



Eletrobras

**Manual for Participation in
Shareholders Meetings of
Eletrobras**

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1 – Message from the President

Dear Shareholders,

Eletrobras is a mixed joint-stock federal corporation operating in the areas of generation, transmission and distribution of electric energy, leading a system that comprises 12 subsidiaries, a holding company (Eletrobras Eletropar), a research center (Eletrobras Cepel) and half the capital stock of Itaipu Binacional.

In the position of largest company in the sector of electric energy in Latin America, Eletrobras is a publicly traded company on the Bolsa de Valores, Mercadorias & Futuros de São Paulo (BM&FBOVESPA, Brazilian Securities and Exchange Commission of São Paulo) and on the stock exchanges of Madrid (Latibex) and of New York (NYSE). It also integrates the Index of Sustainability (ISE) of BM&FBOVESPA, the *Dow Jones Sustainability Emerging Markets Index* and since 2006 it raised to level 1 of corporate governance of the BM&FBOVESPA, thus enhancing its commitment with profitability, competitiveness, integration and sustainability.

Reaffirming the commitment the company has with you, as a shareholder, we would like to present the manual containing information on the Ordinary General Meetings and their legal and ethical principles to assist your participation in these events.

In the Ordinary General Meeting, we will examine the matters established in the Summons Letter, in compliance with the detailed information of the respective matters to be deliberated, making them available to shareholders in the responsible area in Eletrobras, as well as on the company's website.

We count on your presence in the scheduled events of Eletrobras, and we hope that this manual will be useful in your understanding of the matters submitted to the Meeting.

Yours faithfully,

José da Costa Carvalho Neto
President



2 – Introduction

The objective of this manual is to present to shareholders, in a transparent manner, the legal and ethical principles, contributions and guidelines to understand the matters proposed for deliberation in the meetings, in order to facilitate and foster the participation of its partners in the events on the agenda of Eletrobras.

In order to offer detailed and updated information on each matter to be discussed in the meetings, the Manual presents in **Attachment I**, a link to the material available to shareholders in the responsible area in Eletrobras, as well as on the Company *website* and delivered to the Comissão de Valores Mobiliários – CVM (Securities and Exchanges Commission) (<http://www.cvm.gov.br>), in the terms of Art. 135, § 3 of Law no. 6.404/76 and Chapter III of CVM Instruction no. 481, edited on 12/17/2009.

This form of presentation seeks to make this Manual more dynamic so it is Updated on the recent decisions of Eletrobras, disclosed in the Summons Letter of the Ordinary General Meeting, in the Board of Director's Proposal and in all the pertinent documentation.

3 - Ordinary General Meetings

The Shareholders' Ordinary General Meeting has powers to decide all of the business related to the object of the Company and make resolutions that they consider convenient in their defense and development, which is under its exclusive authority: amend the Bylaws; elect or destitute, at any time, the administrators and inspectors of the company, with the exception of the provisions in paragraph II of Art. 142 of Law no. 6.404/76; require, annually, the accounts from the administrators and deliberate on the financial statements presented by them; authorize the issuing of debentures, with the exception of the provisions in §§ 1, 2 and 4 of Art. 59 of Law no. 6.404/76; suspend the exercise of the shareholder`s rights; deliberate on the assessment of assets with which the shareholder competes for the constitution of the capital stock; authorize the issuing of the beneficiary shares; deliberate on transformation, merger, incorporation and demerger of the company, its dissolution and liquidation, elect and destitute receivers and inspect their accounts; and authorize the administrators to confess bankruptcy and request insolvency.

4 - Summons

The board of directors or its directors are responsible for summoning the Ordinary General Meeting, which can also be summoned according to Art. 123, single paragraph, of Law no. 6.404/76.

The summons will be made through an advertisement published in newspapers of large circulation, three times, at least, containing, besides the location, date and time of the Meeting, the matters on the agenda, and, in case of amendment of the bylaws, the indication of the matter.



The General Ordinary Meeting will be held in Eletrobras' headquarters. In no case whatsoever may it be held outside the headquarters.

The Summons Letter of the General Ordinary Meeting should list, expressly, in the matters on the agenda, all of the business that will be deliberated, not permitting that under the topic of "other business" may there be matters that depend on the deliberation of the Meeting.

The Summons Letter of the Ordinary General Meeting and the Proposal of the Board of Directors should be forwarded to the Securities and Exchange Commission (CVM) and to BM&FBovespa, through the IPE System, on the same date of its publication by the press. Furthermore, the SEC and the stock exchanges of New York and Madrid should also receive these documents.

The minimum term between the first summons letter and the date on which the Meeting is held will be 15 (fifteen) days; and the second summons, of 8 (eight) days.

The summons letter should condition the presence of the shareholder in the General Ordinary Meeting to fulfill the requisites provisioned in law for this purpose.

The deposit, in Eletrobras, of documents confirming share ownership may be required in up to 72 (seventy two) hours before the Ordinary General Meeting is held and its delivery made to the Investor Relations Department - DFR, as explained in item 6.

The shareholder may be represented by proxy in the Ordinary General Meetings, in the terms of Art. 126, § 1 of Law 6.404/76.

It is not necessary to notarize the signature of the mandate instrument authorized by non-resident shareholders in the country and by the owner of depositary receipts, whereby the proxy should be in Eletrobras' headquarters 72 (seventy two) hours before the date marked for the Ordinary General Meeting.

The representation of the Government in Ordinary General Meetings of Eletrobras should be made in the terms of the specific federal legislation.

Beside the cases provisioned in law, the Ordinary General Meeting will always be held whenever the Board of Directors deems it appropriate.

The administrators of the company, or at least one of them, and the independent auditor, if applicable, should be present in the Meeting to meet the requests for clarification from shareholders, but the administrators may not vote, as shareholders or proxies, of the documents referred to in Art. 134 of Law 6.404/76.

The members of the Audit Board, or at least one of them, should be present in Ordinary General Meetings and should answer the requests for information made by the shareholders.



In the case of non-attendance of the administrator, member of the Audit Board or independent auditor to the Meeting and if there is the need for other clarifications, the deliberations may be postponed, except the dismissal of the shareholders present.

5 - Procedures and terms

Without prejudice to the publicity provisioned in the legislation, Eletrobras discloses presentations and events promoted and the calendar of the following activities on its Investor Relations website.

In case of doubt about the procedures and terms of the Ordinary General Meeting, or other requests, the company enables the "Contact IR", another communications channel where shareholders can contact the areas of Investor Relations, directly through the website, or by telephones: (21) 2514-6331 and (21) 25146333 or by e-mail invest@eletrobras.com.

Your request will be answered in up to 48 hours, except in cases that require a more detailed analysis.

6 - Guidance for shareholders

The shareholders can participate in the Ordinary General Meeting at the Company headquarters and manifest their vote, or even, constitute proxies to represent them.

The shareholder or his/her legal representative, in order to ensure admission to the Meeting (Art. 5, caput of CVM Instruction no. 481 of 12/17/2009), should present the following documents:

official identity document with a photograph or document of professional class, officially recognized; notarized photocopy of the updated Bylaws, in the case of a legal entity; original copy or notarized photocopy of the proxy by the shareholders; and original copy of the statement of the shareholding position supplied by the depositary institution or by custody, identifying the condition of shareholder.

The delivery of the related documentation, and/or proxy, should be made 72 (seventy two) hours before the time scheduled to initiate the activities, in the Investor Relations area, at Av. Presidente Vargas no. 409 - 9th floor, in the city of Rio de Janeiro, RJ, from 8am to 12pm and from 2pm to 5pm.

According to Art. 5, § 2 of CVM Instruction no. 481 of 12/17/2009, the shareholder who attends the Meeting with the required documents can participate and vote, even though he/she has not deposited them previously.

The shareholders will find available in the Investor Relations area and on the pages of the Company (<http://www.eletrobras.com.br/ri>) and of the Securities and Exchanges Commission – CVM (<http://www.cvm.gov.br>) all documentation related to the matters that will be deliberated in the Extraordinary General Meeting, in the terms of



Art. 135, § 3 of Law no. 6.404/76 and Chapter III of CVM Instruction no. 481, edited on 12/17/2009.

Foreign shareholders should present the same documentation as the Brazilian shareholders, except that bylaws of the legal entity and the proxy should be notarized and authorized by the consulate.

In order to facilitate the participation of shareholders in the Meetings of the Company, find attached the model of proxy in **Attachment II** of this Manual.

7 – Formalities, Duties and Responsibilities in the Ordinary General Meeting

The Meeting is formal, requiring formalities to better organize the debates without prejudice to the activities assigned. For such, the shareholders should always go to the president's table. The use of equipment (cameras, video recorders or similar equipment) to register the meetings by the shareholders or by initiative of the company should be communicated to all the participants.

The manifestations of vote of shareholders should be exercised in the best interest of the company. According to Art. 115 of Lei 6.404/76, the vote considered as abusive is one that is exercised with the purpose of causing damage or obtaining advantage, which is undeserved, or that result in a loss to the company or to other shareholders.

In the same way, the administrators called to manifest themselves in the Ordinary General Meeting should act in the best interest of the company, in compliance with the duties and responsibilities to which they are subjected, according to Art, 153 to 158, of Law 6.404/76.

Observing the quorum of deliberation provisioned in law, the deliberations of the Meeting will be made by majority of votes, whereby the vote of each shareholder representative will be proportional to his/her equity share in the capital stock of the company. The Bylaws of Eletrobras provision in its Chapter IX the provisions for the Ordinary General Meeting.

8 – Minutes

The minutes of the Ordinary General Meeting will be written and signed by the members of the table and by the shareholders present in the matters and deliberations of the Meeting. For the validation of the minutes just the signature of the shareholders is sufficient to confirm that there was the majority necessary for the deliberations taken. Certificates or authenticated copies can be taken of the minutes for legal purposes.

The minutes can be written in the form of a summary of the facts incurred, including dissidents and protests, and contain the transcription only of the deliberations taken.

The minutes can only be published in the form of a statement, with the summary of the facts incurred and the transcription of the deliberations taken, and should then forwarded to the Securities



and Exchanges Commission (CVM), through the IPE System, as soon as the Meeting is adjourned.

The minutes should be registered in the Trade Office of Distrito Federal - JCDF, which should, then be registered and published in the Newspaper Valor Econômico, in Correio Braziliense, in the Newspaper O Globo and in the Diário Oficial da União (Official Gazette), and also forwarded to the Securities and Exchanges Commission (CVM), through the IPE System, in up to 10 (ten) days after it is held, indicating the dates and newspapers of its publication.

9 - Ordinary General Meeting – OGM

The Ordinary General Meeting will be held within the first 4 (four) months after the end of the fiscal year, on the day and hour previously determined to:

require the accounts from the administrators, examine, discuss and vote on the financial statements; deliberate on the destination of the net profit of the financial year and distribution of dividends; elect the administrators and members of the audit board, if applicable; and approve the correction of the monetary expression of the capital stock.

The administrators should communicate, up to 1 (one) month before the date scheduled for the Ordinary General Meeting, through advertisements published and available to shareholders, the administrative report, the copy of the financial statements, the report of the independent auditors, the report of the audit board and other documents pertinent to matters included in the matters on the agenda.

The Ordinary General Meeting with the participation of all the shareholders may consider as handled the lack of publication of the advertisements or non-observance of the terms, but the publication of the documents is compulsory before the Meeting is held. The publication of the advertisements is not necessary when the documents are published up to 1 (one) month before the date scheduled for the OGM.

The summary of the decisions taken in the Ordinary General Meeting should be forwarded to the Securities and Exchange Commission (CVM), through the IPE System, as soon as the Meeting is adjourned.

10 - Extraordinary General Meeting – EGM

The Extraordinary General Meeting will be summoned whenever it is deemed necessary to deliberate on the matters that are not handled in the Ordinary General Meeting like:

amendment of the Bylaws; authorization for the issuing of debentures, except in the cases provisioned in Art. 59, paragraphs 1; and 2, of Law 6.404/76; suspend the exercise of the shareholder's rights; deliberate on the assessment of assets with which the shareholder competes for the constitution of the capital stock;



authorize the issuing of the beneficiary shares; deliberate on transformation, merger, incorporation and demerger of the Company, its dissolution and liquidation; election and destitution of the receivers and inspection of its accounts; and other matters established in the legislation.

The Extraordinary General Meeting with the purpose of amending the Bylaws can only be installed, in a first summoning, with the presence of shareholders that represent, at least, 2/3 (two thirds) of the capital stock with right of vote. In the second summoning, with any number.

The approval of the following matters provisioned in paragraphs I to VI and IX of Art. 136, of Law 6.404/76, gives the dissident shareholder the right to leave the Company, through a refund of the value of his/her shares, observed according to the provisions in Art. 137, of the Incorporations Law:

creation of preferred shares or increase of class of existing preferred shares, without maintaining proportion with other classes of preferred shares, except if they are already provisioned or authorized in the bylaws; alteration in preferences, advantages and conditions of redemption or amortization of one or more classes of preferred shares, or creation of a new more favored class; reduction of the compulsory dividend; merger of the Company, or its incorporation of another company; equity share in a group of companies; change of object of the Company; and demerger of the Company.

For the deliberation on the matters mentioned above, the approval of the shareholders is necessary, representing, at least, half, of the shares with voting rights, if a higher quorum is not required in the bylaws of the company whose shares do not admit the negotiation on the stock exchange or OTC market, Art. 136 of Law 6.404/76.

The summary of the decisions taken in the Extraordinary General Meeting should be forwarded to the Securities and Exchange Commission (CVM), through the IPE System, as soon as the Meeting is adjourned.

11 – Attachments

Attachment I - link to the material available to shareholders in the area responsible in Eletrobras.

Attachment II - model of proxy.



Eletrobras

Manual for Participation in Shareholders Meetings of Eletrobras

Attachment I

The material of the meetings, current and historical version, is available on Eletrobras' website, in the section of Investor Relations\Governance\Shareholders' Meetings. For direct access [click here](#).



Attachment II

Model of Proxy for Participation in the Meeting

PROXY

"GRANTOR" (full name), (nationality), (marital status), (profession), (registration in the OAB, in the case of Lawyers), registered under CPF no. (.), RG (ID) no. (.), (issuing authority), resident and domiciled (address, Post Code), in the city of (.), State of (.)

"GRANTEE" (full name), (nationality), (marital status), (profession), (registration in the OAB, in the case of Lawyers), registered under CPF no. (.), RG (ID) no. (.), (issuing authority), resident and domiciled (address, Post Code), in the city of (.), State of (.)

OBJECTIVE and POWERS:

By the present private instrument of proxy and in the best form of law, the **"GRANTOR"** nominates and constitutes as its proxy the **"GRANTEE"**, for the special purposes of representing him/her, in the quality of Shareholder of (name of Company), CNPJ no. (.), in the General Meeting (Extraordinary or Ordinary), to be held in the first summons, on (date), at (time), and, if necessary in the second summons on the date to be informed later, in the headquarters of the Company at (address), which may inspect, discuss and vote on behalf of the **"GRANTOR"**, in compliance with the guidelines received.

(location), (date).

"GRANTEE"
