



CENTRAIS ELÉTRICAS BRASILEIRAS S.A. – ELETROBRAS INTERNAL REGULATIONS OF THE BOARD OF DIRECTORS

The Centrais Elétricas Brasileiras S.A. (Eletrobras) Board of Directors, exercising the powers conferred upon it By-Laws is hereby approving the following Internal Regulations:

Chapter I – Composition, Requirements and Responsibilities

Art. 1º The Eletrobras Board of Directors (CAE), a member organization with deliberative functions, is made up of 10 (ten) members, all of whom are elected by the General Assembly, as set forth under Eletrobras By-Laws.

§ 1º The General Assembly shall appoint the chairman, though the same person can not be CEO and chairman.

§ 2º Other members shall be appointed as set forth under Eletrobras By-Laws.

§ 3º The unified term will be for one year, and they may be reelected.

Art. 2º It is mandatory for each sitting member of the board to comply with the conditions as set forth under Eletrobras By-Laws.

Sole paragraph. The director who fails to attend two consecutive meetings, without a justifiable motive, will be dismissed from his office.

Art. 3º The member of the board must be part of five boards maximum, the Board of Eletrobras included.

Sole paragraph. The remuneration of the director will obey with current legislation.

Art. 4º Members will enter their charges after signing their investiture, in accordance to the By-laws.

Art. 5º The following documents shall be forwarded to the General Secretary for the purpose of signing the instrument of investiture:

I – certified copy of identity card;

II – certified copy of CPF;

III – résumé, signed;



IV – copy of income statement submitted to the Internal Revenue Service;

V – statement, signed that there aren't impediments to taking office;

VI – inform the direct or indirect ownership of securities of Eletrobras and its subsidiaries signed;

VII - term adherence to the Manual on Disclosure and Use of Information and Policy for Trading of Securities Issued by Eletrobras, signed;

VIII – proof of residence;

IX – “termo de anuência” referred to in the Listing Rules of the Level 1 of Corporate Governance of BM&FBOVESPA, signed

X - term receipt of the Code of Ethics, signed.

Art. 6º CAE responsibilities are provided for by law, especially providing for the “Reserva Global de Reversão – RGR” and By-laws.

Sole paragraph. CAE specific responsibilities may not be transferred and shall only be undertaken by the Board.

Art. 7º As part of their responsibilities, the members of the CAE may, at any time, individually or as a group, together with the directors, disclose information or provide clarification that may be deemed necessary for the organization knowledge and deliberations

Sole paragraph. The board majority decision rule may not prevent any member from supervising or following up administrative activities.

Chapter II - Meetings

Art. 8º The CAE shall meet, ordinarily, once a month, and, extraordinarily, whenever it is necessary.

Sole paragraph. CAE meetings will be recorded in minutes signed by all attending members. The minutes shall be filed in Trade Register and published when they address decisions that may affect third parties.

Art. 9º The Board of Directors will meet at least once a year without the presence of the Chief Executive Officer.



Art. 10. The Board of Directors will meet at least twice a year with the presence of external auditors.

Art. 11. As well as Board of Directors members, the General Secretary shall attend the meetings, and at the chairman's sole discretion, the Law Advisor and the General Auditor, both of whom shall provide statements upon request about the subjects in their respective areas of activity.

Art. 12. The CAE meetings may, on the whole or in part, be private in nature. Such subject matter may be neither disclosed nor published.

Art. 13. Any member may ask the chairman to call an extraordinary board meeting, should the relevance or urgency of the said subject not wait for the next meeting. Notice of the extraordinary meeting shall state the subject matter to be discussed and submitted for deliberation.

Art. 14. By the proposal of the chairman or any member, the participation of the members of the Board of Executive Officers in the meetings shall be authorized, with the purpose of instructing and clarifying the subjects submitted to deliberation. Their opinions should be made part of the meeting minutes when the members of the Board consider it necessary.

Sole paragraph. The faculty predicted in the introduction of this article can be extended to Eletrobras employees or of its subsidiaries.

Art. 15. The deliberations shall be preceded by written notice, introduction, discussion and majority voting.

§ 1º Except for urgent reason, wholly justified, the chairman can call for a vote of a subject matter not included in the meeting notice in order to avoid irreparable loss to the company or its subsidiaries.

§ 2º The chairman may also call for a vote of a subject matter that is not included in the meeting notice on the hypotheses that activities performed by Eletrobras are required by law.

§ 3º The main controller shall not discuss subjects with their conflicting interests or relative to others under its influence, in terms of current legislation. In this case, must register with the divergence minutes and refrain from discussing the subject.



Art. 16. The CAE may rule even if the absence of some of its members is confirmed, as long as a minimum quorum to set the meetings is observed.

Art. 17. The CAE members shall have their transport and stay expenses paid according to requirement of their jobs, when residing outside the city where the meeting is held.

Art. 18. The meetings shall be held at a previously determined site and exceptionally, for good reason, a member may attend the meeting virtually by teleconference, tele-video conference, or any other means of communication.

Sole paragraph. Under any of the above mentioned conditions, a member shall be deemed as present, regardless of the means of communication, provided their participation is effective and their vote is authentic.

Chapter III – The Responsibility of the Chairman

Art. 19. The chairman of the Board of Directors is required to:

I – Call ordinary CAE meetings through the General Secretary;

II – Present the subjects to be discussed by the CAE;

III - Open, close or suspend motions;

IV – Decide points of order;

V – Call for a vote on discussed subjects and announce the adopted decisions;

VI – Authorize the presence of directors and employees at meetings;

VII - Authorize the discussion of subjects that are not included in the agenda;

VIII – Call CAE extraordinary meetings, requested by any member, observing what is stated in these Internal Regulations;

IX - Propose, on the whole or in part, a private nature to CAE meetings on the hypotheses of these Internal Regulations;

X – Propose the setting of a new deadline for discussing and voting in case of the hypothesis mentioned in these Internal Regulations;

XI – Deliver the deciding vote in CAE decisions;



XII - Propose solutions for instances not addressed by these Regulations.

Chapter IV – The Responsibilities of the General Secretary

Art. 20. The General Secretary shall:

I - inform members of the Board of Directors, in writing, at least 72 (seventy-two) hours in advance, the day, time and agenda of meetings;

II – instruct the subjects to be submitted to deliberation with the decision of the Board of Executive Officers, opinions of respective technical areas, including the legal area and if it is the case, with reports and opinions of committees or other counseling bodies;

III – record, in an appropriate book, the minutes for each meeting, that shall contain the name of members present, the date of the meeting, the existence of a quorum, the site of the meeting and the content of the agenda;

IV - provide the additional information requested by members;

V – report to members on subjects for which any action might have been required;

VI – perform the necessary work to produce, copy and publish the minutes;

VII – invite the Fiscal Council to attend the CAE meetings in such instances the subject matter to be discussed is stated in current legislation;

VIII – send a copy of meeting minutes to each member of the CAE;

IX – provide the CAE with the necessary means to operate adequately;

X – record the time dedicated to each of the subjects discussed during the Board meetings, recording such information in the minutes.

Chapter V – The Rules of Order

Art. 21. The subjects to be discussed by the Board shall be introduced by the chairman or by the member who proposes the motion.

Sole paragraph. In case the chairman is absent, or unable to chair the meeting the present members shall elect a replacement.

Art. 22. The agenda of each ordinary CAE meeting shall contain a strategic agenda, prepared by the General Secretary based on proposals from the



members or the Board of Executive Officers, considering the relevant strategic issues requiring discussion and deliberation.

Art. 23. During the discussion of the subjects on the agenda, the members may ask the chairman for:

I – adequate instructions;

II - an order of the agenda relative to urgency and preference for discussing and voting;

III – justifiable postponement and/or withdrawal of items of the agenda;

IV –making a document request to a better understanding in order to vote. In the event that a decision cannot be postponed due to the urgent nature of the subject matter, the chairman shall propose a new deadline to facilitate further discussion and for a vote to be set.

Art. 24. Board deliberations are to be decided by a majority vote, the chairman being responsible for the deciding vote.

Sole Paragraph. To every member is granted the right to record his/her dissenting vote in the minutes.

Chapter VI – Subjects for Discussion

Art. 25. All subjects submitted to the Board of Directors for deliberation, must contain:

I – accurate description of the subject;

II – necessary data for its analysis in accordance with these Internal Regulations;

III – summary and record about the same subject, in the event it has previously been submitted to the Board.

Art. 26. The Board of Directors will perform formal evaluation of the Board of Executive Officers and the Board of Directors, according to criteria provided in the Internal Regulation, in order to assist in the decision making of the shareholders regarding the reappointment of members.

§ 1º The Board of Directors shall approve the methodology for evaluation of the Board of Directors and the Board of Executive Officers, comprising deadlines, responsibilities, methods and tools and their updates whenever it is necessary.



§ 2º The evaluation of the Board of Directors and the Board of Executive Officers shall be included in the minutes of the meeting.

§ 3º The chairman is responsible for conducting the evaluation process.

§ 4º The chairman shall send to other members to fill, until the end of the term, forms of performance evaluation.

§ 5º The results of the evaluation of the Board of Directors and the Board of Executive Officers will be communicated to all directors at a meeting led by the chairman.

§6º The Board of Directors shall discuss the results of the evaluations of the Board of Directors and the Board of Executive Officers, and prepare their annual improvement plan with actions, responsibilities and deadlines.

Art. 27. The Board of Directors shall decide on the creation, termination and operation of committees to support the Board for further discussion of strategic studies, observing the current legislation.

Chapter VII – Administrative Procedures

Art. 28. The meetings are to be called “Board of Directors Meeting” and the decisions by a document called “Deliberation”.

Art. 29. The deliberations are to be written in an objective manner, so as to make their understanding complete.

Art. 30. The deliberations are to be numbered by the year and in sequence, by meeting, containing in them the number and the date of the meeting and the number relating to the process of the covered subject.

Art. 31. The deliberations are to start with the words: “The Board of Directors”, exercising the powers conferred upon it and considering the terms of from, deliberated to approve:, indicating the member who introduced the motion and signed by the General Secretary.

Art. 32. The General Secretary shall send, within 10 (ten) days, copies of the minutes of CAE meetings, to Internal Audits and to active members of the Fiscal Council.

Art. 33. These Internal Regulations may only be changed by a deliberation at least 2/3 (two thirds) of the total members of the Board of Directors.



Approved by 662º Meeting of the Board of Directors of Eletrobras,
February, 25 th, 2013

AFRÂNIO ALENCAR MATOS Fº
General Secretary