework's NML-compliance architecture), the Russian 1998 default (informing convertibility and currency-control mitigation), the Indonesian 1998 restructuring (informing the AEG-PDVSA institutional separation), and the post-2014 Argentine litigation environment (informing the FSIA-waiver and arbitration architecture).

3.5 The Five-Year Trajectory

The Master Deployment Schedule contemplates the following five-year trajectory:

Year 1. Closing of the first Tranches (Series A and a portion of Series B). Funding of the Litigation Reserve and the initial tranche of the Convertibility Guarantee Trust. Execution of the VRD-framework exchange offer. Closing of the privatization of Banco de Venezuela. Initial deployment to upstream hydrocarbons through Petropiar JV restructuring.

Year 2. Closing of remaining Series A and additional Series B Tranches. Closing of the privatization of CANTV/Movilnet. Initial deployment to electrical-sector reconstruction (AeroFlux Program). Initiation of mining-sector joint ventures (Las Cristinas, Brisas). Commencement of LCIA-administered ICSID-award global settlement negotiations.

Year 3. Closing of Series C and Series D Tranches. First BVC IPOs (Banco de Venezuela successor, Petropiar successor entity, possibly Corpoelec successor entity). Deployment to datacenters and AI infrastructure (Capítulo XII). Stabilization of macroeconomic indicators (inflation below 15%, FX volatility moderate). Initial repatriation of profits under GL-G8.

Year 4. Continued BVC IPO program. Initiation of NYSE dual-listing program for select BVC issuers. Commencement of refining-sector rehabilitation (CRP — Cardón, Amuay). Operational integration of the AEG, FSI, and FCP. First post-Transition elections; political-reversion-risk monitoring intensifies.

Year 5. Closing of follow-on Series B and Series C Tranches to expand commitment levels with Anchor Investors based on operational milestones. Continuation of BVC IPO and NYSE dual-listing program. Refining-sector rehabilitation reaches operational maturity. ZEEG royalty revenue reaches approximately USD 35-40 billion per year. Distributions to Anchor Investors under GL-G8 reach approximately USD 3-5 billion per year cumulative.

Detailed deployment, milestone, and contingency-event tracking is described in Section 5 hereof.

SECTION 4 – SECURITIES TERMS

4.1 Series A Senior Secured Notes

Principal Amount. Up to USD 60,000,000,000 aggregate principal amount.

Form. Senior secured notes, issued in registered form, denominated in USD, in minimum denominations of USD 1,000,000 and integral multiples of USD 100,000 in excess thereof.

Stated Maturity. Ten (10) years from the first Closing.

Coupon. 7.50% per annum, payable semi-annually in arrears on each Payment Date. The Coupon shall step up to 9.50% per annum upon the occurrence and continuation of any Material Covenant Breach (as defined in the Indenture).

Amortization. Bullet maturity at year ten, OR sinking-fund schedule beginning Year 4 (10% of principal Year 5 through Year 9, with 50% bullet at Year 10). The selected amortization profile is to be determined at the first Closing based on Anchor Investor preference; the Issuer's election will be irrevocable.

Prepayment. The Issuer may prepay all or any portion of the Series A Notes at any time on or after the fifth anniversary of the first Closing, in whole or in part, at a price equal to the principal amount thereof plus accrued interest plus the Make-Whole Premium (the present value of the remaining scheduled payments, discounted at the Treasury Rate plus 50 basis points). No prepayment is permitted prior to the fifth anniversary, except in connection with a Change of Control event as defined in the Indenture.

Security. First-priority lien (perfected under New York Article 9 of the Uniform Commercial Code and under the ICSID Convention security registry, to the extent applicable) on:

- (i) **Faja Petrolera Royalty Stream.** One hundred percent (100%) of the royalty payable to the Republic under the LOH 2026 and the ZEEG calibration on production from the Faja Petrolífera del Orinoco joint ventures (Petropiar, Petromonagas, Petropiar successor entity, and other Faja JVs in which the Issuer holds a participation), estimated at approximately USD 18-22 billion per year by Year 5.
- (ii) **Banco de Venezuela Deposit Base.** Thirty percent (30%) of the deposit base of Banco de Venezuela post-privatization, estimated at a net present value of approximately USD 8-12 billion.

(iii) **Las Cristinas Mining Royalty Stream.** One hundred percent (100%) of the royalty payable under the LOM 2026 on production from the Las Cristinas, Brisas, and El Callao mining concessions, estimated at approximately USD 2.5-3.5 billion per year by Year 4.

All Collateral revenue shall be deposited into a servicing account at BNY Mellon, New York, established under a lock-box arrangement, prior to any distribution to the Republic, the AEG, or any other person, in accordance with the Waterfall (defined below).

Waterfall. Each Payment Date and on any other distribution date specified in the Indenture, amounts on deposit in the servicing account shall be applied in the following order of priority:

- (i) Operating costs of the collateral-generating businesses (Faja Petrolera JVs, Banco de Venezuela, Las Cristinas mining JVs), as approved by the AEG and the relevant JV partners;
- (ii) Series A Notes debt service (interest payable on the Series A Notes plus, when applicable, sinking-fund installments);
- (iii) Litigation Reserve account contribution (in accordance with the Litigation Reserve Funding Schedule);
- (iv) Convertibility Guarantee Trust contribution (in accordance with the Trust Funding Schedule);
- (v) AEG operating allocation (as specified in the AEG Operating Budget);
- (vi) Series B Preferred payments (including PIK accrual and cash distributions when applicable);
- (vii) Series C Common and Series D Common distributions, on a pari passu basis subject to liquidation preference.

Covenants. The Indenture includes customary affirmative and negative covenants applicable to the Issuer and, by reference to the Sovereign Guarantee Agreement, to the Republic, including:

- **Financial Maintenance:** (a) Consolidated Debt-to-EBITDA ratio not exceeding 5.0x as of the end of any fiscal quarter; (b) Interest Coverage Ratio of at least 2.5x as of the end of any fiscal quarter; (c) Minimum unencumbered cash balance of USD 2.0 billion at all times;
- **Litigation Reserve Compliance:** The Litigation Reserve shall be funded in accordance with the Funding Schedule and shall not be diminished below USD 1.5 billion after the fifth anniversary of the first Closing without the consent of Anchor Investors holding a Majority of the Series A Notes;
- **Hedging Mandate Compliance:** The Issuer (and the joint-venture vehicles whose royalty streams support the Series A Notes) shall maintain commodity-price-hedging programs as

described in Section 4.5 (Layer 3);

- **Negative Covenants:** Including restrictions on (a) incurring additional debt that would cause the Consolidated Debt-to-EBITDA ratio to exceed 5.0x; (b) granting liens on Collateral; (c) entering into transactions with Government of Venezuela entities or affiliates other than on terms approved by the AEG; (d) making distributions to Anchor Investors (other than scheduled coupon and amortization payments) when financial maintenance ratios are not in compliance; (e) altering the corporate or capital structure of the Issuer without consent of Anchor Investors holding a Majority of the Series A Notes.

Events of Default. Customary events of default, including:

- (i) Failure to pay any installment of interest or principal on the Series A Notes within thirty (30) days of the scheduled Payment Date;
- (ii) Material breach of any covenant or representation, continuing for sixty (60) days after written notice from the Trustee;
- (iii) Cross-default on any other indebtedness of the Issuer or the Republic exceeding USD 500,000,000 in aggregate principal amount;
- (iv) Sovereign Guarantee Failure, including any failure of the Republic to perform any material obligation under the Sovereign Guarantee Agreement;
- (v) Litigation Reserve Breach (failure to maintain the Litigation Reserve at the required minimum);
- (vi) Convertibility Guarantee Trust Breach (failure to maintain the Trust at the required minimum or unauthorized withdrawal from the Trust);
- (vii) Acceleration of the cross-default trigger in respect of any sovereign debt of the Republic exceeding USD 500,000,000;
- (viii) Bankruptcy or insolvency events affecting the Issuer, any joint-venture vehicle whose royalty streams support the Series A Notes, or the Republic.

Governing Law. New York law, except with respect to (a) the perfection and priority of liens on real-property collateral located in Venezuela, which shall be governed by Venezuelan law, and (b) the interpretation of the Sovereign Guarantee Agreement, which shall be governed by New York law with reference to Venezuelan public-policy considerations as set forth in the Sovereign Guarantee Agreement.

Dispute Resolution. Disputes shall be resolved through (i) primarily, ICSID arbitration in Washington, D.C., to the extent ICSID jurisdiction is available; (ii) alternatively, LCIA arbitration in London if ICSID jurisdiction is rejected; (iii) alternatively, UNCITRAL arbitration administered by the Permanent Court of Arbitration at The Hague if LCIA jurisdiction is rejected; and (iv) for non-arbitral disputes, the exclusive jurisdiction of the U.S. District Court for the Southern District of New York, with full waiver of FSIA immunity from suit and execution as described in Section 4.5 (Layer 5).

4.2 Series B Mezzanine Convertible Preferred

Principal Amount. Up to USD 50,000,000,000 aggregate liquidation preference.

Form. Convertible preferred shares, issued in registered form, denominated in USD, in minimum denominations of USD 5,000,000.

Stated Maturity. Twelve (12) years from the first Closing.

Coupon (PIK). 6.00% per annum, payable semi-annually as payment-in-kind (PIK) by increase to liquidation preference. The PIK accrual may, at the election of the Issuer with the consent of Anchor Investors holding a Majority of the Series B Preferred, be paid in cash upon achievement of financial milestones.

Conversion. Convertible into Series C Common at the option of the Holder at any time on or after the third anniversary of the first Closing, at a conversion ratio of 1.15 shares of Series C Common per one (1) share of Series B Preferred. The conversion ratio increases to 1.30 on or after the fifth anniversary. Mandatory conversion at the twelfth anniversary if not redeemed at par plus accrued PIK.

Redemption. The Issuer may redeem all or any portion of the Series B Preferred at any time on or after the fifth anniversary of the first Closing, at a price equal to the liquidation preference plus accrued PIK plus a Make-Whole Premium.

Liquidation Preference. In any liquidation event of the Issuer (whether voluntary or involuntary), Holders of Series B Preferred shall be entitled to receive, before any distribution to Holders of Common, an amount equal to the greater of (i) the liquidation preference plus accrued PIK, or (ii) the amount that would be received if the Series B Preferred had been converted to Common immediately prior to the liquidation event.

Seniority. Junior to Series A Notes; senior to Series C Common and Series D Common (cash priority before any Common-stock distribution).

Governance Rights. Holders of Series B Preferred holding aggregate liquidation preference of USD 15,000,000,000 or more shall be entitled to a board seat at the Issuer plus observer rights at the AEG. Series B Preferred Holders shall have consent rights over (i) modifications to the Series A Notes terms, (ii) waiver of Series A Notes covenants by the Trustee, and (iii) authorization of additional securities senior to or pari passu with the Series B Preferred.

4.3 Series C Strategic Common Equity

Principal Amount. Up to USD 100,000,000,000 aggregate purchase price.

Form. Common stock of the Issuer, with the following preferences and restrictions:

Liquidation Preference. 1.25x non-participating liquidation preference (the higher of 1.25x of purchase price or the as-converted-to-fully-distributed amount).

Stated Maturity. No fixed maturity. Liquidation events include (i) Initial Public Offering of the Issuer or any of its operating subsidiaries on the BVC, (ii) NYSE dual-listing, (iii) put option at NAV \times 0.85 on or after the tenth anniversary, (iv) sale to a strategic acquirer, or (v) merger or other business combination.

Anti-Dilution. Customary weighted-average broad-based anti-dilution adjustments protecting against issuance of additional securities at a price below the Series C Common purchase price.

Tag-Along Rights. If any Anchor Investor holding more than five percent (5%) of the issued and outstanding Series C Common effects a sale of any Series C Common at a price exceeding USD 25 million per transaction, all other Holders of Series C Common shall have the right, on a pro rata basis, to participate in such sale on the same terms.

Drag-Along Rights. If Holders of Series C Common representing 75% or more of the issued and outstanding Series C Common consent to a sale or business combination, all other Holders shall be obligated to consent to such transaction on the same terms.

Right of First Refusal. Subject to the lock-up period, transfers by any Holder shall be subject to a right of first refusal in favor of the Issuer for a period of thirty (30) days, after which the Issuer's consent (not unreasonably withheld) shall be required for any transfer to a person other than an Affiliate.

Pre-Emptive Rights. Holders of Series C Common have customary pre-emptive rights with respect to subsequent issuances of equity securities by the Issuer, on a pro rata basis.

Governance Rights. Holders of Series C Common holding aggregate purchase price of USD 10,000,000,000 or more shall be entitled to nominate and seat one (1) board representative at the Issuer per USD 10,000,000,000 commitment, subject to a maximum of three (3) board seats per Anchor Investor.

4.4 Series D Venture Common Equity

Principal Amount. Up to USD 30,000,000,000 aggregate purchase price, allocated across three sub-funds: (i) Genesis Datacenters AI Fund (target size USD 18 billion), (ii) Genesis AeroFlux Fund (target size USD 8 billion), and (iii) Genesis Biotech Fund (target size USD 4 billion).

Form. Limited-partnership interests in each sub-fund, organized as Delaware limited partnerships with the Issuer (or a wholly owned subsidiary thereof) as the general partner.

Fund Life. Ten (10) years from the closing of the relevant sub-fund, subject to up to two one-year extensions.

Management Fee. 5.00% per annum during the investment period (Years 1-5), reducing to 2.50% during the harvest period.

Carry. 20.00% over an 8.00% IRR hurdle.

Liquidation Preference. 2.0x participating liquidation preference, providing for return of capital plus 2x participation in equity proceeds.

Distributions. Distributions made as portfolio-company exits are achieved, in accordance with the LP Agreement.

Governance Rights. Standard VC LPAC composition with one (1) Anchor LP seat per USD 1.5 billion commitment. Protective provisions over (i) deviation from fund investment policy, (ii) related-party transactions, and (iii) fund-extension elections.

4.5 Cross-Tranche Provisions, Defense Layers, and Investor Protections

This Section describes nine cross-tranche structural protections (the "Defense Layers") that operate at the Issuer level, the AEG level, and the Republic level. The Defense Layers are described in detail in the Anchor Investor Patch Framework, Round 2 (May 11, 2026), which has been incorporated by reference into this Memorandum.

4.5.1 Defense Layer 1 – Tranched Capital Structure

The capital structure described in Sections 4.1 through 4.4 above (Series A senior secured, Series B mezzanine convertible, Series C strategic common, Series D venture sub-fund) replaces the prior flat-equity-anchor approach of earlier Plan-Génesis publications and provides Anchor Investors with the seniority structure required for institutional-pool allocation. The tranched structure is designed to (i) reduce the cost of capital at the senior level, (ii) provide tail-risk protection through liquidation-preference cascading, and (iii) align Anchor Investor exposure to specific risk-return profiles consistent with the Anchor's institutional mandate (insurance, pension, sovereign wealth, multi-strategy, private equity, venture).

4.5.2 Defense Layer 2 – Litigation Reserve Escrow

A dedicated Litigation Reserve Account is to be established with the Trustee, funded as follows: (i) Five percent (5.0%) of the first USD 5.0 billion of consolidated royalty revenue (Year 1-Year 2), funding USD 250 million; (ii) USD 200 million per year through Year 5, building to a target balance of USD 1.5-2.5 billion; (iii) Amounts on deposit shall be invested conservatively (substantially in U.S. Treasury securities of one-to-three-year maturity); (iv) Distributions from the Litigation Reserve shall be available for legal-defense expenses and adverse-judgment payments, subject to joint sign-off by the AEG General Counsel and outside counsel; (v) The Litigation Reserve shall be replenished from royalty revenue (after Senior Secured debt service) until the target balance is restored. The Litigation Reserve covers an estimated USD 50-150 million per year in outside-counsel costs plus USD 200-800 million in cumulative adverse-judgment exposure across the 24+ litigation theories identified in the Plan-Génesis Adversarial Review.

4.5.3 Defense Layer 3 – Commodity Price Hedging Mandate

A Hedging Mandate Document, attached to the Indenture, governs commodity-price hedging activities by the Issuer and its joint-venture vehicles. Key terms: (i) Forward sales of 40-60% of expected production for the next twelve months, 25-35% for Year 2, and 15-20% for Year 3, on a rolling basis; (ii) Zero-cost collar: Brent sold at USD 85, Brent purchased at USD 55 (the floor providing IRR protection of approximately 14% for the Series C Common in a sustained Brent USD 40 scenario; the ceiling capping upside above USD 85); (iii) Counterparties limited to Goldman Sachs, JPMorgan, Bank of America, and Citi, subject to ISDA Master Agreements; (iv) Cost transparency: approximately 80-120 basis points per annum on hedged revenue; (v) Anchor Investor IC veto over (a) any hedging counterparty outside the authorized list, and (b) any modification of the collar floor or ceiling.

4.5.4 Defense Layer 4 – Anchor Investor Representation Rights

Anchor Investors are entitled to representation at the Issuer Board, the AEG Board, and the FSI Board as set forth in the table below. Representation rights include voting power proportional to investment, plus binding veto over four specified categories of decisions (see Section 6.5 below), exercisable for fifteen years from the first Closing. Veto override is available only via two-thirds (2/3) supermajority of the relevant AEG full board plus sixty (60)-day cooling period plus AEG public disclosure of override rationale.

| Forum | Anchor Representation | Voting/Veto Rights |
|--|-----------------------------------|---|
| Issuer (Genesis Sovereign Vehicle Board) | 3 of 9 seats | Voting power proportional to investment; supermajority requirement (75%) over the four veto categories |
| AEG (Autoridad Económica del Génesis) | 2 board seats + rotating observer | Binding veto over: (a) royalty-rate changes outside the 15-30% calibration range; (b) capital-control imposition; (c) currency-convertibility restrictions; (d) liquidation of single positions exceeding USD 5 billion without 60-day notice |
| FSI (Fondo Soberano Intergeneracional) | 1 board seat | Approval right over investment policy, asset allocation, and benchmark policy |
| FCP (Fondo Constitucional de Pensiones) | 1 anchor observer | Consultation right over actuarial assumptions and funding adequacy |

4.5.5 Defense Layer 5 – Sovereign Immunity Waivers and Multi-Tier Arbitration

Each JV/concession/acquisition contract includes a quadruple-redundant dispute-resolution architecture: (i) FSIA § 1605(a)(2) commercial-activity exception waiver, explicit; (ii) ICSID arbitration clause, available where TBI is in force or for pre-2012 investments; (iii) LCIA arbitration fallback (London seat, English language, 3 arbitrators); (iv) UNCITRAL arbitration tertiary fallback (PCA The Hague administration); (v) New York governing law for the matrix contract; (vi) Exclusive jurisdiction of the U.S. District Court for the Southern District of New York for non-arbitral actions. Outside counsel (Sullivan & Cromwell LLP + Cleary Gottlieb LLP) shall issue opinion letters certifying the enforceability of each Layer. Estimated incremental legal cost per contract: USD 200,000-400,000 per agreement.

4.5.6 Defense Layer 6 – Convertibility Guarantee Architecture

The Convertibility Guarantee architecture comprises three rings:

Ring 1 – BCV Pre-Funded USD Reserves. The BCV maintains in custody at BNY Mellon DTC sub-custody an amount equal to (a) twelve months of debt service on Series A and Series B (approximately USD 5-7 billion), plus (b) six months of projected Series C dividend repatriation (approximately USD 3-4 billion), targeting a total balance of approximately USD 8-11 billion. These funds are ring-fenced as property of the Convertibility Guarantee Trust, not of BCV, and are not legally available for attachment by sovereign creditors.

Ring 2 – OFAC General License GL-G8 (Repatriation). Repatriation of post-restructuring profits is authorized under GL-G8, with explicit OFAC carve-out from any subsequent sanctions tightening (analogous to OFAC wind-down provisions). The GL-G8 architecture is described in Section 8.1 below.

Ring 3 – U.S. Treasury Side Letter. A side letter from the U.S. Department of the Treasury (to be negotiated by counsel; Akin Gump LLP) confirms that the Convertibility Guarantee Trust funds are exempt from freezing in the event of subsequent sanctions actions, available for wind-down of pre-action positions.

4.5.7 Defense Layer 7 – Stabilization Clause

Each JV agreement, concession agreement, and bond indenture includes a Stabilization Clause with the following terms:

Trigger Event. Any modification — by legislative, executive, judicial, or administrative action — that materially impairs the agreement, defined as: (i) revenue reduction exceeding 5%; (ii) effective-tax-rate increase exceeding 5 percentage points; (iii) operational restriction reducing capacity exceeding 10%; (iv) partial expropriation exceeding 5% of the asset.

Damages. Liquidated damages calculated as the net present value of the remaining contracted cash flow, multiplied by 2.0 ("NPV × 2.0"). NPV calculated using a fixed discount rate established at Closing (typically 12%) on cash flow projected over a 20-year horizon.

Payment. Liquidated damages payable within 18 months of the Trigger Event. Failure to pay activates a cross-default trigger over all sovereign debt of the Republic.

AEG Supermajority Requirement. The AEG is bound by a 15-year supermajority requirement (2/3 AEG board plus Asamblea Nacional supermajority) before any unilateral re-write of contracts entered into under the Plan-Génesis framework.

4.5.8 Defense Layer 8 – Diversification Mandate

Each Anchor Investor commitment is subject to the following allocation constraints:

- **No more than 30% to a single sector** of the Plan-Génesis economy;
- **No more than 12% to a single joint venture, concession, or acquisition;**
- **Minimum 5 sectors at Y3 deployment;**
- **Minimum 12-month staggered deployment** (no single capital call exceeding 25% of total commitment);
- **Re-balancing right:** if any single sector exceeds 35% of NAV (due to outperformance), Anchor has right to sell secondary position back to sovereign at NAV without discount.

4.5.9 Defense Layer 9 – Exit Liquidity Architecture

Four exit paths, in order of preference:

Path A – BVC IPO (Years 3-6). Each joint venture / Issuer position has a programmed BVC IPO at Years 3-6. Anchor Investor holders are guaranteed allocation at issue price, with a right to sell up to 33% of position at the issue price (vs. waiting for secondary market).

Path B – NYSE Dual-Listing (Years 5-8). Each BVC IPO has a programmed NYSE dual-listing 12-24 months post-IPO. Pre-listed Anchor holders may participate as selling shareholders in the dual-listing tranche (up to 25% additional).

Path C – Sovereign Buyback Put Option (Year 10+). Anchor Investor has the right (not obligation) to put back position to the Republic at $NAV \times 0.85$, exercisable annually post-Year 10. NAV is determined by Big Four valuer. Funding via FSI Redemption Facility, sized at USD 10-15 billion.

Path D – FSI Emergency Liquidity Facility (any time). USD 5 billion standby drawable facility for Anchor redemption emergencies. Interest = SOFR + 600 basis points + early-termination fee of 2.50% on amount drawn. Repaid via sale of position in next available IPO/secondary tranche.

4.6 Additional Indenture Provisions and Inter-Tranche Mechanics

4.6.1 Trustee and Trust Indenture Act Compliance

The Bank of New York Mellon shall serve as Trustee under the Indenture and as Custodian for the Convertibility Guarantee Trust and the Litigation Reserve Account. The Indenture shall be qualified under the U.S. Trust Indenture Act of 1939, as amended (the "TIA"), and shall conform to TIA requirements with respect to (i) Trustee duties and standards of care, (ii) Trustee removal procedures, (iii) bondholder reporting, (iv) the treatment of conflicts of interest involving the Trustee, and (v) the prohibition on Trustee distributions to affiliates. The Trustee shall maintain segregated collateral accounts and shall implement industry-standard collateral-monitoring procedures.

4.6.2 Collateral Agent Mechanics

The Trustee shall also serve as Collateral Agent under the Indenture. The Collateral Agent's duties include (i) perfection and maintenance of liens on collateral, (ii) administration of the cash-flow waterfall set forth in Section 4.1 above, (iii) monitoring of operational and financial covenant compliance, (iv) initiation of enforcement actions upon the occurrence of an Event of Default, and (v) coordination with the AEG, the FSI, and the Issuer in respect of operational matters. The Collateral Agent shall be entitled to customary indemnification from the Issuer.

4.6.3 Voting Rights and Consent Mechanics

Holders of the Series A Notes vote in accordance with the Indenture. Consent to (i) amendments to the Indenture, (ii) waivers of covenants or Events of Default, (iii) modifications to the Stabilization Clause or other Defense Layer provisions, and (iv) the appointment or removal of the Trustee, requires the consent of Holders representing the percentages of outstanding principal specified in the Indenture (typically a Majority for most amendments, a Supermajority of 75% for material amendments affecting payment terms or seniority).

Series B Holders vote in accordance with the Certificate of Designations applicable to the Series B Preferred. Series C and Series D Holders vote in accordance with the Bylaws and the relevant LP Agreement.

Inter-tranche consents (where, for example, an amendment to Series A terms requires Series B consent under Defense Layer 4) are administered through a designated Anchor Investor Coordinator (initially the largest single Anchor Investor by aggregate Tranche A and B principal).

4.6.4 Cross-Default Provisions

The Series A Notes Indenture, the Sovereign Guarantee Agreement, and each major joint-venture agreement include cross-default provisions linking the financial performance of each instrument to (i) the financial performance of related instruments and (ii) the operational performance of the underlying activities. Specifically:

- (a) Failure to make any scheduled payment on the Series A Notes triggers cross-default to the Series B Preferred and to all joint-venture agreements;
- (b) Failure of the Republic to make any payment under the Sovereign Guarantee Agreement triggers cross-default to all outstanding sovereign debt of the Republic exceeding USD 500 million in aggregate principal amount;
- (c) Failure of any joint-venture vehicle whose royalty streams support the Series A Notes to maintain operational covenants (production thresholds, environmental compliance, AML/KYC compliance) triggers an Event of Default under the Series A Notes;
- (d) An Event of Default under any GL-G series License (i.e., the rescission, suspension, or material modification of the License such that the underlying activity becomes unlawful) triggers a default under the relevant Tranche.

4.6.5 Insolvency and Bankruptcy Provisions

In the event of insolvency or bankruptcy of the Issuer, the Indenture and the Certificate of Designations applicable to the Series B Preferred shall be administered under the U.S. Bankruptcy Code (in particular, Title 11 of the United States Code) and the bankruptcy laws of the State of Delaware. Sovereign debt of the Republic of Venezuela, by contrast, is not subject to the U.S. Bankruptcy Code; the Republic's debt is restructured through the VRD framework (Capítulo VI) and through ICSID/LCIA arbitration and U.S.-court enforcement, with the U.S. District Court for the Southern District of New York and the U.S. District Court for the District of Delaware presently administering the principal Venezuela-related sovereign-debt litigation.

The Indenture includes (i) "no-petition" covenants on the part of Holders, prohibiting voluntary petitions for bankruptcy of the Issuer during specified periods, (ii) "no-recourse" covenants limiting the scope of Holder claims to the collateral and contractual rights specified in the Indenture, and (iii) safe-harbor provisions for swap agreements, forward contracts, and other "qualifying financial contracts" within the meaning of 11 U.S.C. § 559.

4.6.6 Currency Risk and USD-Settlement Provisions

All payments under the Series A Notes shall be made in USD. The Issuer's obligation to make USD payments is supported by the Convertibility Guarantee Trust (Defense Layer 6). In the event that the Issuer is unable to make a scheduled USD payment due to circumstances beyond its control (e.g., the seizure or unavailability of USD reserves), the Indenture provides for (i) immediate notification of Holders, (ii) consultation with the Trustee regarding the application of the Trust to cover the shortfall, (iii) consultation with OFAC and other applicable authorities regarding any applicable General License modification, and (iv) the application of cure mechanisms specified in the Indenture (typically a 30-day cure period).

SECTION 5 – USE OF PROCEEDS

5.1 Year 1 Deployment Plan

In the first year following the first Closing of Series A, the Issuer expects to deploy approximately USD 60-80 billion of proceeds (assuming closings across Series A, B, and a portion of C) in accordance with the following targets:

- **USD 30-40 billion** to the funding of the VRD exchange offer (Capítulo VI), including cash component, in-kind component (Genesis Bonds), and BVC-equity component (to be allocated to former bondholders). The cash component is allocated to clearing operating expenses of the AEG, contingent-liability settlements with major ICSID-judgment creditors, and the initial funding of the FSI;
- **USD 5-7 billion** to the privatization of Banco de Venezuela (per Capítulo VIII), including acquisition by U.S.-headquartered acquirer (subject to GL-G2, GL-G4) and immediate recapitalization;
- **USD 4-6 billion** to initial Petropiar JV restructuring and capacity-restoration capital expenditure (Capítulo X);
- **USD 1-2 billion** to initial AeroFlux Program deployment (Capítulo XI), specifically procurement of first-batch CF6-80C2 cores and ProEnergy PE6000 packages for installation at the Tachira and Zulia generating stations;
- **USD 1.5-2.5 billion** to the Litigation Reserve (per Defense Layer 2 funding schedule);

- **USD 5 billion** to the Convertibility Guarantee Trust (per Defense Layer 6, Ring 1);
- **USD 1-2 billion** to Placement Agent fees, legal fees, audit fees, and Year 1 operating expenses;
- **Balance** held as working-capital reserve at the Trustee, pending subsequent deployment.

5.2 Year 2-3 Deployment Plan

In Years 2 and 3, the Issuer expects to deploy approximately USD 80-100 billion of proceeds across the following targets:

- **USD 10-15 billion** to continued AeroFlux Program deployment (electrical-sector reconstruction);
- **USD 12-18 billion** to telecom modernization (CANTV/Movilnet successor; Capítulo XIII), refining-sector rehabilitation initiation (CRP; Capítulo X), and infrastructure (ports, airports, urban transit; Capítulo XVII);
- **USD 8-12 billion** to mining-sector joint ventures (Las Cristinas, Brisas, El Callao; Capítulo IX) with capacity for the AEG to grant additional concessions in the Arco Minero del Orinoco;
- **USD 15-20 billion** to upstream hydrocarbons (additional Faja JVs, conventional reserves; Capítulo X);
- **USD 5-10 billion** to datacenters and AI infrastructure (Capítulo XII), including initial site procurement, grid connection, and Tier-1 datacenter construction;
- **USD 3-5 billion** to greenfield industrial (Capítulo XVII), including manufacturing parks, agroindustry, and infrastructure project finance;
- **USD 3-5 billion** to additional Litigation Reserve, Convertibility Guarantee Trust, and operating expenses;
- **Balance** held as working-capital reserve.

5.3 Year 4-10 Deployment Plan

Years 4 through 10 represent the bulk of long-cycle deployment, including completion of refining-sector rehabilitation (USD 12-18 billion), datacenter and AI infrastructure (USD 18-25 billion), continued upstream hydrocarbons (USD 15-20 billion), additional mining capacity (USD 3-5 billion), telecom 5G rollout completion (USD 2-3 billion), and greenfield industrial (USD 8-12 billion). The Master Deployment Schedule (Capítulo I, Tabla Maestra) provides the granular allocation by sector and year.

5.4 Reserve Allocations

In addition to the Litigation Reserve and the Convertibility Guarantee Trust described in Section 4.5, the Issuer maintains the following reserves:

- **Operational Reserve.** USD 3-5 billion, held at the Trustee, available for unanticipated operational disruptions (production shortfalls, currency events, operational shocks);
- **Working Capital Reserve.** USD 2-4 billion, deployed to operating subsidiaries on a rolling basis for working-capital needs;
- **Contingency Reserve.** USD 1-2 billion, available for unanticipated contingencies (litigation, geopolitical events, force majeure).

5.5 Use of Proceeds Reporting

The Issuer shall provide quarterly Use of Proceeds Reports to the Trustee, the Anchor Investors, and the Sponsor. Each Report shall include (i) cumulative and quarterly deployment by sector and by joint-venture vehicle, (ii) operating-milestone progress by sector, (iii) financial-position reconciliation showing actual deployment versus planned deployment, (iv) variance analysis and explanations for material deviations, and (v) updated forecasts for subsequent quarters. The Reports shall be reviewed by the Audit Committee of the Issuer's Board, with material findings communicated to Anchor Investors.

5.6 Capital-Call Mechanics

Anchor Investor capital calls are administered through the following sequence: (i) the Issuer prepares a Capital Call Notice specifying the amount, the use of proceeds, and the timing; (ii) the Notice is delivered to each affected Anchor Investor with at least 30 days' advance notice; (iii) each Anchor Investor wires its proportionate contribution to a designated Trustee account; (iv) the Trustee confirms receipt and deploys the funds in accordance with the Use of Proceeds plan; (v) the Issuer issues confirmation of subscription and updates the Issuer's stock-and-debt records. The Trustee retains custody of capital pending deployment and applies investment-grade short-term investment policies to such funds.

SECTION 6 – MANAGEMENT AND GOVERNANCE

6.1 Genesis Sovereign Vehicle, Inc. Board

The Board of the Issuer comprises nine (9) directors:

- **Three (3) directors nominated by Anchor Investors** holding aggregate Series A and Series B principal of USD 10 billion or more, allocated proportionally by commitment;
- **Two (2) directors nominated by the Sponsor** (Vzla Foundation for Freedom and the Consejo Económico Reconstituyente), of whom one shall be an independent director with no other affiliation with the Sponsor or the Republic;
- **One (1) director nominated by the AEG;**
- **One (1) director nominated by the FSI;**
- **Two (2) independent directors** selected by mutual agreement of the foregoing nominations and the Anchor Investor Representation Agreement.

Directors serve three-year staggered terms with no term limit, subject to removal for cause (defined in the Bylaws). The Board acts by majority vote (five of nine) except with respect to (i) super-majority decisions (seven of nine, including approval of significant transactions, amendments to Issuer governance documents, and approval of significant litigation), (ii) Anchor-veto categories (which require approval of all Anchor-nominated directors), and (iii) related-party transactions (which require approval of all independent directors).

6.2 AEG Operational Leadership

The AEG (Autoridad Económica del Génesis) is the institutional body established under the Plan-Génesis Reform, with constitutional authority to administer the ZEEG fiscal regime, license operating activities, and coordinate the deployment of royalty revenue across the FSI, the FCP, the Tesoro, and the Estados/Municipios. The AEG Board is composed as follows:

- **Director General**, appointed by the President of the Republic with consent of the Asamblea Nacional, serving a five-year term;
- **Six (6) members of the Junta Económica Reconstituyente** (Sponsor representatives), three appointed by the President and three by the Asamblea Nacional;

- **Two (2) Anchor Investor representatives**, nominated by Anchor Investors holding aggregate Series A and Series B principal of USD 10 billion or more;
- **One (1) representative of the international community** (typically a former senior official of the IMF, the World Bank, or the BIS), appointed by mutual agreement.

The AEG operational mandate is set forth in detail in Capítulo LIX of the Plan-Génesis publication and the AEG Reglamento Interno.

6.3 Consejo Económico Reconstituyente (Sponsor)

The Consejo Económico Reconstituyente is the multi-party economic-reconciliation council established under the Plan-Génesis framework, composed of representatives of the Plataforma Unitaria Democrática, the Government of Venezuela (through the Comisión Presidencial de la Reconstitución), the Iglesia Católica, the academic community, and the business community. The Consejo's role is consultative and coordinative; it does not have binding decision-making authority over the Issuer or the AEG.

6.4 Audit and Compliance Structure

The Issuer's audit and compliance structure includes:

- **External Audit (Big Four)**. The Issuer engages a Big Four firm (Deloitte, EY, KPMG, or PwC) as its external auditor under PCAOB-registered audit-of-record protocols. Audit is conducted annually under IFRS/IPSAS standards adapted to sovereign vehicles.
- **OFAC Compliance Audit (Promontory / Treliant / K2)**. The Issuer's OFAC compliance program is subject to annual independent audit by Promontory Financial Group, Treliant, or K2 Integrity (selected by the Anchor Investors), with reports delivered to the Trustee, the AEG, and Anchor Investors.
- **Securities Compliance Counsel (Sullivan & Cromwell LLP)**. Securities-compliance counsel maintains opinion-of-record under Section 4(a)(2), Rule 506(c), and applicable state-securities-law provisions.
- **Sanctions Counsel (Akin Gump Strauss Hauer & Feld LLP)**. OFAC and sanctions counsel maintains opinion-of-record under 31 C.F.R. Part 591, CAATSA Title II, and applicable Executive Orders.

- **Tax Counsel (Cleary Gottlieb Steen & Hamilton LLP).** Tax counsel maintains opinion-of-record under U.S. federal income tax law, Venezuelan tax law, and applicable bilateral tax treaties.
- **Venezuelan Counsel (DLA Piper Martínez Beltrán; alternatively, Hoet Peláez Castillo & Duque, Caracas).** Venezuelan counsel advises on Venezuelan corporate, contracts, real-estate, and regulatory matters.
- **Internal Audit Function.** The Issuer maintains an Internal Audit Function reporting directly to the Audit Committee of the Board, headed by a Chief Internal Auditor with relevant Latin American and oil-and-gas experience.

6.5 Investor Representation Rights

Holders of Series A and Series B representing aggregate principal of USD 10 billion or more (each, a "Lead Anchor") are entitled to:

- (i) **Quarterly Reporting.** Quarterly financial statements, operating reports, royalty-collection reports, hedging-program reports, OFAC-compliance reports, and litigation-status reports;
- (ii) **Site Visits.** Reasonable rights to conduct on-site inspections of operating facilities and counterparties, with advance notice;
- (iii) **Board Observation.** Observer rights at all Board meetings, including the right to review board materials, ask questions, and receive responses, subject to confidentiality undertakings;
- (iv) **Independent Audit Selection.** Annual right to select (in consultation with the Sponsor) the firm conducting OFAC-compliance audit;
- (v) **Anchor Investor Meeting.** Annual meeting of Anchor Investors with the Issuer, the Sponsor, the AEG, and outside counsel, to discuss performance, governance, and strategic direction;
- (vi) **Veto Rights** as described in Section 4.5 (Defense Layer 4) over (a) ZEEG calibration changes outside the 15-30% range, (b) capital-control imposition, (c) currency-convertibility restrictions, and (d) liquidation of single positions exceeding USD 5 billion without 60-day notice.

Holders of Series C and Series D Common have:

- (i) Annual financial reporting plus material-event reporting;
- (ii) Limited information rights consistent with the Bylaws;
- (iii) Pre-emptive rights with respect to subsequent issuances;
- (iv) Tag-along rights with respect to dispositions by other Holders;
- (v) Drag-along rights consistent with Section

4.3 above.

SECTION 7 – FINANCIAL INFORMATION

7.1 Pro Forma Financial Statements

The Pro Forma Financial Statements appended hereto as Exhibit E reflect the consolidated financial position of the Issuer assuming (i) successful completion of the Plan-Génesis Reform on the timeline described in Section 3.5, (ii) issuance of the GL-G series on the timeline described in Section 8.1, (iii) achievement of operational milestones across the joint ventures, and (iv) absence of materially adverse contingent events. The Pro Forma Financial Statements are prepared on the basis of IFRS/IPSAS standards adapted to sovereign vehicles, in USD, on the accrual basis.

Summary Consolidated Balance Sheet (USD millions; Year 5 / Year 10 / Year 20):

| Item | Year 5 | Year 10 | Year 20 |
|-----------------------------|----------------|----------------|----------------|
| Total Current Assets | 47,000 | 69,600 | 120,700 |
| FSI Investments | 15,149 | 45,364 | 161,150 |
| FCP Investments | 14,012 | 16,410 | 28,900 |
| AEI Equity (SOE + JV) | 60,000 | 90,000 | 160,000 |
| Other Long-Term Assets | 49,800 | 56,200 | 70,000 |
| Total Assets | 185,961 | 277,574 | 540,750 |
| Restructured Sovereign Debt | 30,000 | 22,000 | 8,000 |
| Restructured PDVSA Debt | 10,000 | 8,000 | 2,000 |
| Multilateral Loans | 14,000 | 15,000 | 12,000 |
| Other Liabilities | 25,000 | 25,900 | 28,100 |
| Total Liabilities | 79,000 | 70,900 | 50,100 |
| State Capital | 75,000 | 75,000 | 75,000 |
| Statutory Reserves | 25,000 | 65,000 | 220,000 |
| Accumulated Results | 6,961 | 66,674 | 195,650 |
| Total Equity | 106,961 | 206,674 | 490,650 |

Summary Consolidated Income Statement, Year 8 (USD millions; ZEEG-regime steady state):

| Item | mmUSD |
|---|----------------|
| Hydrocarbons Royalty (22-28% × \$58B revenue) | 14,500 |
| Mining Royalty (25% × \$15B revenue) | 3,750 |
| Other Sector Royalties (ZEEG-calibrated, blended) | 32,450 |
| Total ZEEG Consolidated Royalty | 50,700 |
| VAT (8% consumer; dedicated to Education) | 9,500 |
| Aporte Único Nómina (4%) | 3,600 |
| Tariff and Customs Duties (0-5% MFN) | 880 |
| Sovereign Dividend Income (FSI/AEI/FIG) | 8,625 |
| Other Distributions | 1,050 |
| Other Operating Income | 1,500 |
| Total Operating Income | 75,855 |
| Pensions (FCP) | (12,200) |
| Health (Sistema Nacional de Salud) | (4,000) |
| Education | (3,000) |
| Public Salaries | (3,500) |
| Justice, AG, Electoral System | (1,000) |
| Defense (FANB) | (1,500) |
| Other Operating Expenses | (3,000) |
| Operating Result | 47,655 |
| Interest Expense | (3,000) |
| Fiscal Result (post-deployment to FSI/FCP) | (7,105) |

(See Capítulo XIX for the complete Estado de Situación Financiera, the multi-year Estado del Resultado Integral, the Estado de Flujos de Efectivo, and notes thereto.)

7.2 Sensitivity Analysis

The Issuer has prepared sensitivity analyses for the principal economic drivers of the Pro Forma Financial Statements, including (i) Brent crude oil price, (ii) gold price, (iii) iron-ore price, (iv) Bolivar-USD exchange rate, (v) GDP growth, and (vi) operating-margin variability. The sensitivity analyses are appended hereto as Exhibit E-1 and are described in detail in Capítulo XX of the Plan-Génesis publication.

Key Sensitivity Conclusions:

- Series A IRR is materially insensitive to Brent price variation in the USD 40-100 range, owing to the Hedging Mandate (Defense Layer 3) which protects the floor at approximately USD 55.
- Series C IRR is sensitive to Brent price variation: a sustained Brent USD 40 scenario reduces Series C IRR Year 10 from base case 24-28% to 16-20%; a sustained Brent USD 90 scenario increases Series C IRR Year 10 to 28-34%.
- Series D IRR is materially insensitive to oil price (sub-fund isolation; sectors largely uncorrelated to oil).
- USD strengthening (DXY +20%) modestly reduces Series C IRR (revenue translation effect).
- Multilateral support (IMF/World Bank concurrent restructuring program) accelerates the recovery and modestly improves Series C IRR.

7.3 Stress Tests

The Issuer has modeled four stress-test scenarios (detailed in the Anchor Investor Patch Framework, Round 2):

Stress Test 1 — Brent USD 40 for 24 Months. Cash-flow impact: -USD 32 billion cumulative over 2 years. Tranche A IRR maintained at 7.5% (Hedging Mandate). Tranche B IRR 12-14% (vs. 16% base). Tranche C IRR 16-20% (vs. 24-28% base). Tranche D IRR unaffected. Plan survives.

Stress Test 2 — NML-Style Attachment of USD 5 Billion of Plan Assets. Cash-flow impact: no direct revenue impact; USD 5 billion of working capital impaired for 18-36 months. Tranche A IRR unaffected (Convertibility Guarantee Trust ring-fenced). Tranche B IRR -1 to -2 percentage points. Tranche C IRR -0.5 to -1.0 pp. Plan survives with mild scarring.

Stress Test 3 — Anchor Investor Exit in Year 3 (40% of Anchor Capital Redeems). Cash-flow impact: USD 20-25 billion redemption pressure. Path D Emergency Liquidity Facility (USD 5 billion drawable) activated. Plan survives with operational stress.

Stress Test 4 — Political Reversion in Year 4 (New Government Attempts to Revoke LO-ZEEG). Cash-flow impact: 35-50% revenue reduction if implemented. Stabilization Clause activation: damages calculation $NPV \times 2.0 =$ approximately USD 100-160 billion. New government faces cross-default on USD 270+ billion of debt if non-payment. Negotiated settlement scenario: Republic accepts USD 30-50 billion settlement discount; Anchor accepts haircut on Tranche C; Tranche A maintained. Plan survives with severe scarring but no wipeout.

The stress-test outcomes presume the Defense Layers (Section 4.5) are operative.

7.4 Auditor's Statement

The Issuer's external auditor (to be selected by the Board upon advice of the Audit Committee — Big Four firm: Deloitte, EY, KPMG, or PwC) will deliver an auditor's report upon completion of the Issuer's annual audit. As of the date of this Memorandum, no audit has been completed; the Pro Forma Financial Statements have not been audited.

[Auditor's name and opinion placeholder pending engagement letter and audit completion.]

7.5 Material Assumptions

The Pro Forma Financial Statements and the Master Deployment Schedule are based on the following material assumptions:

- (i) **Macro Assumptions.** Brent crude oil price averaging USD 70 per barrel over the projection horizon (Years 1-20), with sensitivity scenarios at USD 40, USD 55, USD 85, and USD 100. Gold price averaging USD 2,100 per ounce. Bolivar-USD exchange rate stabilizing within 18-24 months. Annual GDP growth averaging 5-8% Years 1-10, moderating to 3-5% Years 11-20.
- (ii) **Operational Assumptions.** Faja Petrolera production reaching 1.4-1.8 million barrels per day by Year 5 (vs. approximately 0.4 million today). Refining-sector capacity utilization reaching 75-85% by Year 7. Banking-sector lending volume reaching pre-crisis levels by Year 5. Electrical-generation capacity reaching pre-crisis levels by Year 4.
- (iii) **Regulatory Assumptions.** Issuance of all required GL-G series Licenses on the timeline described in Section 8.1. Continued operation of the Plan-Génesis Reform legal framework. No material adverse changes to the sanctions regime.

(iv) **Litigation Assumptions.** Successful resolution of major ICSID-judgment-creditor claims via global settlement within Year 1-Year 2. Successful disposition of PDV Holding and Citgo within Year 1-Year 3. No material adverse new litigation.

(v) **Anchor Investor Assumptions.** Anchor Investors deploy capital in accordance with their commitment letters on the milestones described in the Master Deployment Schedule. No material Anchor Investor default.

Each of these material assumptions is subject to substantial risk and uncertainty, as described in Section 2 above and in Capítulos III, XX, and XXIV of the Plan-Génesis publication.

7.6 Liquidity and Capital Coverage Analysis

The Issuer maintains targeted liquidity and capital-coverage metrics consistent with industry-standard institutional creditor expectations for sovereign emerging-market issuances:

| Metric | Threshold | Notes |
|--|------------|---|
| Debt Service Coverage Ratio (DSCR) | ≥ 1.50x | Operating cash flow / scheduled debt service for the Series A Notes |
| Interest Coverage Ratio | ≥ 2.50x | Operating EBITDA / interest expense |
| Total Debt-to-EBITDA | ≤ 5.0x | Per Section 4.1 Indenture covenants |
| Minimum Unrestricted Cash | ≥ USD 2.0B | Maintained at the Trustee |
| Litigation Reserve to Outstanding Securities | ≥ 0.5% | Minimum reserve ratio post-Year 5 |
| Convertibility Guarantee Trust to Annual Distributions | ≥ 0.5x | Trust funding sufficient for 6 months of dividend repatriation |

7.7 Capitalization Table

The Issuer's pro forma capitalization table at the first Closing (Year 1) is summarized as follows. Final allocations are subject to subscription amounts and Issuer determinations.

| Capital Source | Amount (USD Billions) | Percentage of Capital Stack |
|--|-----------------------|-----------------------------|
| Series A Senior Secured Notes | 60.0 | 25.0% |
| Series B Mezzanine Convertible Preferred | 50.0 | 20.8% |
| Series C Strategic Common Equity | 100.0 | 41.7% |
| Series D Venture Common Equity (Sub-Fund LP) | 30.0 | 12.5% |
| Total Securities Offered | 240.0 | 100.0% |
| Project Finance Debt (separate from Anchor) | 73.0 | (informational) |
| Total Plan-Génesis Capital Mobilized | 313.0 | |

7.8 Pro Forma Distribution Schedule

Anticipated cash distributions to Securities holders (excluding mandatory restrictions and assuming achievement of operating milestones) are summarized as follows:

| Period | Series A Coupons | Series B PIK + Cash | Series C Distributions | Series D Distributions |
|------------|------------------------------|--------------------------|------------------------|------------------------------|
| Years 1-3 | Scheduled per Indenture | PIK accrual only | None | None |
| Years 4-5 | Scheduled per Indenture | PIK + initial cash | Initial distributions | Initial distributions |
| Years 6-10 | Scheduled per Indenture | Cash distributions | Regular distributions | Distributions as exits occur |
| Year 10+ | Maturity (bullet or sinking) | Conversion or redemption | Liquidation events | Sub-fund wind-down |

SECTION 8 – REGULATORY MATTERS

8.1 OFAC General License Pathway – GL-G Series

The Plan-Génesis transactions described herein are contingent upon the issuance of twenty-five (25) sequenced General Licenses by the U.S. Department of the Treasury Office of Foreign Assets Control under authority of the existing Executive Orders applicable to Venezuela. The General Licenses are organized into three Phases:

8.1.1 Phase A – Foundation General Licenses (Months 0-6)

Eight Phase A General Licenses provide the foundational authority for U.S. persons to participate in the Plan-Génesis pre-marketing, banking, restructuring, and operational activities. Phase A Licenses do not require CAATSA modification by act of Congress.

- **GL-G1.** U.S.-Person Participation in Plan-Génesis Pre-Marketing under Reg D 506(c). Authority: E.O. 13808, 31 C.F.R. § 591.510. Sunset: 24 months, renewable. Political risk: 3/10.
- **GL-G2.** Correspondent Banking with Plan-Génesis-Licensed Venezuelan Banks. Authority: E.O. 13850, 31 C.F.R. § 591.407, 31 U.S.C. § 5318(j). Sunset: 36 months. Political risk: 5/10. Dollar value enabled: USD 4-6 billion per year of trade and remittance flows.
- **GL-G3.** U.S.-Person Participation in Venezuela Bond Exchange / Plan VRD Restructuring. Authority: E.O. 13808, E.O. 13835, 31 C.F.R. § 591.510. Sunset: 60 months. Political risk: 6/10. Dollar value enabled: USD 35-45 billion of restructured debt face value.
- **GL-G4.** Equity Acquisition in Privatized Venezuelan Utilities. Authority: E.O. 13808, E.O. 13850, E.O. 13884, 31 C.F.R. § 591.510. Sunset: 60 months. Political risk: 4/10. Dollar value enabled: USD 8-12 billion of equity transactions.
- **GL-G5.** Advisory Services to AEG. Authority: E.O. 13884, 31 C.F.R. §§ 591.408, 591.510. Sunset: 60 months. Political risk: 3/10.
- **GL-G6.** U.S. Project Finance to Plan-Génesis-Licensed Venezuelan JVs. Authority: E.O. 13808, E.O. 13850, 31 C.F.R. § 591.510. Sunset: 60 months. Political risk: 5/10. Dollar value enabled: USD 20-30 billion.

- **GL-G7.** U.S. Participation in BVC Plan-Génesis IPOs. Authority: E.O. 13808, 31 C.F.R. § 591.510, Securities Act §§ 5, 6. Sunset: 60 months. Political risk: 6/10. Dollar value enabled: USD 15-25 billion.
- **GL-G8.** Repatriation of Profits from Venezuelan Operations. Authority: E.O. 13808, 31 C.F.R. § 591.510. Sunset: 60 months. Political risk: 5/10. Dollar value enabled: USD 3-5 billion per year beginning Year 3.

8.1.2 Phase B – Operational General Licenses (Months 6-18)

Nine Phase B General Licenses authorize substantive operational activities, including aviation, power, mining, telecom, refining, and infrastructure. Phase B does not require CAATSA modification.

- **GL-G9.** Aviation Services and Aerospace Component Imports (AeroFlux Program). Authority: E.O. 13884, 31 C.F.R. § 591.510, 15 C.F.R. § 746.7. Sunset: 84 months. Political risk: 7/10.
- **GL-G10.** Insurance and Reinsurance Coverage. Authority: E.O. 13884, 31 C.F.R. §§ 591.408, 591.510. Sunset: 60 months. Political risk: 4/10.
- **GL-G11.** Power Generation Equipment and Services. Authority: E.O. 13884, 31 C.F.R. § 591.510, 15 C.F.R. Parts 738, 746. Sunset: 84 months. Political risk: 4/10. Dollar value enabled: USD 8-15 billion.
- **GL-G12.** Mining Equipment, Refurbishment, and Las Cristinas/Faja Operations. Authority: E.O. 13850, E.O. 13884, 31 C.F.R. § 591.510. Sunset: 84 months. Political risk: 6/10.
- **GL-G13.** Telecommunications Infrastructure and 5G Equipment. Authority: E.O. 13884, 31 C.F.R. § 591.510, 15 C.F.R. Part 7. Sunset: 84 months. Political risk: 5/10.
- **GL-G14.** Refining Sector Rehabilitation Imports and Services. Authority: E.O. 13808, E.O. 13884, 31 C.F.R. § 591.510. Sunset: 84 months. Political risk: 5/10. Dollar value enabled: USD 15-25 billion.
- **GL-G15.** Agricultural Inputs and Food Processing Equipment. Authority: E.O. 13884, 31 C.F.R. §§ 591.205, 591.510, TSRA 2000. Sunset: 60 months. Political risk: 2/10.
- **GL-G16.** Medical Equipment and Pharmaceutical Imports. Authority: TSRA 2000, E.O. 13884, 31 C.F.R. §§ 591.205, 591.510. Sunset: 60 months. Political risk: 2/10.
- **GL-G17.** Construction Equipment and Infrastructure Rehabilitation. Authority: E.O. 13884, 31 C.F.R. § 591.510. Sunset: 84 months. Political risk: 3/10. Dollar value enabled: USD 30-50 billion.

8.1.3 Phase C — Capital Markets and Tokenization General Licenses (Months 12-36)

Eight Phase C General Licenses authorize the operations that complete the integration of Venezuela into the Western capital-markets architecture. Several Phase C Licenses require CAATSA modification by act of Congress.

- **GL-G18.** Tokenization of Mineral Reserves under VES Digital / ERC-3643. Authority: E.O. 13827, E.O. 13884, 31 C.F.R. § 591.510. Sunset: 60 months. Political risk: 8/10.
- **GL-G19 through GL-G25.** Additional Phase C authorizations for custody operations, derivatives, multilateral cooperation, secondary market operations, and related capital-markets infrastructure (described in detail in the OFAC Pathway Document).

Each prospective Anchor Investor should consult independent OFAC counsel regarding the status of any applicable General License and the suitability of an investment in the Securities given the regulatory environment.

8.2 CAATSA Section 231 Compliance Posture

Section 231 of CAATSA, 22 U.S.C. § 9525, imposes secondary sanctions on persons engaging in "significant transactions" with persons that are part of, or operate for or on behalf of, the defense or intelligence sectors of the Government of the Russian Federation. The Plan-Génesis Reform contemplates the operational segregation of the Issuer and its joint-venture partners from Russian defense-sector counterparties, achieved through:

- Supply Chain Substitution.** The AeroFlux Program (Capítulo XI) substitutes U.S.-and-European-sourced electrical-generation equipment (GE Vernova, ProEnergy, Bechtel, Mitsubishi Power) for the legacy Russian/Chinese-supplied electrical infrastructure. Each component is supply-chain-verified to be free of Russian defense-sector linkages.
- Defense Sector Counterparty Avoidance.** Each joint-venture partner of the Issuer is required to certify, in the joint-venture agreement, the absence of Russian defense-sector linkages and to maintain ongoing monitoring through OFAC-compliance audit.
- Diplomatic Engagement.** The Issuer's outside counsel and the Sponsor engage with the U.S. Department of State Bureau of Western Hemisphere Affairs and the National Security Council to maintain alignment with U.S. policy on Russia and on Venezuela.

CAATSA Section 231 modification — to provide an explicit Venezuela carve-out applicable to Plan-Génesis transactions — is a long-term legislative priority described in the OFAC Pathway Document, but is not a condition of the Phase A or Phase B General Licenses.

8.3 Venezuelan Constitutional Framework

The Plan-Génesis Reform requires constitutional amendments to the CRBV. The amendments are described in Capítulo XXIII of the Plan-Génesis publication and may be pursued through one of three procedural pathways (the "Senderos" described in Section 2.1.2 above). Each Sendero imposes a different timeline and risk profile.

Anchor Investors should review the constitutional-amendment status report (Exhibit F) for the current state of constitutional reform, and should engage Venezuelan counsel for an independent assessment of the legal force and effect of the LOH 2026, the LOM 2026, the LOZEEG, the Ley Económica del Génesis, and any constitutional amendments that have been or are expected to be promulgated.

8.4 LOH 2026 + LOM 2026 + LOZEEG (Tax Regime Architecture)

The tax regime applicable to Plan-Génesis transactions is governed by:

- (i) **Ley Orgánica de Hidrocarburos 2026 (LOH 2026)**, Gaceta Oficial Extraordinaria N° 6.978, establishing the hydrocarbons royalty regime within the 15-30% statutory range, AEG-calibrated by sector;
- (ii) **Ley Orgánica de Minas 2026 (LOM 2026)**, Gaceta Oficial Extraordinaria N° 7.020, establishing the mining royalty regime;
- (iii) **Ley Orgánica de la Zona Económica Especial del Génesis (LOZEEG)**, Gaceta Oficial Extraordinaria N° [TBD], establishing the unified fiscal regime for all sectors subject to AEG licensing;
- (iv) **Ley Económica del Génesis**, the master statute establishing the institutional and economic framework of the Plan-Génesis Reform.

The LOH 2026, LOM 2026, and LOZEEG, taken together with the proposed constitutional amendments under Article 203 (organic-law supermajority) and Article 73 (referendum), are designed to provide a "triple-blindaje" (triple shield) against successor-administration reversion:

- **Capa Legal (Legal Layer).** Organic-law status under Article 203 requires 2/3 supermajority of the Asamblea Nacional plus a 12-month waiting period plus an Article 73 referendum to amend or repeal. Constitutional amendments are subject to procedures under Articles 340-348.
- **Capa Contractual (Contractual Layer).** Stabilization Clauses (Defense Layer 7) in joint-venture and indenture agreements provide damages calculated at NPV × 2.0 for any unilateral re-write.
- **Capa Estructural (Structural Layer).** The political clientela generated by widely distributed ZEEG-funded benefits (universal pension, citizen dividend, FCP funding, regional transfers) creates structural resistance to reversion.

Anchor Investors should review the Plan-Génesis Capítulo XCIV.9 for a detailed analysis of the triple-blindaje architecture.

8.5 EU Foreign Subsidies Regulation (FSR 2022/2560) Compliance

EU-headquartered Anchor Investors and Plan-Génesis-counterparty entities incorporated in the European Union may be subject to disclosure and review obligations under the EU Foreign Subsidies Regulation (Regulation (EU) 2022/2560). The Plan-Génesis transactions, including the ZEEG fiscal regime, may be characterized as "foreign subsidies" for purposes of FSR. The Issuer's outside counsel will provide an analysis of FSR exposure on a transaction-by-transaction basis as relevant transactions are structured.

8.6 FATCA and CRS Information Sharing

The Issuer is subject to FATCA reporting obligations (IRC §§ 1471-1474) and may be subject to similar obligations under the OECD Common Reporting Standard ("CRS") in respect of investors that are tax-resident in CRS-participating jurisdictions. Each subscriber will be required to provide a completed Form W-8 or W-9 (as applicable) and any additional information required to satisfy these reporting obligations.

8.7 Other Regulatory Matters

The Plan-Génesis transactions may be subject to (i) U.S. CFIUS-equivalent outbound-investment review under E.O. 14105 (August 9, 2023), as applicable to certain semiconductor, AI, quantum, and biotech investments; (ii) U.S. export-controls review under the Export Administration Regulations (15 C.F.R. Parts 730-774) and the International Traffic in Arms Regulations (22 C.F.R. Parts 120-130); (iii) anti-bribery review under the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and analogous laws of other relevant jurisdictions; (iv) anti-money-laundering review under the U.S. Bank Secrecy Act, the USA PATRIOT Act, and FinCEN regulations; and (v) the Toledo-Berriquez Act (Pub. L. 113-272) and other applicable statutes addressing Venezuelan human-rights, electoral, and democratic concerns.

8.8 Investment Company Act Considerations

The Issuer expects to qualify for an exemption from registration as an investment company under the U.S. Investment Company Act of 1940 (the "ICA"), as amended. The exemption is expected to be available under (i) Section 3(c)(7) of the ICA, which excludes from the definition of investment company any issuer whose outstanding securities are held only by qualified purchasers (within the meaning of Section 2(a)(51) of the ICA), or (ii) Section 3(c)(1) of the ICA, which excludes any issuer whose outstanding securities are held by not more than 100 beneficial owners. The Issuer is structured to maintain compliance with whichever exemption is applicable, including by limiting the number of beneficial owners or requiring qualified-purchaser status for all subscribers.

In addition, the Issuer is structured to avoid characterization as a "covered fund" within the meaning of the Volcker Rule (Section 13 of the Bank Holding Company Act of 1956), so that banking-organization investors may participate without prudential restriction. Issuer counsel maintains a Volcker Rule opinion-of-record.

8.9 ERISA Considerations

The Issuer may, from time to time, accept subscriptions from investors that are governed by the U.S. Employee Retirement Income Security Act of 1974 (the "ERISA"). The Issuer expects that its assets will not be deemed "plan assets" of any ERISA-governed investor, on the basis that (i) Issuer interests are equity interests of an operating company within the meaning of 29 C.F.R. § 2510.3-101(c), (ii) the Issuer qualifies for the venture-capital-operating-company exception, or (iii)

participation by ERISA investors is below the 25% threshold of 29 C.F.R. § 2510.3-101(f). Each ERISA investor must independently determine the applicability of ERISA's prohibited-transaction rules to its investment. The Issuer makes no representation regarding ERISA compliance.

8.10 Securities Act Section 4(a)(2) Compliance

The offering of the Securities is exempt from registration under the Securities Act of 1933 by virtue of Section 4(a)(2) thereof (private placement) and Rule 506(c) of Regulation D promulgated thereunder. Compliance with the Section 4(a)(2) exemption requires (i) avoidance of public general solicitation (subject to the Rule 506(c) exception for verified accredited investors), (ii) limited number of purchasers, (iii) each purchaser representing financial sophistication, and (iv) appropriate disclosure to each purchaser. The Issuer has implemented procedures to verify compliance with these requirements.

8.11 Bilateral Investment Treaty Status

Bilateral investment treaties applicable to the Plan-Génesis transactions include the following (each, a "BIT"). Anchor Investors should consult their own counsel regarding the applicability of any particular BIT to the Anchor Investor's specific subscription.

- United Kingdom-Venezuela BIT (1995);
- Netherlands-Venezuela BIT (1991, terminated 2008 but in force for pre-termination investments under sunset provisions);
- Spain-Venezuela BIT (1995, terminated 2008 but in force for pre-termination investments);
- Switzerland-Venezuela BIT (1993);
- Canada-Venezuela BIT (1998);
- Belgium-Luxembourg-Venezuela BIT (1998);
- Germany-Venezuela BIT (1996);
- France-Venezuela BIT (2001);
- Portugal-Venezuela BIT (1994);
- Italy-Venezuela BIT (2000);
- Czech Republic-Venezuela BIT (1997);
- Argentina-Venezuela BIT (1993);
- Brazil-Venezuela BIT (no BIT in force; relationship governed by Mercosur Protocols);
- Chile-Venezuela BIT (1993);

- Cuba-Venezuela BIT (1996);
- Ecuador-Venezuela BIT (2003);
- Iran-Venezuela BIT (2005);
- Russia-Venezuela BIT (2008);
- Vietnam-Venezuela BIT (2008);
- Belarus-Venezuela BIT (2007);
- Indonesia-Venezuela BIT (2000);
- Lithuania-Venezuela BIT (1998);
- Sweden-Venezuela BIT (1996);
- Uruguay-Venezuela BIT (2001).

Several of the foregoing BITs were terminated by the Republic during the Chavismo-era foreign-policy realignment (notably the Netherlands BIT and the Spain BIT in 2008). However, sunset provisions in those treaties continue to provide protection to investments made during the period of treaty effectiveness, typically for periods of 10-15 years post-termination. The Plan-Génesis Reform includes the potential ratification or renegotiation of BITs, particularly with the United States (where no BIT currently exists), Singapore, and the United Arab Emirates.

8.12 OECD and Inter-American Standards

The Plan-Génesis transactions are intended to align with (i) the OECD Guidelines for Multinational Enterprises, (ii) the OECD Anti-Bribery Convention (which the Republic has not ratified but for which the U.S. Foreign Corrupt Practices Act applies extraterritorially), (iii) the OECD Transfer Pricing Guidelines (relevant to royalty calibration in the joint-venture context), and (iv) the Inter-American Convention on Mutual Assistance in Criminal Matters (relevant to law-enforcement cooperation). Anchor Investors should consider the alignment of their participation in the Plan-Génesis transactions with these standards in light of their own institutional ESG and reputational considerations.

SECTION 9 – DISTRIBUTION AND TRANSFER RESTRICTIONS

9.1 Reg D 506(c) Verification Protocol

The Issuer is offering and selling the Securities to U.S. accredited investors in reliance on the exemption from registration provided by Rule 506(c) of Regulation D under the Securities Act. The Issuer is engaging in general solicitation and general advertising as permitted by Rule 506(c). The Issuer will take reasonable steps to verify the accredited-investor status of each U.S. purchaser, by one or more of the following methods:

- (a) **Income Verification.** Review of (i) IRS Form W-2, Form 1099, Form K-1, or Form 1040 for the most recent two years, demonstrating individual income exceeding USD 200,000 (or joint income exceeding USD 300,000); or (ii) documentation reasonably demonstrating a reasonable expectation of reaching the income level in the current year;
- (b) **Net Worth Verification.** Review of (i) bank statements, brokerage statements, certificates of deposit, tax assessments, and similar documentation demonstrating assets less liabilities of at least USD 1,000,000 (excluding primary residence) for the most recent three-month period; or (ii) a consumer report from a national reporting agency;
- (c) **Third-Party Confirmation.** Receipt of written confirmation from a registered broker-dealer, a registered investment adviser, a licensed attorney, or a certified public accountant that the third party has taken reasonable steps to verify accredited-investor status of the purchaser;
- (d) **Entity-Investor Methods.** For non-natural-person investors, review of organizational documents, audited financial statements, broker-dealer or investment-adviser registration, and similar documentation appropriate to the entity type.

The accredited-investor verification is required for each subscription and at any subsequent date upon which the Issuer determines that a verification is appropriate.

9.2 Reg S Compliance for Non-U.S. Persons

The Issuer is offering the Securities to non-U.S. persons in reliance on Regulation S under the Securities Act, in offshore transactions and without any directed selling efforts in the United States. Each non-U.S. purchaser will be required to make customary Regulation S representations,

including:

(a) The purchaser is not a U.S. person within the meaning of Rule 902(k) of Regulation S; (b) The purchaser is acquiring the Securities outside the United States; (c) The purchaser has not solicited or been solicited in the United States or any U.S. territory; (d) The Securities are subject to the legend required by Rule 903(b)(3)(iii)(B) or Rule 903(b)(3)(iv), as applicable, restricting transfer.

The Securities offered to non-U.S. persons under Regulation S are subject to a "distribution compliance period" of 40 days (for Category 1 offerings) during which the Securities may not be sold to U.S. persons except in transactions exempt from registration.

9.3 Lock-Up Periods

The Securities are subject to lock-up periods as follows:

- **Series A Senior Secured Notes.** No lock-up; transfers permitted at any time subject to the transfer restrictions of the Indenture.
- **Series B Mezzanine Convertible Preferred.** 24-month lock-up from the date of issuance, after which transfers permitted to other QIBs or accredited investors subject to applicable securities-law restrictions.
- **Series C Strategic Common Equity.** 60-month lock-up from the date of issuance, with limited carve-outs for (i) transfers among Affiliates, (ii) estate transfers, and (iii) transfers approved by the Board.
- **Series D Venture Common Equity (Sub-Fund LP Interests).** 84-month lock-up (corresponding to the fund's investment period), with carve-outs comparable to those for Series C.

9.4 Transfer Restrictions

In addition to the lock-up periods, transfers are subject to (i) the requirements of the Securities Act and applicable state securities laws, (ii) the right of first refusal in favor of the Issuer (for Series C), (iii) the consent of the Issuer (not unreasonably withheld, for Series C and Series D), and (iv) compliance with the Anchor Investor Representation Agreement and the Subscription Agreement.

9.5 ROFR Mechanics

Subject to the lock-up period, the right of first refusal applicable to Series C Common operates as follows:

- (i) The Holder desiring to transfer Series C Common shall deliver a written notice to the Issuer setting forth the proposed transferee, the proposed terms (price and other material terms), and the proposed closing date;
- (ii) The Issuer shall have thirty (30) days from receipt of the notice to (a) accept the proposed transfer at the proposed terms, or (b) decline;
- (iii) If the Issuer declines, the Holder may proceed with the proposed transferee on the proposed terms; if the Issuer accepts, the Issuer shall designate either the Issuer itself or a designated third-party purchaser, and the transfer shall close on the proposed closing date.
- (iv) If the Issuer does not respond within thirty (30) days, the right of first refusal shall be deemed waived for the proposed transferee at the proposed terms.

SECTION 10 — LEGAL OPINIONS

The closing of each Tranche will be conditioned upon the receipt by the Anchor Investors of customary legal opinions from each of the following counsel. The form of each opinion will be specified in the Closing Documents Schedule attached to the Subscription Agreement.

10.1 Issuer Counsel Opinion (Sullivan & Cromwell LLP)

Issuer counsel (Sullivan & Cromwell LLP) will deliver an opinion addressed to the Anchor Investors covering (i) due incorporation and existence of the Issuer as a Delaware corporation, (ii) due authorization, execution, and delivery of the Indenture, the Subscription Agreement, the Sovereign Guarantee Agreement, and the other Transaction Documents, (iii) enforceability of the Transaction Documents against the Issuer under New York law, (iv) compliance of the Securities offering with the Securities Act, the Exchange Act, and applicable U.S. state securities laws, (v) compliance with the Investment Company Act of 1940, and (vi) such other matters as may be reasonably requested by the Anchor Investors.

10.2 Sanctions Counsel Opinion (Akin Gump Strauss Hauer & Feld LLP)

Sanctions counsel (Akin Gump Strauss Hauer & Feld LLP) will deliver an opinion addressed to the Anchor Investors covering (i) the application of the U.S. economic-sanctions regime to the Plan-Génesis transactions, (ii) the legal force and effect of the GL-G series General Licenses (as issued), (iii) the absence of any sanctions-law impediment to consummation of the relevant Tranche, (iv) the compliance of the OFAC compliance program with applicable regulatory expectations, (v) the application of CAATSA Title II (including Section 231) to the relevant transactions, and (vi) such other sanctions-related matters as may be reasonably requested.

10.3 Venezuelan Counsel Opinion (DLA Piper Martínez Beltrán)

Venezuelan counsel (DLA Piper Martínez Beltrán; or alternatively, Hoet Peláez Castillo & Duque) will deliver an opinion addressed to the Anchor Investors covering (i) the legal force and effect of the LOH 2026, the LOM 2026, the LOZEEG, and the Ley Económica del Génesis under Venezuelan law, (ii) the constitutionality (or compliance with the CRBV) of the Plan-Génesis Reform, (iii) the validity and enforceability of the Sovereign Guarantee Agreement under Venezuelan law, (iv) the validity and enforceability of each joint-venture agreement under Venezuelan law, (v) the perfection and priority of liens on real-property collateral located in Venezuela, and (vi) such other Venezuelan-law matters as may be reasonably requested.

10.4 Tax Counsel Opinion (Cleary Gottlieb Steen & Hamilton LLP)

Tax counsel (Cleary Gottlieb Steen & Hamilton LLP) will deliver an opinion addressed to the Anchor Investors covering (i) the U.S. federal income tax classification of the Issuer and its operating subsidiaries, (ii) the U.S. federal income tax consequences of an investment in the Securities to U.S. holders and non-U.S. holders, (iii) the application of GILTI, BEAT, Subpart F, FATCA, and CRS to the Plan-Génesis transactions, (iv) the application of any relevant bilateral income-tax treaty, and (v) such other tax-related matters as may be reasonably requested.

10.5 Additional Opinions

Additional opinions may be required from (i) Trustee counsel (Bank of New York Mellon Corporate Trust legal department), (ii) Litigation Reserve counsel, (iii) UK counsel (for LCIA arbitration matters), and (iv) such other counsel as may be required by the Closing Documents Schedule.

SECTION 11 – SUBSCRIPTION DOCUMENTS

The following Subscription Documents will be delivered to each Recipient at the time of subscription. The forms of the Subscription Documents are summarized below; the actual forms will be made available in the data room maintained by Issuer counsel.

11.1 Subscription Agreement (Term Sheet Level)

The Subscription Agreement is the principal Transaction Document executed by each subscriber. Key terms include:

- Identity of the subscriber and the relevant Tranche;
- Subscription amount, payment terms (typically wire transfer to the Trustee's account), and Closing conditions;
- Subscriber representations and warranties (accredited-investor status, suitability, ability to bear loss, sophistication, no public solicitation, no reliance on Issuer communications other than as set forth in this Memorandum and the data room);
- Subscriber covenants (compliance with transfer restrictions, lock-up periods, ROFR, drag-along, tag-along);
- Issuer representations and warranties (organizational status, due authorization, ownership of the assets, no material adverse change, accurate disclosure);
- Conditions to Closing (as described in Section 1.6 above);
- Indemnification provisions (mutual indemnification for breaches of representations, warranties, covenants);
- Governing law (New York) and dispute resolution (arbitration consistent with Section 4.5 Defense Layer 5).

11.2 Investor Questionnaire (Accredited Verification)

Each U.S. subscriber will complete an Investor Questionnaire, which includes (i) accredited-investor and QIB status verification, (ii) net worth and income documentation, (iii) sophistication representation, (iv) suitability acknowledgment, (v) KYC/AML information, and (vi) OFAC compliance certification. Non-U.S. subscribers will complete an analogous Reg S Investor Questionnaire.

11.3 Suitability Representations

Each subscriber will represent and warrant that:

- (a) The subscriber is an accredited investor (in the case of U.S. persons) or a qualified institutional buyer (in the case of QIB-only Tranches) or a non-U.S. person (in the case of Reg S subscriptions);
- (b) The subscriber has the requisite sophistication and experience to evaluate the merits and risks of an investment in the Securities;
- (c) The subscriber has the financial wherewithal to bear a substantial or complete loss of the investment;
- (d) The subscriber has no need for liquidity with respect to the invested funds;
- (e) The subscriber has completed independent and adequate due diligence with the assistance of its own legal, tax, accounting, and financial advisors;
- (f) The subscriber is not acquiring the Securities for the account of any U.S. person (in the case of Reg S subscriptions).

11.4 Anti-Money Laundering Certifications

Each subscriber will deliver:

- A completed FinCEN Customer Identification Program ("CIP") document;
- A list of beneficial owners (in compliance with FinCEN beneficial-ownership regulations, 31 C.F.R. § 1010.230);
- A certification of the source of funds;
- A certification regarding compliance with the U.S. Foreign Corrupt Practices Act (in the case of corporate subscribers);

- A certification regarding compliance with applicable sanctions regulations (the OFAC certification);
- A representation regarding any prior or pending governmental investigation of the subscriber.

11.5 Indemnification Agreements

The Subscription Agreement includes mutual indemnification provisions. The subscriber agrees to indemnify the Issuer, the Sponsor, the Placement Agents, and their respective Affiliates against any losses, claims, damages, or liabilities arising from (a) breach by the subscriber of any representation, warranty, or covenant in the Subscription Agreement, (b) any fraudulent or unlawful act of the subscriber relating to the Securities, or (c) any failure by the subscriber to comply with applicable sanctions laws.

The Issuer agrees to indemnify the subscriber against losses arising from (a) breach by the Issuer of any representation, warranty, or covenant in the Subscription Agreement, (b) any material misstatement or omission in this Memorandum (subject to the bespeaks-caution doctrine and the forward-looking-statements safe harbor), or (c) any failure by the Issuer to comply with applicable U.S. securities laws.

Indemnification is subject to customary limitations, including disclaimers regarding consequential and indirect damages, indemnification caps (typically the lesser of the subscription amount or USD 100,000,000 per claim), and customary procedural requirements for indemnification claims.

11.6 Confidentiality Agreement (Side-Letter)

In addition to the Subscription Agreement, each subscriber will execute a Confidentiality Agreement governing the use of Confidential Information (as defined in the Notice to Recipients). The Confidentiality Agreement (i) prohibits disclosure to non-permitted persons, (ii) requires subscriber notification in the event of compelled disclosure, (iii) provides for the return or destruction of Confidential Information upon cessation of consideration, and (iv) survives the termination of the Subscription Agreement.

11.7 Anchor Investor Representation Agreement

Each Anchor Investor (as defined in this Memorandum) will execute an Anchor Investor Representation Agreement (the "AIRA") governing the specific rights and obligations of Anchor Investors, including:

- Board representation and voting rights (Section 4.5, Defense Layer 4);
- Veto rights over enumerated categories of decisions;
- Information and reporting rights (Section 6.5);
- Inter-Anchor coordination mechanics;
- Specific Anchor commitments (e.g., binding capital-call schedules);
- Standstill and lock-up provisions consistent with Section 9.3;
- Coordination of the Anchor Investor Coordinator role.

The form of AIRA is included in the data room. The actual AIRA executed by each Anchor Investor may include negotiated variations on specific provisions, subject to consistency with the framework established in this Memorandum.

11.8 Tax Forms and Information

Each subscriber will provide (i) a completed Form W-9 (in the case of U.S. persons) or Form W-8BEN-E (in the case of non-U.S. entities), (ii) FATCA classification, (iii) CRS reporting information (in CRS-participating jurisdictions), (iv) qualified intermediary status (where applicable), and (v) such other tax-related information as the Issuer may reasonably request to satisfy its withholding and reporting obligations.

11.9 Sanctions Certification

Each subscriber will deliver an OFAC Compliance Certification representing and warranting that:

- (a) Neither the subscriber, nor any beneficial owner of the subscriber, is on the SDN List or any other U.S. government-maintained restricted-party list;
- (b) Neither the subscriber, nor any beneficial owner, is owned 50% or more, in the aggregate, by one or more SDN-listed persons;

(c) The subscriber has not, within the five-year period preceding the date of subscription, engaged in any transaction that may have violated OFAC sanctions, the Foreign Corrupt Practices Act, the UK Bribery Act, or any anti-money-laundering law;

(d) The subscriber maintains a sanctions-compliance program adequate to ensure compliance with OFAC and other applicable economic-sanctions regimes;

(e) The subscriber will notify the Issuer immediately upon discovery of any fact or circumstance that would render any of the foregoing representations or warranties inaccurate.

11.10 Subscription Acceptance and Issuance

Following receipt of a completed Subscription Agreement, Investor Questionnaire, and all related documentation, the Issuer will (i) conduct accredited-investor verification, (ii) conduct OFAC and AML diligence, (iii) consult with the Anchor Investor Coordinator (in the case of Anchor Investor subscriptions), and (iv) determine whether to accept the subscription. The Issuer reserves the right to reject any subscription in whole or in part, in its sole discretion.

Upon acceptance of a subscription, the Issuer will (i) issue the relevant Securities (in the form of certificated securities or book-entry credits, as applicable), (ii) record the subscriber's ownership in the Issuer's stock-and-debt records, (iii) deliver the relevant Indenture, Bylaws, Bylaws-Amendment, and ancillary documents, and (iv) deliver any required confirmations under U.S. securities laws and the laws of the subscriber's home jurisdiction.

SECTION 12 – ADDITIONAL INFORMATION

12.1 Data Room Access Protocol

A confidential data room is maintained by Issuer counsel (Sullivan & Cromwell LLP) for the benefit of prospective subscribers. The data room contains documentation supplementing this Memorandum, including:

- Certificate of Incorporation, Bylaws, and corporate records of the Issuer;
- Form D filing with the SEC;
- Sovereign Guarantee Agreement (form);

- Indenture and form of Series A Notes;
- Subscription Agreement, Investor Questionnaire, and form of Anchor Investor Representation Agreement;
- AEG Reglamento Interno and FSI/FCP Governance Documents;
- Plan-Génesis Master Deployment Schedule and supporting financial models;
- Pro Forma Financial Statements and sensitivity analyses;
- Sensitivity analyses, stress tests, and contingency-event models;
- Status reports on GL-G series General License requests, with copies of pending and granted Licenses;
- Joint-venture term sheets and material agreements (as available);
- Legal opinions (in draft form);
- Outside counsel diligence reports;
- Reports of the OFAC compliance auditor.

Access to the data room is granted to qualified prospective subscribers upon execution of a confidentiality agreement. Data-room access is monitored and logged for audit purposes.

12.2 Q&A Process

The Issuer maintains a Q&A process for prospective subscribers, with questions submitted to Issuer counsel and the Sponsor. Material responses are posted to the data room for the benefit of all qualified prospective subscribers, on a non-attributed basis. Each prospective subscriber is responsible for monitoring the data room for updated Q&A.

12.3 Site Visits

The Issuer will facilitate site visits to operating facilities upon reasonable request from qualified prospective subscribers, subject to (i) sanctions-law constraints (in particular, the requirement that each visitor be authorized to enter the Republic and to conduct due diligence under applicable U.S. and Venezuelan law), (ii) operational considerations, (iii) safety considerations, and (iv) confidentiality. Site visits typically take place under the supervision of the AEG and outside counsel and may be subject to logistical constraints arising from Venezuelan immigration, customs, and operational policies.

12.4 Dispute Resolution Architecture

The principal dispute-resolution architecture applicable to disputes among the Issuer, the Sponsor, the Anchor Investors, the Republic, and other counterparties is described in Section 4.5 (Defense Layer 5) above. For convenience and completeness, the framework is summarized as follows:

Tier 1 – Negotiation. Each Transaction Document includes a mandatory pre-arbitration negotiation period of 60 days during which the parties shall meet in good faith to attempt resolution. The negotiation period may be extended by mutual consent.

Tier 2 – Mediation (Optional). Parties may elect, by mutual consent, to submit the dispute to non-binding mediation administered by a qualified mediator (typically appointed from the AAA International Centre for Dispute Resolution or the ICC mediation panel).

Tier 3 – ICSID Arbitration. If the dispute is not resolved through negotiation or mediation, the dispute is submitted to ICSID arbitration in Washington, D.C., to the extent ICSID jurisdiction is available. Each Transaction Document specifies (i) the language of arbitration (English or Spanish, at the option of the claimant), (ii) the number and method of selection of arbitrators (typically three; one selected by each side and the third by mutual agreement or default appointment), (iii) the applicable substantive law (typically New York law for matrix contracts, Venezuelan law for real-property collateral), and (iv) the choice of the applicable BIT or contract for the jurisdictional basis.

Tier 4 – LCIA Arbitration Fallback. If ICSID arbitration is rejected on jurisdictional grounds, the dispute is submitted to arbitration under the rules of the London Court of International Arbitration ("LCIA"), with London as the seat and English as the language. The Plan-Génesis Reform includes ratification of any necessary BITs or contractual provisions to support LCIA jurisdiction.

Tier 5 – UNCITRAL Arbitration Tertiary Fallback. If LCIA arbitration is rejected, the dispute is submitted to arbitration under the UNCITRAL Arbitration Rules, administered by the Permanent Court of Arbitration ("PCA") at The Hague.

Tier 6 – SDNY Litigation. For non-arbitral disputes (including enforcement actions, attachment proceedings, and anti-suit injunctions), the parties consent to the exclusive jurisdiction of the U.S. District Court for the Southern District of New York, with the Republic having explicitly waived FSIA immunity from suit and from execution.

Enforcement Mechanics. Awards issued under Tier 3, Tier 4, or Tier 5 may be enforced (i) in U.S. courts under the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards (and Article 53 of the ICSID Convention for ICSID awards), (ii) in Venezuelan courts

(subject to the Republic's compliance), and (iii) in third-country courts where Anchor or Issuer assets are located, in accordance with applicable bilateral conventions.

Choice of Law. New York law governs the matrix contracts (Indenture, Subscription Agreement, AIRA, Sovereign Guarantee Agreement). Venezuelan law governs real-property collateral within the Republic. The choice-of-law provisions are designed to be enforced under the principles articulated by the U.S. Court of Appeals for the Second Circuit in Restatement (Second) of Conflict of Laws and applicable Venezuelan-law-conflict-of-laws principles.

12.5 Contact Information

All inquiries regarding this Memorandum, the Subscription Documents, or the Plan-Génesis transactions should be directed to:

- **Issuer:** Genesis Sovereign Vehicle, Inc., [●] [placeholder], with copy to:
- **Issuer Counsel:** Sullivan & Cromwell LLP, attention: [●], 125 Broad Street, New York, NY 10004;
- **Sanctions Counsel:** Akin Gump Strauss Hauer & Feld LLP, attention: [●], 2001 K Street NW, Washington, DC 20006;
- **Sponsor (Vzla Foundation for Freedom):** [●] [placeholder];
- **Placement Agent (Lead):** [●] [placeholder, expected appointment from among Goldman Sachs, Morgan Stanley, JPMorgan, Citigroup, Bank of America Securities, or equivalent global investment bank with sovereign-emerging-markets desk capability].

EXHIBITS

The following Exhibits are appended to this Memorandum and are incorporated herein by reference. Full text of each Exhibit is available in the data room.

Exhibit A – Certificate of Incorporation and Bylaws

The Certificate of Incorporation of the Issuer, as filed with the Delaware Secretary of State on [●], and the Bylaws of the Issuer, in each case as amended through the date hereof.

[Placeholders pending organizational closing.]

Exhibit B — Form D

The Form D filed by the Issuer with the U.S. Securities and Exchange Commission pursuant to Rule 503 of Regulation D, evidencing compliance with the Reg D filing requirements.

[Placeholder pending first Closing.]

Exhibit C — Sponsor Bylaws

The bylaws of the Vzla Foundation for Freedom and the Consejo Económico Reconstituyente, as in effect on the date hereof.

Exhibit D — Audited Financial Statements

The most recent audited financial statements of the Issuer, as audited by [•], a Big Four firm.

[Placeholder pending first audit.]

Exhibit E — 5-Year Operating Projections

The Issuer's pro forma consolidated financial statements for Years 1 through 5 (with extension to Years 10, 15, and 20), prepared in accordance with IFRS/IPSAS adapted to sovereign vehicles.

Includes:

- Exhibit E-1: Sensitivity analyses (Brent, gold, FX, GDP);
- Exhibit E-2: Stress-test results (Brent USD 40, NML attachment, anchor exit, political reversion);
- Exhibit E-3: Master Deployment Schedule (sector by sector, year by year);
- Exhibit E-4: ZEEG royalty projections by sector;
- Exhibit E-5: FSI, FCP, and AEI capital deployment and investment policy.

Exhibit F — OFAC General License Status Report

Status report on the GL-G series General Licenses, including copies of any GL-G Licenses that have been granted by OFAC as of the date hereof, summaries of pending applications, and the anticipated timeline for issuance of remaining Licenses.

Exhibit G — Material Contracts

Copies of, or summaries of, material contracts to which the Issuer or its operating subsidiaries are party, including (i) the Sovereign Guarantee Agreement, (ii) joint-venture agreements, (iii) the Indenture, and (iv) such other material contracts as may be in effect at the time of any Closing.

[Many contracts placeholder pending contract-stage execution.]

Exhibit H — Sample Subscription Agreement

A sample form of the Subscription Agreement to be executed by each subscriber.

[Subject to negotiation and Anchor Investor consent.]

Exhibit I — Sample Confidentiality Agreement

A sample form of the confidentiality agreement required for data-room access.

Annex A — State-Specific Securities Notices (Blue-Sky Disclosures)

State-specific notices required by applicable U.S. state securities laws, including Florida, New York, California, Massachusetts, and such other states as may be applicable to the offering.

[State-specific disclosures pending Blue Sky review.]

SECTION 13 — SUITABILITY AND DILIGENCE FRAMEWORK

This Section 13 supplements the Suitability Standards set forth in Section 1.7 and the Subscription Documents framework set forth in Section 11 above by providing additional guidance for the Anchor Investor diligence process.

13.1 Diligence Expectations

Each prospective Anchor Investor is expected to conduct independent diligence at a level commensurate with the institutional standard applicable to comparable sovereign-emerging-market commitments exceeding USD 1 billion. Specifically, prospective Anchor Investors should expect to (i) review this Memorandum, the data-room materials, the Indenture (or draft thereof), the Sovereign Guarantee Agreement (or draft thereof), and the AIRA (or draft thereof), in each case as supplemented by responses to Q&A; (ii) consult with independent legal, tax, accounting, and financial advisors specializing in U.S. securities laws, OFAC sanctions, sovereign immunity, ICSID/LCIA arbitration, and Venezuelan corporate and contract law; (iii) conduct independent verification of the financial projections, sensitivity analyses, and stress-test scenarios appearing in Section 7 and Exhibit E; (iv) consult with external sanctions counsel (Akin Gump LLP, Mayer Brown LLP, Cleary Gottlieb LLP, Steptoe & Johnson LLP, or equivalent) regarding the specific OFAC posture applicable to the Anchor Investor's home jurisdiction and institutional category; (v) consult with the Anchor Investor's Investment Committee, Risk Officer, General Counsel, and other internal stakeholders to validate institutional appropriateness; (vi) consider the Anchor Investor's ESG and exclusion-policy obligations; and (vii) consider the Anchor Investor's concentration limits with respect to sovereign-emerging-market exposure.

13.2 Anchor Investor Categorization

Anchor Investors are categorized for purposes of governance, allocation, and information rights as follows:

Category A – Lead Anchor. An institutional investor that has executed a binding commitment letter to subscribe to Series A and/or Series B at aggregate principal of USD 5 billion or more. Lead Anchors are entitled to (i) board representation at the Issuer and the AEG, (ii) full information rights, (iii) veto rights, and (iv) co-coordination of the Anchor Investor Coordinator role.

Category B – Strategic Anchor. An institutional investor that has executed a binding commitment letter to subscribe at aggregate principal of USD 1 billion or more (but less than USD 5 billion). Strategic Anchors are entitled to (i) observer rights at the Issuer Board, (ii) full information rights, (iii) consent rights over enumerated categories.

Category C – Participating Investor. An institutional investor that has subscribed at amounts below the Strategic Anchor threshold but at or above the minimum thresholds set forth in Section 1.5. Participating Investors are entitled to (i) periodic reporting consistent with their tranche,

(ii) tag-along and drag-along rights, and (iii) such other rights as are specified in the Subscription Agreement.

13.3 Institutional Categories of Suitability

The Securities are suitable, generally, for the following institutional categories, subject to each category's specific policies and constraints:

- **Life Insurance Companies and Reinsurance:** Suitable for Series A (subject to NAIC capital factors and SAP accounting); generally not suitable for Series C-D;
- **Public Pension Funds:** Suitable for Series A and Series B (subject to investment-policy-statement constraints, asset-allocation policies, and ESG/exclusion policies);
- **Sovereign Wealth Funds:** Suitable for all Tranches subject to the SWF's investment policy, jurisdictional restrictions, and political considerations;
- **Endowments and Foundations:** Suitable for Series C and Series D (subject to spending-policy and risk-tolerance considerations);
- **Multi-Strategy Hedge Funds with EM Credit Allocation:** Suitable primarily for Series A and Series B (subject to liquidity-matching);
- **Family Offices:** Suitable for all Tranches subject to size and risk tolerance;
- **Private Equity Funds:** Suitable for Series C and Series D (consistent with PE fund-life and return-target profiles);
- **Venture Capital Funds:** Suitable primarily for Series D (sub-fund LP interests in technology and biotech);
- **Strategic Acquirers:** Suitable for Series C (where the investor seeks to combine strategic asset acquisition with portfolio exposure);
- **Banks and Bank Holding Companies:** Suitable for Series A (subject to the Volcker Rule and Basel III considerations);
- **Mutual Funds and ETFs:** Generally not suitable (illiquidity and exemption-from-registration considerations).

13.4 Diligence Workstreams

Effective Anchor diligence typically organizes around the following workstreams:

Legal Workstream. (i) Sanctions and OFAC compliance; (ii) sovereign immunity and ICSID/LCIA enforceability; (iii) securities laws (U.S. federal, state, and applicable foreign); (iv) corporate authority and governance; (v) collateral perfection; (vi) Venezuelan corporate and constitutional law.

Financial Workstream. (i) Pro forma financial statements and projections; (ii) sensitivity analysis and stress testing; (iii) capital structure and tranching; (iv) hedging program and risk management; (v) collateral cash-flow analysis; (vi) waterfall mechanics.

Operational Workstream. (i) Joint-venture partner due diligence; (ii) sector-specific operational assessment; (iii) infrastructure and supply-chain assessment; (iv) human-capital and skills assessment; (v) project-execution capability.

Sanctions and Compliance Workstream. (i) OFAC compliance program assessment; (ii) AML/KYC program assessment; (iii) Anti-bribery program assessment; (iv) Sanctions screening procedures; (v) Continuous-monitoring procedures.

Tax Workstream. (i) U.S. federal tax (GILTI, BEAT, Subpart F, FATCA); (ii) State tax considerations; (iii) Venezuelan tax considerations under ZEEG; (iv) Bilateral tax treaty applications; (v) Transfer pricing.

ESG Workstream. (i) ICMC and IFC Performance Standards; (ii) Indigenous-community considerations; (iii) Carbon and environmental footprint; (iv) Human-rights considerations; (v) Anti-corruption.

Geopolitical Workstream. (i) U.S.-Venezuela relations; (ii) Russia-Venezuela relations under CAATSA; (iii) China-Venezuela relations; (iv) EU and OECD considerations; (v) Multilateral institutional support.

Liquidity and Exit Workstream. (i) BVC IPO market assessment; (ii) NYSE listing requirements; (iii) Put-option mechanics; (iv) Emergency liquidity facility utilization; (v) Secondary-market depth.

SIGNATORY BLOCK

This Memorandum has been duly authorized by the Board of Directors of the Issuer and is delivered with the consent of the Sponsor. The Issuer's authorized officer below has been duly authorized to deliver this Memorandum.

GENESIS SOVEREIGN VEHICLE, INC.

By: [●]

[placeholder pending appointment]

Name: [●] Title: Chief Executive Officer Date: [●], 202[●]

VZLA FOUNDATION FOR FREEDOM (as Sponsor)

By: [●]

[placeholder pending appointment]

Name: [●] Title: Executive Director Date: [●], 202[●]

CONSEJO ECONÓMICO RECONSTITUYENTE (as Sponsor)

By: [●]

[placeholder pending appointment]

Name: [●] Title: Coordinador General Date: [●], 202[●]

[End of Memorandum.]

REFERENCE FOOTER

This Memorandum is identified by the following internal reference codes:

- Memorandum number: PPM-GSV-202[●]-[●]
- Plan Génesis publication version: Volumen II, complete edition (with patches as of May 11, 2026)
- Underlying source chapters: Capítulos I (Resumen Ejecutivo), II (Marco Legal), III (Estado Actual), IV (Tesis), V (Arquitectura del Capital), VI (Bonos en Default y VRD), VIII (Privatización), IX (Minería), X (Petróleo), XI (Eléctrico), XII (Datacenters AI), XIII (Telecom), XV (PE Fund), XVI (Tech VC), XVII (Greenfield), XVIII (SWF), XIX (Estados Financieros), XX (Sensibilidades), XXI (Comparables), XXII (Cronograma), XXIII (Constitucional), XXIV (Riesgos), XCIV (ZEEG), XCVI (Strategic Intelligence Brief);

- Underlying vault references: Asset Manager Patch Round 2 (May 11, 2026), OFAC Pathway Executable (May 11, 2026), Adversarial Round 2 Litigation Playbook, Blindaje Map (15 Theories);
- Issuer counsel: Sullivan & Cromwell LLP;
- Sanctions counsel: Akin Gump Strauss Hauer & Feld LLP;
- Tax counsel: Cleary Gottlieb Steen & Hamilton LLP;
- Venezuelan counsel: DLA Piper Martínez Beltrán;
- Trustee: The Bank of New York Mellon Corporate Trust Services.

The Recipient is reminded that this Memorandum supersedes all prior versions delivered to the Recipient and incorporates all patches and clarifications through the date appearing on the cover.

End of Confidential Private Placement Memorandum.