



**Eletrobras**

COMPLIANCE PROGRAM

COMPLIANCE MANUAL  
REGARDING ANTI-CORRUPTION  
POLICY

May 2015

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## CENTRAIS ELÉTRICAS BRASILEIRAS S.A. - ELETROBRAS

### ANTI-CORRUPTION COMPLIANCE PROGRAM

#### 1. STATEMENT OF POLICY

Centrais Elétricas Brasileiras S.A. - Eletrobras (the “**Holding**”) and its subsidiaries (along with the Holding, referred to as the “**Eletrobras Group**”) are committed to maintaining the highest level of professional and ethical standards in the conduct of its business affairs. Corruption erodes confidence in the marketplace, undermines civil society and distorts economic and social development. It is to be condemned everywhere and at all times. The Eletrobras Group is committed to conducting our activities free from the illegal and improper influence of bribery and to promoting anti-corruption awareness among our employees, contract workers, Officers, Directors, independent Board members, managers, service providers, trainees and appendices (collectively, “**Collaborators**”), and all persons or entities that may represent the Eletrobras Group, which act as consultants, representatives, agents, brokers, and other intermediaries on its behalf (collectively, “**Representatives**”), joint ventures, and business partners throughout the world.

It is the policy of the Eletrobras Group that all of its Collaborators and Representatives, and all joint venture partners or other similarly situated affiliates shall comply fully with all applicable anti-corruption laws and regulations, which include, but are not limited to the Foreign Corrupt Practices Act (“**FCPA**”) as amended, and Law no. 12.846, of August 01, 2013, known as the “**Brazilian Anti-Corruption Law**” (*Lei Anticorrupção Brasileira*), hereby jointly referred to as the “**Anti-Corruption Laws**”.

In October 2008, Eletrobras became a listed company in the New York Stock Exchange and, as a result, in addition to the Brazilian anti-corruption laws, the Eletrobras Group is subject to certain U.S. laws and regulations, such as the FCPA. The FCPA prohibits Eletrobras, directly or indirectly, including its subsidiaries, partners, joint-venture partners in Brazil and abroad from offering, promising, paying or authorizing the payment of anything of value (such as a bribe or kickback) to a government official to obtain or maintain commercial opportunities. The FCPA also requires the Eletrobras Group to adequately keep its books and records and to develop a system of internal accounting controls in accordance with certain standards. Violations of the Anti-Corruption Laws can lead to both criminal and civil penalties.

In addition to the FCPA, as of 2014, the Eletrobras Group is subject to the Brazilian Anti-Corruption Law. The aforementioned law is the first Brazilian law enacted exclusively with the purpose of preventing, addressing and curbing conducts that damage the public administration, national or foreign, particularly with regard to corruption and fraud in connection with public biddings and government contracts. The Brazilian Anti-Corruption Law strives to regulate the conduct of Brazilian companies in Brazil and abroad (including Brazilian subsidiaries of foreign companies). The law also regulates, within Brazil, the conduct of foreign companies that have offices, branches or any kind of representation in the

country, which includes companies legally incorporated in Brazil, as well as those with only a *de facto* presence in the country, even if only temporarily.

The Brazilian Anti-Corruption Law is novel to the extent that it establishes strict liability<sup>1</sup> for legal entities and presents certain provisions that go beyond the FCPA; specifically, the Brazilian Anti-Corruption Law establishes sanctions for actions performed against public bidding proceedings and also establishes that any individual may be considered a passive agent with regard to corruption or bribing, not only government agents.

In addition, on March 18, 2015, a new regulation was issued (Decree no. 8420) which, among other provisions, established the necessity of creating a compliance program by companies. However, the Eletrobras Group, which strives to maintain itself at the forefront of the battle against corruption, had already launched the present Program (as defined below) which is fully compliance with the requirements of the new regulation, in addition to the Anti-Corruption Laws. The Eletrobras Group's Program has been created to encourage and promote steady compliance with the Anti-corruption Laws.

The Anti-Corruption Law Compliance Program (the "**Program**"), as adopted by the Eletrobras Group's board of directors and endorsed by the Eletrobras Group Management Committee, reaffirms this policy. The purpose of the Program is to ensure compliance with the Anti-Corruption Laws by the Eletrobras Group and its collaborators, representatives, joint venture partners and other affiliates. The Eletrobras Group reserves the right to rescind or replace the Program at any time. This Program should be read in conjunction with the Eletrobras Group Code of Professional Conduct.

## **2. PROGRAM MANAGEMENT**

Each of the Eletrobras Group companies and the Holding have appointed a compliance officer (a "**Compliance Officer**") who shall be principally responsible for managing the tasks set forth in this Program and who shall report directly to Senior Management of the Eletrobras Group. In addition, each of the Eletrobras Group companies and the Holding shall appoint an assistant to the Compliance Officer (a "**Compliance Assistant**"), who shall advise on day-to-day matters regarding compliance with the Anti-Corruption Laws, report directly to the Compliance Officer and also assist the Compliance Officer in other tasks that are necessary in order to comply with all regulations. The Compliance Officer and Compliance Assistants must be employees within the respective entity of the Eletrobras Group or an individual specifically appointed to occupy the position.

The team comprised of the Holding's Compliance Officer, the Compliance Officers of each of the Eletrobras Group's members, and an Executive Secretary shall form the Compliance Committee (the "**Compliance Committee**"), a group of people entrusted with implementing and ensuring compliance with the Anti-Corruption Laws within the Eletrobras Group. In the

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<sup>1</sup> Strict liability means that the entity will be held liable for damages against the public administration regardless of the entity's fault or intent to perform such action. It is important to note that the entity's strict liability does not exclude the individual liability of such entity's directors or administrators or of any individual who engaged or participated in the illicit activity. However, directors and administrators shall only be held liable for such damages to the extent of their participation.

event of a report regarding a violation of the Anti-Corruption Laws, which merits further investigation, the affected member of the Eletrobras Group shall establish an investigative committee (an “**Inquiry Committee**”), which shall be responsible for addressing and investigating such reports and violations of this Program. The Inquiry Committee shall be formed by at least three professionals.

The duties and responsibilities of the Compliance Committee with respect to this Program shall include, but are not limited to, the following:

- (a) Oversee the preparation and issuance of the Collaborator guide regarding specific legal and regulatory obligations and issues involving ethical business practices;
- (b) Provide training for Senior Management, persons with greater exposure, Representatives and Collaborators to ensure familiarity with and understanding of the Anti-Corruption Laws and this Program; and
- (c) Assess matters brought forth by Representatives of the Eletrobras Group regarding improvements and enhancements to this Program’s implementation process within each of the Eletrobras Group companies, as well as implement the necessary adjustments.

With respect to the Holding and each company in the Eletrobras Group, the Compliance Officer shall:

- (d) Respond to inquiries by Collaborators regarding any aspect of this Program or other compliance matters and submit pending issues or suggestions for improvement to the Eletrobras Group’s Compliance Committee;
- (e) Adopt necessary measures in order to investigate or oversee the investigation of any report or allegation regarding violations of this Program or other improper business conduct;
- (f) Supervise and engage in due diligence of Representatives and all parties to any joint venture, teaming arrangements, or other business combinations involving the Eletrobras Group and monitor their compliance with this Program, including by hiring outside counsel. Due diligence will be tailored to the specific risks raised under the attendant circumstances. The Compliance Officer shall assess the required level of due diligence based on the level of interaction between Eletrobras Group’s Collaborators and the government agents and officials. In addition, the Compliance Officer shall disclose Eletrobras Group’s compliance policy to investment partners and request that such partners provide accurate financial records;
- (g) Ensure compliance with and dissemination of this Program;
- (h) Perform periodic reviews of this Program, in order to ensure its compliance with applicable laws and the Eletrobras Group’s policies;
- (i) Perform other duties in connection with this Program as established by the Compliance Committee;

- (j) Adopt measures that are necessary in order to implement recommendations from the Holding's Inquiry Committee following an investigation of a violation of this Program or other improper commercial activities;
- (k) Report, on a monthly basis, to the Eletrobras Group's Corporate Governance body the occurrence of violations to this Program or other improper commercial activities;
- (l) Report, in a timely manner, to Internal Audit and the Internal Control Department, the occurrence of violations to this Program or other improper commercial activities, in order to improve internal controls and avoid reoccurrences;
- (m) Forward, on a monthly basis, to the Holding's Compliance Officer, reports of violations to this Program or other improper commercial activities, as well as other general matters regarding enforceability, training and other matters that may have emerged during that period, so that such reports may be recorded before the Holding's Corporate Governance body.

With respect to the Holding and each of the Eletrobras Group companies, the Inquiry Committee shall:

- (n) Upon a request of the local Compliance Officer, investigate any report or allegation regarding a violation to this Program or other improper commercial activities;
- (o) Request support from specific technical areas if necessary to conduct the investigation; and
- (p) Draft technical reports related to requested investigations and forward it to the local Compliance Officer.

With regard to events that may cause significant institutional repercussion; for example, cases involving reputational risk, ordinary or tax related crimes, or cases that present an unequivocal conflict of interests, such as cases involving members of the Eletrobras Group's Senior Management, the local Compliance Officer shall submit all information related to these cases to the Holding's Compliance Officer, which shall form an Inquiry Committee at the Holding in order to investigate such report of violation to this Program by one of the Eletrobras Group companies.

### **3. REQUIREMENTS OF THE ANTI-CORRUPTION LAWS**

#### **3.1 FCPA**

As a general matter, the FCPA has two separate sets of provisions, the anti-bribery provisions and the books and records provisions. As a company listed on the New York Stock Exchange, Eletrobras and its subsidiaries are subject to both of these provisions.

##### **3.1.1 Anti-Bribery Provisions**

As a general matter, the FCPA anti-bribery provisions make it illegal under U.S. law for subject companies and individuals to utilize the "instrumentalities of U.S. commerce" — such as the mails, phone lines, banking system or internet or to take any act while within the United States: (i) in furtherance of a payment or an offer, promise, or an authorization to make a payment, or to

provide anything of value, directly or indirectly; (ii) to a non-U.S. government official, political party or candidate; (iii) to influence his or her official actions, to induce such official to use his or her influence, or to secure an improper advantage; (iv) in order to assist the company to obtain or retain business, or direct business to any person.

**Therefore, Eletrobras, as an issuer of shares listed in the New York Stock Exchange (NYSE), can be charged with an FCPA violation based on an act in furtherance of a corrupt payment that occurs entirely outside of the U.S. and without any connection to the "instrumentalities of U.S. commerce."**

In addition, the FCPA prohibits knowingly engaging in the prohibited conduct even if indirectly through a third party, such as a consultant, contractor, joint venture partner or other business associate. In this regard, the FCPA expressly applies to actions taken through "any person, while *knowing* that all or a portion of such value will be offered, given, or promised, directly or indirectly," to any government official for a prohibited purpose. In addition, a person is deemed to have knowledge under the FCPA if he or she is aware of a "high probability" that the culpable conduct was or will occur. Further, a person's "*conscious disregard*" "*willful blindness*," or "*deliberate ignorance*," (as set forth in case law) of culpable conduct or suspicious circumstances may be adequate to support a violation of the FCPA.

(a) Government Officials

Regardless of the fact that the Eletrobras Group's Policies and that most jurisdictions prohibit all forms of bribery, interactions with Government Officials (as defined below), irrespective of rank or position, must be assessed with due care.

Under the FCPA, Government Official ("**Government Official**") includes officials of all levels of government - federal, state, provincial, county, municipal and similar. The definition of Government Official is very broad and includes:

- (i) an employee, officer or representative of, or any person otherwise acting in an official capacity for or on behalf of, (a) a national government, political subdivision thereof, or local jurisdiction therein; (b) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; (c) a government-owned/government-controlled association, organization or enterprise; or (d) a political party (collectively, a "**Governmental Authority**");
- (ii) an official acting in a legislative, administrative, or judicial body, regardless of whether elected or appointed;
- (iii) an officer or individual who holds a position in a political party;
- (iv) a candidate for political office;
- (v) an officer or employee of a supra-national organization (e.g., World Bank, United Nations, International Monetary Fund, OECD, CAF); or

(vi) any other person connected or associated personally including by close family relationship, with any of the above categories.

(b) Anything of Value

The FCPA and the prohibitions in this Program apply to exchanges or offers of "anything of value"; *i.e.*, anything that provides a benefit to a Government Official, including, but not limited to, cash or cash equivalents, the purchase or sale of property or services at inflated or discounted prices, hospitality, cars, jewelry, home improvements, travel, loans, loan guarantees and shares. A thing of value can also include intangible benefits, such as inside information, stock tips, or assistance in arranging a business transaction or obtaining other advantage.

### **3.1.2 Books, Records and Internal Control Provisions**

In recognition that corporate accounting and control deficiencies encourage improper practices, the FCPA also has "books and records" provisions that require companies that list their securities on U.S. exchanges, including the Eletrobras Group, to adopt internal financial controls that ensure accurate financial records and reflect, in a precise and transparent manner, commercial operations and payment activities, including the purpose and nature of such operations or activities. Therefore, Eletrobras Group's Collaborators shall not perform false, incorrect, incomplete or misleading entries in the Eletrobras Group's books and records.

## **3.2 Brazilian Anti-Corruption Law**

The Brazilian Anti-Corruption Law establishes that conducts that cause damages to the national or foreign public administration, or which are performed against national or foreign government property, against public administration principles or against international commitments taken on by Brazil, and which are carried out by commercial entities or limited liability companies, incorporated or not, regardless of their corporate structure or model, as well as any foundations, associations or foreign companies, with headquarters, branches or representation within the Brazilian territory, as well as those with only a *de facto* presence in the country, even if only temporarily, are illegal.

Similarly to the FCPA, the Brazilian Anti-Corruption Law establishes groups of conducts that the law deems damaging to the public administration. The first group covers anti-corruption matters, the second one covers illicit conducts that affect or interfere with public biddings processes or government contracts, and the third one covers interference with investigations or inspections of entities, bodies or government officials, as well as to intervene in such activities, including investigations conducted by regulatory agencies and inspections entities of the national financial system. Given that the Eletrobras Group is established in Brazil and that it participates in public biddings and enters into contracts with government authorities, the Eletrobras Group is subject to the Brazilian Anti-Corruption Law.

### **3.2.1 Anti-Corruption Provisions**

The Brazilian Anti-Corruption Law strives to preclude the direct or indirect payment of bribes to Brazilian or foreign Government Officials (or third-parties related to Government

Officials) or the attempt thereof. The law establishes that the following conducts are illegal and damaging to the Public Administration:

- (a) promise, offer or give, directly or indirectly, improper advantage to a Government Official or related third-party;
- (b) demonstrably finance, fund, sponsor or in any way subsidize the practice of illicit conducts set forth in the Brazilian Anti-Corruption law; or
- (c) demonstrably utilize an individual or entity to conceal or disguise the actual interests or the identities of the beneficiaries of the illegal conducts.

### **3.2.2 Provisions preventing Corruption and Fraud in connection with Public Biddings and Government Contracts**

The Brazilian Anti-Corruption Law is novel in specifically defining a series of conducts that are damaging or constitute fraud or interference with public biddings or government contracts. Such conducts include:

- (a) hinder or defraud the competitive nature of a public bidding proceeding through adjustments, collusion or any other form of agreement;
- (b) impede, disturb or defraud the performance of any act related to a public bidding proceeding;
- (c) exclude or attempt to exclude bidders, through fraud or offer of advantage of any kind;
- (d) defraud a public bidding proceeding or government contract that may arise therefrom;
- (e) create, fraudulently or unlawfully, an entity in order to participate in a public bidding proceeding or enter into a government contract;
- (f) fraudulently obtain improper advantage or benefit through modifications or extensions to government contracts, without authorization established by law, the bid invitation or the respective government contract; or
- (g) manipulate or defraud the economic-financial balance of the government contracts entered into with the public administration.

### **3.2.3 Interference with Investigations or Monitoring conducted by a Government Body, Entity or Official.**

The Brazilian Anti-Corruption Law also classifies, as an illegal conduct, the hindering or interference of investigations or monitoring activities conducted by government bodies, entities or officials, which includes regulatory agencies and supervisory entities related to the national financial system.

## **4. COLLABORATORS' OBLIGATIONS**

### **4.1 Anti-bribery Obligations**

Unless expressly authorized under this Program, no Collaborator shall pay, offer, or promise to provide or make available, or authorize the payment or provision of, directly or indirectly through any other person or firm, anything of value to a Government Official. Prior to engaging in any such activity, Collaborators must consult with the Compliance Officer and proceed as instructed in accordance with this Program.

Collaborators individually are responsible for understanding whether any particular individual with whom they are dealing on behalf of the Eletrobras Group is a Government Official or whether any entity or individual with whom they are so dealing is or represents a Government Authority.

Collaborators should always seek guidance from the Compliance Officer in cases of doubts regarding the identification of Government Officials and Government Authorities. In the event the issue cannot be made clear, the Compliance Officer must contact the Compliance Committee. This Program requires the proper identification of such persons and entities in order to operate effectively.

In addition to the above, the Collaborators agree to:

- (a) Act in accordance with public policies, without being influenced by vested interests and special treatment, either by the parties involved or for personal reasons, in both corporate decisions and when filing positions;
- (b) Refuse and report to the appropriate channels any actual or attempted corruption, bribery, kickbacks or improper influence;
- (c) Not use work, post, function time or administrative influence for activities with personal interests or for preferable treatment of themselves or others;
- (d) Not offer or accept gifts, privileges, payments, loans, donations, services, or any other form of benefit to themselves or any other person;
- (e) Not participate in negotiations that may result in personal advantages or benefits that characterize a real or apparent conflict of interest for the Collaborators involved, from either party; and
- (f) Not accept or offer gifts, gratuities or advantages, even if these are in the form of preferential treatment from or to clients, suppliers, service providers or any other partner linked to any business with interests in the Eletrobras Group.

In particular, every Collaborator whose duties are likely to lead to involvement in or exposure to any of the areas covered by the Anti-Corruption Laws is expected to become familiar with the Anti-Corruption Laws to avoid inadvertent violations and to recognize potential issues in time for them to be appropriately addressed.

Each such Collaborator, when hired, will be asked to complete and sign a Collaborator's Guide Acknowledgment Statement, which confirms receipt of a copy of such guide and that the Collaborator fully understands and has committed to comply with its contents. Furthermore, each Collaborator involved in compliance, sales, marketing activities in which it interacts with Government Agencies or Government Officials on behalf of the Eletrobras Group, or has an activity which involves engaging with clients, as well as any other Collaborators, due to the risks inherent to Anti-Corruption Laws resulting from its activities, as set forth by the Compliance Committee, shall be requested to complete and sign an Acknowledgment Statement on an annual basis, at least. These Acknowledgment Statements shall form a part of the personnel file of each Collaborator.

Collaborators must report immediately any suspected or actual violations (whether or not based on personal knowledge) of applicable law, regulations or this Program to the Compliance Officer. Once a Collaborator has made a report, the Collaborator retains an obligation to update the report as new information comes into his/her possession.

Collaborators have a duty to cooperate fully with investigations by the Eletrobras Group of issues or conduct under this Program and to maintain the confidentiality of investigative information unless specifically authorized to disclose such information.

Every Collaborator will be held personally responsible for knowing, understanding and assisting in the implementation of this Program and for complying with their individual responsibilities as set forth in this document and related guidance from the Compliance Committee.

#### **4.2 Books and Records Requirements**

The Eletrobras Group must maintain accurate and complete company records. Transactions must be promptly and accurately entered in the Eletrobras Group's books in accordance with the Eletrobras Group's accounting practices and principles.

Among other things, Collaborators must ensure that: (1) books, records and accounts are kept in reasonable detail to accurately and fairly reflect transactions and dispositions of assets and (2) a system of internal accounting controls is devised to: (a) provide reasonable assurances that transactions are executed in accordance with management's authorization; (b) ensure that assets are recorded as necessary to permit preparation of financial statements and to maintain accountability for assets; (c) require management's authorization for access to assets; and (d) make certain that recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

The Eletrobras Group must assure that all disclosures made in periodic reports and documents filed before government agencies or securities regulators (including the Securities and Exchange Commission), and other public communications by the Eletrobras Group, are complete, accurate, timely, and understandable. This obligation applies to all Collaborators, including all financial and accounting officers, with any responsibility for the preparation of such reports, including drafting, reviewing, and signing or certifying the

information they contain. Compliance will require operating in an environment of open communication, while not compromising proprietary sources and confidentiality concerns.

#### **4.3 Non-interference with Bidding Proceedings and Government Contracting or Interference with Investigations or Monitoring of Government Bodies, Entities or Officials**

The Eletrobras Group and its Collaborators must always act in a transparent and honest manner regarding any and all proceedings or processes involving public biddings or government contracting, both domestic and foreign. The Eletrobras Group shall only submit documents, information and business proposals that they believe to be genuine, complete and that represent the best market practices.

The Eletrobras Group shall ensure its cooperation, as well as that of its Collaborators in connection with investigations and monitoring conducted by government entities, agents or officials within the national financial system, and shall provide information and present documents that are essential for the investigation and monitoring activities.

### **5. RESPONSIBILITY FOR SUBSIDIARIES AND JOINT VENTURES**

Collaborators are also responsible for ensuring that the Eletrobras Group's wholly-owned or controlled subsidiaries comply with these requirements. In addition, even if the Eletrobras Group holds fifty percent or less of the voting power, it is required to make a good faith effort to ensure that each of the Eletrobras Group's affiliate (including joint venture) complies with the books and records provisions of the Anti-Corruption Laws.

In addition, the Anti-Corruption Laws establish joint and several liability among controlling, controlled, affiliated and joint-venture companies with regard to the payment of administrative sanctions and full reparation of the damages caused by illegal conducts. In the event an entity is used to facilitate, cover-up or disguise the practice of illegal activities, the Brazilian Anti-Corruption Law allows piercing the corporate veil in order to reach administrators and partners with managerial functions within the entity.

The Anti-Corruption Laws also set forth liability in the event of legal succession in connection with mergers and amalgamations. In these cases, the acquiring company may be held accountable for acts of corruption performed by the acquired company, even if such acts occurred prior to the acquisition. Liability for legal successions is limited to the payment of a fine and the obligation to fully repair the damages caused, and is limited to the value of the transferred assets. These limitations may be ignored in the event authorities are able to demonstrate that the operation was performed fraudulently.

### **6. BUSINESS ENTERTAINMENT AND GIFTS**

Business entertainment and business gifts to persons or entities that do business with the Eletrobras Group are permitted provided the entertainment is not lavish or excessive or the gift given is of modest value. Neither should exceed the bounds of customary business standards in the community. Care should be exercised to ensure that any business entertainment or gift cannot be reasonably construed by the recipient as a bribe or

improper inducement. Specific rules shall be observed in reference to the offering of business entertainment and business gifts when offered to Government Agents.

## **6.1 Corporate Entertainment and Gifts to Government Officials**

Notwithstanding the above, the Eletrobras Group and its subsidiaries must not pay, offer, promise to provide or provide, or authorize payment or supply of, directly or indirectly, through any other person or company, any object of value to a Government Official.

Any corporate entertainment or gift to be given to a Government Official must be previously authorized by the Compliance Officer, unless it adheres to the following criteria:

- a) The total value of the corporate entertainment or gift for such Government Official is less than the amount set forth by the Brazilian Tax Courts (*Tribunal de Contas da União*) or similar entity. The value for entertainment or corporate gifts may not surpass R\$100,00 (one hundred *reais*); and
- b) The total value of the corporate entertainment or gift represents a normal professional pleasantries, such as the payment of a meal or a shared taxi. Such amount cannot be reasonably considered an undue incentive, and has a legitimate commercial purpose.

In all cases (for example, the payment of travel and accommodation expenses for Government Officials), the prior approval of the Compliance Officer is required. The Compliance Committee will review the circumstances of the request in order to ensure that the corporate entertainment or gift does not suggest, imply or create an undue incentive, violate the Anti-Corruption Laws or the company policies of the Eletrobras Group or its subsidiaries, or reflect negatively on the reputation of the Eletrobras Group or its subsidiaries.

## **7. POLITICAL CONTRIBUTIONS**

It is illegal under Brazilian law for the Eletrobras Group and Collaborators in management positions to make political contributions to political parties or candidates. Even where political contributions are legal, it is the Eletrobras Group's policy that company funds shall not be used to make political contributions to political parties or candidates.

Where legal and appropriate under applicable local law, collaborators can make on their own behalf and name political contributions to further the political process, but not with the intent to influence a particular Government Official, candidate, or political party.

## **8. DONATIONS TO CHARITIES**

The Eletrobras Group believes in contributing to the communities in which it does business. The Eletrobras Group encourages and permits reasonable donations to charities, but requires confirmation that the charities are not disguised illegal payments to Government Officials. All requests for charity donations must be accompanied by a written description of the charity, including the name of the persons contacted and any supporting

documentation. Before authorizing any payment to a charity, the Eletrobras Group will confirm that the charity is a bona fide organization, and not an entity controlled by or for the benefit of Government Officials. Prior to any donation, the Compliance Officer will affirm that the payment does not violate any local laws, rules or regulations. The Eletrobras Group will retain all requests and donation records for a period of 10 (ten) years.

## **9. CONFLICTS OF INTEREST**

Collaborators and Representatives should not knowingly place themselves in a position that could create a conflict of interest, or the perception of a conflict of interest. Conflicts of interest may arise from relationships with Government Authorities or Government Officials, or where it may be inferred that the Eletrobras Group has obtained an unfair advantage or influence. If a Collaborator or Representative believes that they have a conflict of interest, they must immediately disclose this fact to the Compliance Officer.

## **10. REPRESENTATIVES, AGENTS, BROKERS, CONSULTANTS OR OTHER INTERMEDIARIES**

Professional integrity is a prerequisite for the selection and retention of Representatives.

In particular, in connection with their work on behalf of the Eletrobras Group, Representatives are prohibited from paying, offering, promising, or authorizing the payment of money or anything of value, directly or indirectly, to any Government Official, for the purpose of influencing any act or decision of such Government Official, in favor of the Eletrobras Group or any other party, or inducing such Government Official to do or omit to do any act in violation of his or its lawful duty in order to obtain or retain business, direct business to any person, or to secure an improper advantage to the Eletrobras Group or any other party. Representatives are responsible for understanding whether any particular entity or individual is a Government Official, and obtaining guidance from the Compliance Officer in cases of doubt.

### **10.1 Due Diligence Review (Investigation)**

Prior to being retained by the Eletrobras Group, all Representatives first must undergo a due diligence review by the Eletrobras Group to ensure that the appointment or compensation of the Representative would not create a risk of violation to this Program. The specific information to be obtained in connection with the due diligence review shall be specified by, and the results of such investigation shall be reviewed and approved by, the Compliance Officer. In general, the due diligence required on a particular Representative will depend on, among other things, the degree of risk as assessed by the Compliance Officer.

Relevant due diligence information shall be obtained and recorded in a written report or questionnaire which shall be certified as correct by the prospective Representative. A form of this questionnaire, which may be tailored by the Compliance Committee according to the attendant facts, is attached hereto at Appendix A. When the Compliance Officer deems it appropriate or necessary, the investigation shall also include a personal interview of the prospective representative by the Compliance Officer or designee.

**10.1.1** As part of the due diligence review, the Eletrobras Group will assess, among other things:

- (a) the legitimacy of the reasons for hiring the Representative;
- (b) the Representative's reputation, which includes but is not limited to negative information available through public sources, such as public media and notaries;
- (c) any issues arising from the Final Beneficiary of the Representative,
- (d) the professional capability and experience of the Representative,
- (e) the financial standing and credibility of the Representative,
- (f) the history of the Representative's compliance with applicable provisions of the Anti-Corruption Laws, and
- (g) any additional items as determined by the Compliance Committee.

**10.1.2** In its due diligence, the Eletrobras Group should seek to identify and be aware of any red flags, including, by way of example, whether:

- (a) Government Officials are affiliated with the Representative,
- (b) The Representative requested payment to an offshore account, an account that is not in the Representative's name, or to a third party,
- (c) The Representative made unusual or suspicious requests, such as to backdate invoices,
- (d) The Representative proposed or used shell companies, holding companies or blind trusts to hold funds or facilitate transactions,
- (e) The Representative hesitated or was unwilling to provide Anti-Corruption Law certifications,
- (f) The Representative asked for commissions that are substantially higher than the "going rate" in the relevant region among comparable service providers, without providing a reasonable commercial justification for the difference,
- (g) A Government Official recommended the Representative,
- (h) The Representative's business appears to lack the resources and/or qualifications to provide the services offered,
- (i) The Representative has a family member who is a Government Official,
- (j) The Representative is new to the business, unable to provide references, or unable to document its claimed experience,
- (k) The Representative appears to be in significant financial difficulties or has a history of insolvency, or

- (1) The reputational research on the Representative identifies past allegations or incidents of corruption, fraud or similar irregularity or otherwise provided cause for concern regarding the Representative's integrity.

The Compliance Officer shall maintain a file of the due diligence conducted on each Representative ("**Representative File**"), and shall retain the Representative File for a period of 10 (ten) years after the termination of the Eletrobras Group's relationship with the Representative. The Representative's File shall be updated periodically during the commercial relationship with the representative, in order to ensure that the most recent information is always available to the Eletrobras Group.

## **10.2 Contracts with Representatives**

The Eletrobras Group will have a written contract with each Representative that: (a) specifies the services to be rendered; (b) specifies the amount of compensation due; (c) requires all payments to the Representative be effected by electronic transfer directly into a designated bank account in the Representative's name and within the Representative's country of residence or within the country where the Representative's services have been carried out, at a reputable financial institution that the Representative shall indicate in writing from time to time; (d) requires the representative to acknowledge having received, reviewed and understood the requirements of this Program; (e) prohibits the use or retention of sub-representatives without the prior approval of the Compliance Officer, which shall report to Eletrobras' Management Committee and Fiscal Council; and (f) requires the representative to promptly advise the Eletrobras Group of any material changes to the answers to their due diligence questionnaire. In addition, each Representative will be required to certify annually that their answers to the due diligence questionnaire (as updated) remain accurate and complete. A model questionnaire is attached hereto at Appendix B. The Compliance Officer may adjust the provisions in any Representative's contract in order to manage the specific risks related to such relationship.

## **11. JOINT VENTURE PARTNERS, TEAMING ARRANGEMENTS, OR OTHER BUSINESS COMBINATIONS**

In connection with any business involving the Eletrobras Group, all parties to any joint venture, teaming arrangement, or other business combination involving the Eletrobras Group (a "**Joint Venture Partner**") is prohibited from paying, offering, promising, or authorizing the payment of money or anything of value, directly or indirectly, to a Government Official, for the purpose of influencing any act or decision of such Government Official or inducing such Government Official to do or omit to do any act in violation of his or its lawful duty in order to obtain or retain business, direct business to any person, or to secure an improper advantage. Joint Venture Partners are responsible for awareness of whether any particular entity or individual is a Government Official and obtaining guidance from the Compliance Officer in cases of doubt.

### **11.1 Due Diligence Review (Investigation)**

The Eletrobras Group will perform due diligence under the applicable Anti-Corruption Laws with respect to any prospective Joint Venture Partner. The specific information to be obtained in connection with the due diligence review shall be specified by, and the results of such

investigation shall be reviewed and approved by, the Compliance Officer. In general, the due diligence required on a particular Joint Venture Partner will depend on, among other things, the degree of risk as assessed by the Compliance Officer.

Relevant due diligence information shall be obtained and recorded in a written report or questionnaire which shall be certified as correct by the prospective Joint Venture Partner. A form of this questionnaire, which may be tailored by the Compliance Officer in accordance with the particular circumstances, is attached hereto at Appendix C. When the Compliance Officer deems it appropriate or necessary, the investigation shall also include a personal interview of the prospective Joint Venture Partner.

**11.1.1** As part of the due diligence review, the Eletrobras Group will assess, among other things:

- (a) the reputation of the Joint Venture Partner,
- (b) any issues arising from the beneficial ownership of the Joint Venture Partner,
- (c) any issues arising from the Collaborators or Representatives of the Joint Venture Partner,
- (d) the history of the Joint Venture Partner's compliance with applicable provisions of the Anti-Corruption Laws, and
- (e) any additional items as determined by the Compliance Officer.

**11.1.2** In its due diligence, the Eletrobras Group should seek to identify and be aware of any red flags, including, by way of example:

- (a) The Joint Venture Partner is a Government-owned or controlled enterprise,
- (b) The reputational research on the Joint Venture Partner identifies past allegations or incidences of corruption, fraud or similar illegality or otherwise provides cause for concern regarding its integrity,
- (c) Government Officials (or their immediate family members) serve as board members, directors or agents of the Joint Venture Partner or otherwise receive compensation or other benefits from the Joint Venture Partner,
- (d) Government Officials are known or suspected to be shareholders or beneficial owners of the Joint Venture Partner, or
- (e) The Joint Venture Partner refuses to sign an anti-corruption certification or provide relevant information.

The Compliance Officer shall maintain a file of the due diligence conducted on each Joint Venture Partner ("**Joint Venture Partner File**") and shall retain the Joint Venture Partner File for a period of 10 (ten) years after the termination of the Eletrobras Group's relationship with the Joint Venture Partner. The Joint Venture Partner's File shall be updated periodically during the commercial relationship with the Joint Venture Partner, in order to ensure that the most recent information is always available to the Eletrobras Group.

## **11.2 Contract with Joint Venture Partner**

Agreements with a Joint Venture Partner will include: (a) a requirement to adopt and implement this Program<sup>2</sup>; (b) representations and warranties by the Joint Venture Partner regarding compliance with the Anti-Corruption Laws; and (c) a requirement that the Joint Venture Partner advise the Eletrobras Group of any material changes to the answers to their due diligence questionnaire. In addition, each Joint Venture Partner will be required to certify annually that their answers to the due diligence questionnaire (as updated) remain accurate and complete. An Officer Certification for a Joint Venture Partner is attached hereto at Appendix D.

## **12. PENALTIES**

### **12.1 FCPA**

Individuals who are convicted for violating the FCPA may be subject to criminal fines and imprisonment in the United States. Individuals found to have violated the anti-bribery provisions may be subject to a criminal fine of US\$250,000 per violation (in case the bribe's value is greater than US\$250,000, the fine may be increased to twice the value of the advantage obtained or damage caused), a civil fine of US\$10,000 per violation, and up to 5 years in prison. Individuals found in violation of the books and records provisions may face up to US\$5 million in criminal fines and up to US\$100,000 in civil fines, per violation. Companies found to have violated anti-bribery provisions may be subject to a criminal fine of US\$2 million (in case the bribe's value is greater than US\$2 million, the fine may be increased to twice the value of the advantage obtained or damage caused) and a civil fine of US\$10,000, per violation. Companies found in violation of the books and records requirements may face up to US\$25 million in criminal fines and up to US\$500,000 in civil fines, per violation, as well as additional disgorgement penalties. In addition, Collaborators who violate this Program are subject to disciplinary action, including summary dismissal.

### **12.2 Brazilian Criminal Code**

In Brazil, the Collaborators may be subject to criminal charges for active or passive corruption, as defined in articles 333 and 317 of the Penal Code. In either case, the Collaborator may be subject to a maximum sentence of 12 years of imprisonment, as well as a fine.

### **12.3 Brazilian Anti-Corruption Law**

With regard to active corruption, the Brazilian Anti-Corruption Law establishes that entities found liable for such violation will be subject to administrative fines ranging between 0.1% and 20% of the entity's gross income for the year prior to the enforcement of the administrative sanction. In the event it is not possible to determine the entity's gross

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<sup>2</sup> This is subject to negotiation and should be considered a starting point. The objective is to have an undertaking from the Joint Venture partner and agree that an effective compliance program will be in place by the Joint Venture company.

income, the fines will range between R\$6,000.00 and R\$60,000,000.00. It is important to note that the application of a fine does not exclude the obligation of full reparation for the damages caused, nor the judicial liabilities of the company and of all of those involved.

As for the legal liabilities, the entities may be subject to the: (a) loss of the assets and advantages that were illegally obtained; (b) suspension of its activities; (c) mandatory dissolution; and (d) prohibition from receiving financial incentives and loans from government bodies and agencies for a period of one to five years.

The Brazilian Anti-Corruption Law also establishes that parent companies, subsidiaries, affiliates or consortium members under a contract, are jointly liable for the actions set forth in such Law, such liability being limited to the payment of fines and reparation of damages. Therefore, the Brazilian law corroborates the need for the Eletrobras Group, its affiliates and Joint Venture Partners to follow this Program.

As described above, the Brazilian Anti-Corruption Law is novel for establishing strict liabilities for legal entities in the civil and administrative spheres. In this sense, it is not necessary that the government demonstrate a legal entity's fault or intent to engage in the illegal conduct, the government needs only to show that the conduct occurred in order for an entity to be held liable. It is important to note that sanctions applied to the entity do not exclude the individual liability of its directors, officers or of any other individual who participated in the illegal conduct.

The Brazilian Anti-Corruption Law is applicable to acts of corruption or bribery involving Government Officials and/or any individuals related to such Government Officials.

### **13. HOTLINE**

All Collaborators and Representatives of the Eletrobras Group must report any known or suspected violations of this Program and/or the Anti-Corruption Laws. The Eletrobras Group created a process for filing complaints and reports made by employees in connection with violations of this Program, the Anti-Corruption Laws and/or suspicious accounting activities. The aforementioned complaints and reports may be made anonymously and confidentially through the Hotline email [ouvidoria@eletrobras.com](mailto:ouvidoria@eletrobras.com) or telephone numbers 2514-4526/4538/5856/5732/5702/5848. The Eletrobras Group will not retaliate and will ensure that no Collaborator retaliates for any such report made in good faith.

### **14. TRAINING**

Mandatory training on this Program will be given to Collaborators and Representatives as determined by the Compliance Officer. The Eletrobras Group's senior management and Collaborators involved in Compliance, sales, marketing and other customer-facing functions, Collaborators who interact with Government Authorities or Government Officials on behalf of the Eletrobras Group, and such other Collaborators as determined by a Compliance Officer based on the inherent risk of violating the Anti-Corruption Laws, arising from their duties, will be required to complete refresher training on at least an annual basis.

**15. FURTHER INFORMATION**

Any questions about this Program should be directed to the Compliance Officer via the following e-mail: [compliance@eletrobras.com](mailto:compliance@eletrobras.com).

A copy of this Program will be available on the intranet of the Eletrobras Group and each of its subsidiaries for the consultation of its Collaborators.

**Receipt and Acknowledgment**

I acknowledge that I have received my personal copy of the Eletrobras Group Anti-Corruption Compliance Program. I understand that each Eletrobras Group Collaborator and Representative is responsible for knowing and adhering to the principles and standards of this Program.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Appendix A**

**REPRESENTATIVE DUE DILIGENCE QUESTIONNAIRE**

**1. Representative Name**

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**2. List of all jurisdictions in or with which the representative has clients and/or provides services:**

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**3. Contact information for the representative including telephone, fax, e-mail, and website (if available):**

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**4. If the representative is an individual, please answer the following question (if the representative is a company, please skip to Section 5):**

Please briefly describe your experience in the industry, including examples of previous work (if any) similar to that to be provided under the contract with the Eletrobras Group:

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Please identify if you (currently or previously) are or were: (i) an employee, officer or representative of, or any person otherwise acting in an official capacity for or on behalf of, (a) a national government, political subdivision thereof, or local body, regardless of whether elected or appointed; (iii) an officer or individual who holds a position in a political party; (iv) a candidate for political office; (v) an officer or employee of a supra-national organization (*e.g.*, World Bank, United Nations, International Monetary Fund, CAF, OECD); or (vi) any other person connected or associated personally including by close family relationship, with any of the above categories ("**Government Official**"), as follows:

<b>Government Position and Duties</b>	<b>Dates for Positions Held</b>

Please identify each of your immediate family members that are Government Officials, as follows:

<b>Name</b>	<b>Relationship to the Representative</b>	<b>Government Position and Duties</b>

Do you have any existing business relationships with Government Officials or Government Authorities? If yes, please explain:

Have you ever been accused of, or convicted for, violating any anti-bribery law or any other criminal statute?

**5. If the representative is a company (the "Company"), please answer the following questions (if the representative is an individual, please skip to Section 6):**

(A) Legal structure of the Company (*e.g.*, Corporation, Partnership):

(B) Date and Place of Company Incorporation/Registration:

(C) Years the Company has been in business:

(D) Please briefly describe the establishment of the Company, the primary areas of business activity, changes in ownership, changes in areas of concentration, jurisdictions in which it operates growth plans, potential new markets, etc.:

(E) Please list any subsidiaries, joint ventures and other affiliates that are owned, directly or indirectly, in whole or in part, by the Company ("**Affiliates**"). For each Affiliate, please provide the following information:

Name	Legal Structure/ Corporate Relationship to the Company	Date/Place of Incorporation	Type of Business

(F) Please list any direct and indirect parent companies<sup>3</sup> and sister companies<sup>4</sup> of the Company:

Name	Legal Structure/ Corporate Relationship to the Company	Date/Place of Incorporation	Type of Business

(G) Please describe any training provided by the Company to employees relating to: (i) ethical business practices and (ii) dealings with the government. Please indicate which officers/directors/employees receive such training:

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(H) With respect to each Director and Board Member of the Company, please provide the following information:

Name	Title	Responsibilities for the Company	Percentage Beneficial Ownership <sup>5</sup> , if any, in Company	Citizenship

(I) With respect to a Beneficial Owner' of an interest in the Company, please provide the following information:

Name	Citizenship	Beneficial interest in the Company ( <i>eg.</i> , percent ownership or control)	Responsibilities for the Company

<sup>3</sup> A company that owns enough voting stock in another to control management and operations by influencing or electing its board of directors.

<sup>4</sup> A subsidiary of the direct parent company of a company, other than the company itself.

<sup>5</sup> Percentage beneficial ownership of an interest in the Company, including a direct or an indirect ownership or voting interest (*i.e.*, through a parent Company). A "Beneficial Owner" is the person to whom the benefits of ownership of an interest in the Company accrue, even though the interests in the Company might be held by, or in the name of, another person or held in an account over which another person has investment discretion.

(J) Please identify each officer, board member, employee or beneficial owner of the Company (collectively, "**Principal**"), or any immediate family member of a Company Principal, which is a Government Official, as follows:

Name	Relationship with Company or Company Principal	Government Position and Duties

(K) Please describe the Company's accounting system and controls and identify its outside auditor:

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(L) Has the Company, or any of its Principals, Affiliates or Parents ever been accused of or convicted for violating any anti-corruption law or other criminal statute?

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(M) Please provide the following documents:

1. Evidence from official government authority that the Company is in good standing
2. Copy of the Company's code of ethics and business conduct (if any)
3. Written anti-corruption guidelines (if any)

**6. Business References**

Please provide at least three unaffiliated business references:

Full Corporate Name	Full Name and Address of Contact Person	Contact Information

**7. Certification**

I certify that:

In connection with any business involving, directly or indirectly, the Eletrobras Group, I do not know or have reason to know that any representative, officer, board member, employee or agent has, will, offer, promise, pay or authorized, or has promised that it will, in the future, offer, pay, or authorize the payment of money or anything of value, directly or indirectly, to any Government Official, for the purpose of influencing any act or decision of such Government Official or inducing such Government Official to do or omit to do any act in violation of his lawful duty or to secure an improper advantage in order to obtain or retain business or direct business to any person.

I agree that if subsequent developments cause the information reported herein to be no longer accurate or complete, I will immediately so notify the Eletrobras Group.

Submitted by:

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## Appendix B

### REPRESENTATIVE'S CERTIFICATION

The representative declares in an irrevocable and irreversible way that it is aware of the terms and conditions applicable to the Eletrobras Group's Anti-Corruption Policies, specially the items below:

#### 1. Definitions

**"Anti-Corruption Laws"** means U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), the Brazilian Anti-Corruption Law (law no. 12.846/2013) and any applicable anti-bribery law or regulation or any other applicable law or regulation of similar purpose and scope.

**"Government Official"** means (i) an employee, officer or representative of, or any person otherwise acting in an official capacity for or on behalf of, (a) a national government, political subdivision thereof, or local jurisdiction therein; (b) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; (c) a government-owned/government-controlled association, organization or enterprise; or (d) a political party (collectively, a **"Governmental Authority"**); (ii) an official acting in a legislative, administrative, or judicial body, regardless of whether elected or appointed; (iii) an officer or individual who holds a position in a political party; (iv) a candidate for political office; (v) an officer or employee of a supra-national organization (*e.g.*, World Bank, United Nations, International Monetary Fund, CAF, OECD); or (vi) any other person connected or associated personally including by close family relationship, with any of the above categories.

#### 2. Representative's Warranties and Undertakings

**2.1** The representative has reviewed and understands the Eletrobras Group Anti-Corruption Compliance Program (the **"Program"**) and shall at all times in connection with its performance of its services on behalf of the Eletrobras Group (the **"Services"**) comply therewith. The representative declares that it has taken all necessary measures to guarantee that all of the representative's collaborators and agents involved in the Services are acquainted with the requisites of this Program and the Anti-Corruption Laws.

**2.2** Regarding the Services rendered by the representative, the representative did not and will not take any measure that may be considered to be in violation of the prohibitions set for the in the Anti-Corruption Laws, if the Anti-Corruptions Laws are deemed applicable, including:

- (a) pay, offer, agree to pay or cause to be paid, directly or indirectly, any contributions, fees or commissions to any political party of the Government Official; or
- (b) offer, pay, promise to pay or authorize the payment of cash or benefit in any form or value, directly or indirectly, to any Government Agent or any person even knowing or

being aware of the high probability that all or part of such money or benefit in any form or value will be offered, given, or promised, directly or indirectly, to any Government Agent for the purpose of:

- (i) influencing any act or decision of such Government Official, in his official capacity, including a decision to no longer fulfill his official duties, or
- (ii) influencing any act or decision of such Government Official, in his official capacity, including a decision to no longer fulfill his official duties, or inducing such Government Official to use its influence with the Governmental Authority in order to affect or influence any act or decision of such Governmental Authority, or to secure an undue advantage for businesses or the Eletrobras Group representative, in order to help the Eletrobras Group companies or representative to obtain business or hire, or refer business to any third party.

**2.3** The representative further warrants that he/she fully understands, he/she has not previously engaged and will not engage in conduct that would have or will result in a violation of the provisions of all legislative and regulatory requirements as applicable to the provision of the Services and the terms of this Agreement.

**2.4** With respect to the performance of the Services, the representative will make and keep books, records and accounts in reasonable detail and which accurately and fairly reflect the transactions and dispositions of its assets, and will devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that:

- (a) transactions are executed in accordance with the Eletrobras Group's general or specific authorization and are recorded in conformity with generally accepted accounting principles and/or International Accounting Standards to maintain accountability of such assets;
- (b) access to assets is permitted only in accordance with representative's other obligations under this Agreement; and
- (c) the recorded accountability for assets is compared with existing assets at reasonable levels and appropriate action is taken with respect to any differences.

**2.5** The Eletrobras Group will have the right upon prior written notification to the representative to request access to the representative's personal and business accounting books and records. The representative agrees to provide the Eletrobras Group with his personal accounting books and records in a timely fashion upon receipt of any such request (and in any event no later than 30 (thirty) days following each such request). Such accounting books and records shall be professionally audited if so required by the Eletrobras Group at any time in its sole discretion and at the Eletrobras Group's cost.

**2.6** The representative warrants that neither he/she, nor any immediate family member (*i.e.*, parents, spouses, and siblings) is a Government Official nor do they have family or business relationships with any Government Official other than as disclosed on the attached Schedule 1.

The representative will disclose immediately to Eletrobras all future such relationships with any Government Official during the term of his/her engagement with the Eletrobras Group.

**3. Fees and Payments**

**3.1** All payments shall be effected by electronic funds transfer directly into such bank account as the representative indicates in writing from time to time to the Eletrobras Group, under the representative's name and within the representative's country of residence or within the country in which the Services are performed.

**3.2** The Eletrobras Group may in its sole discretion withhold any payment due to the representative under the terms of this Agreement if the Eletrobras Group has reason to believe or receives notification that the representative has violated any Anti-Corruption Laws or any legislation or regulations whatsoever relating to the prevention of bribery and/or corruption in international business transactions.

**4. Duty to Inform**

The representative undertakes to immediately inform the Eletrobras Group if any subsequent events make the information or statements described herein to be no longer accurate or complete.

**5. Termination**

The Eletrobras Group may terminate this Agreement immediately on written notice if the representative violates the Eletrobras Group Program or violates, or is prosecuted for violation of, any Anti-Corruption Law.

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**Appendix C**

**JOINT VENTURE PARTNER DUE DILIGENCE QUESTIONNAIRE**

**1. Relevant Business Activity and Organization**

(A) Company Name:

(B) List of all jurisdictions in or with which the Company does business:

(C) Please provide the contact information of the Company including telephone, fax, e-mail, and website:

(D) Legal structure of the Company (*e.g.*, Corporation, Partnership):

(E) Date and Place of Company Incorporation/Registration:

(F) Years the Company has been in business:

(G) Please briefly describe the formation of the Company, the primary areas of business activity, changes in ownership, changes in areas of concentration, growth plans, potential new markets, etc.:

**2. Company Ownership and Control**

(A) Please identify each officer, board member, employee or beneficial owner of the Company (collectively “**Principal**”), or any immediate family member of a Company Principal, that is: (i) officer, board member, employee of, or any person otherwise acting in an official capacity for or on behalf of: (a) a national government, political subdivision thereof, or local jurisdiction therein; (b) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; (c) a government-owned/government-controlled association, organization or enterprise; or (d) a political party; (ii) an official acting in a legislative,

administrative, or judicial body, regardless of whether elected or appointed; (iii) an officer or individual who holds a position in a political party; (iv) a candidate for political office; (v) an officer or employee of a supra-national organization (e.g., World Bank, United Nations, International Monetary Fund, CAF, OECD); or (vi) any other person connected or associated personally including by close family relationship, with any of the above categories (collectively, "**Government Official**"), as follows:

Name	Relationship with Company or Company Principal	Government Position and Duties

(B) Has the Company, or any of its Principals, Affiliates<sup>6</sup> or Parents<sup>7</sup> ever been accused of or convicted for violating any Anti-Corruption Laws or any other criminal statute?

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### 3. Business Reference

Please provide at least three unaffiliated business references:

Full Corporate Name	Contact's Name and Address	Contact Information

### 4. Documents

- a) Company Charter/Registration Information
- b) Evidence from official government agency that Company is in Good Standing
- c) Company Code of Ethics
- d) Written Anti-Corruption Guidelines (if any).

<sup>6</sup> Any subsidiaries, joint ventures and other affiliates that are owned, directly or indirectly, in whole or in part, by the Company.

<sup>7</sup> A company that owns enough voting stock in another to control management and operations by influencing or electing its board of directors.

**5. Certification**

I certify that:

In connection with any business involving, directly or indirectly, the Eletrobras Group, I do not know or have reason to know that any officer, board member, employee or agent has, will, offer, promise, pay or authorized, or has promised that it will, in the future, offer, pay, or authorize the payment of money or anything of value, directly or indirectly, to any Government Official, for the purpose of influencing any act or decision of such Government Official or inducing such Government Official to do or omit to do any act in violation of his lawful duty, or to secure an improper advantage in order to obtain or retain business, or direct business to any person.

I agree that if subsequent developments cause the information reported herein to be no longer accurate or complete, I will immediately so notify the Eletrobras Group.

Submitted by:

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Appendix D**

**MANAGER'S CERTIFICATION**

I hereby certify that **[NAME OF JOINT VENTURE]**:

1. Has and will comply with the prohibitions of the U.S. Foreign Corrupt Practices Act of 1977, as amended ("FCPA"), the Brazilian Anti-Corruption Law and other Anti-Bribery Laws (Anti-Corruption Laws include the FCPA, and any applicable anti-bribery law or regulation or any other applicable law or regulation of similar purpose and scope),
2. Makes and keeps books, records and accounts which in reasonable detail accurately and fairly reflect the transactions and dispositions of its assets, and
3. Maintains a system of internal accounting controls sufficient to provide reasonable assurances that:
  - (a) Transactions are executed in accordance with management's general or specific authorization;
  - (b) Assets are recorded as necessary to permit preparation of financial statements and to maintain accountability for assets;
  - (c) Access to assets is permitted only in accordance with management's authorization; and
  - (d) The recorded accountability for assets is compared with existing assets at reasonable levels and appropriate action is taken with respect to any differences.

I further certify that I have reviewed **[NAME OF JOINT VENTURE]**'s adherence to the Eletrobras Group's Anti-Corruption Compliance Program for the preceding year<sup>8</sup> and have noted no violations other than as reported below.

<b>Date of Violation</b>	<b>Provision of the Program that was Violated</b>	<b>Description of Violation</b>	<b>Resolution</b>

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<sup>8</sup> As adherence to the Program is negotiable, this language may need to be changed if it is agreed that a new anti-corruption compliance program will be put in place. If this is the case, certification will be needed to confirm compliance to the program and that no violation has occurred.

I agree to immediately notify the Eletrobras Group of subsequent developments that cause the certifications and information reported hereinafter to be no longer accurate or complete.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_