

MULTINER S.A. ARTICLES OF INCORPORATION

TITLE 1 – NAME, HEADQUARTERS, CORPORATE PURPOSE AND EFFECTIVE TERM

Art. 1. MULTINER is a corporation ruled by the present Articles of Incorporation and the legal provisions applied.

Sole Paragraph – The Company, its shareholders, managers and members of the established Audit Committee shall bind to, where not conflicting with this Articles of Incorporation, provisions of the São Paulo Stock Exchange New Market Listing (Regulamento de Listagem do Novo Mercado da Bosa de Valores de São Paulo S.A. – BVSP) (respectively “New Market Rule” and “Bovespa”).

Art. 2 – The Company’s headquarters and jurisdiction are in the City of Rio de Janeiro, State of Rio de Janeiro and it may through the Executive Board’s resolution create and close branches, offices, storehouses and any other establishments in any part of the national territory and abroad.

Art. 3 – The Company’s corporate purpose is the generation, transmission and commercialization of electric power and the participation as a member or shareholder, in other civil or commercial associations in the country and abroad, mainly in the power sector. In order to meet the Company’s corporate purpose, it may constitute subsidiaries under any corporate form.

Art. 4. The Company has the duration for an indefinite term.

TITLE II – CAPITAL AND STOCK

Art. 5. Stockholders’ capital is seven hundred and twenty-eight thousand reais (R\$ 728,000.00) divided into one million seven hundred and twenty-seven (1,727,000) common shares, registered shares and without nominal value, fully subscribed and paid.

Paragraph One. The Company is authorized to increase its capital up to the limit of six hundred million reais (R\$600,000,000.00) through the issue of common or preferred redeemable shares, in the conditions indicated below, regardless of Articles of Incorporation reform, through of resolution of the Board of Directors, which shall fix the price, amount, and kind of shares to be issued, terms and conditions of issue, subscription, payment and placement of the shares to be issued.

Paragraph Two. Each common share shall entitle a vote in the General Meetings’ resolutions.

Paragraph Third. The Company’s capital shall be represented by common shares and possibly by redeemable preferred shares.

Paragraph Four. The Company shall not issue profit-sharing bonds.

Paragraph Five. Redeemable preferred shares shall not have right to vote, however, shall have priority in the capital reimbursement, without premium, in case of Company liquidation, besides the right to tag along, in case of alienation of the Company’s control,

corresponding to one hundred percent (100%) of the price paid for each controlling shareholder's share.

Paragraph Six. The Company's redeemable preferred shares shall have the following characteristics:

- (a) receipt of dividends at least ten percent (10%) higher than those attributed to common shares;
- (b) Integral participation in the Company's results in equal conditions with common shares, comprising remaining profits, as well as the distribution of new shares deriving from the increase of capital;
- (c) Full receipt of the dividends mentioned in the above mentioned letters (a) and (b) distributed in the year they were issued regardless of the issue date;
- (d) Right to, at its holder's option, be converted into common shares in the fourth (4th) year counted as of the date of approval of its issue, in the 1:1 proportion, that is, when there is a conversion, each redeemable preferred share shall be converted into a common share issued by the Company;
- (e) In case the Company decides to make a public offering of shares before the term mentioned in item (d) above, the shareholders holding redeemable preferred shares shall from the date of filing the application for registering the public offering with CMV, and up to thirty (30) days before the beginning of negotiations of the shares of the Company in the stock exchange, make resolutions on the conversion of the redeemable preferred shares into common shares issued by the Company in the proportion indicated in item (d) above;
- (f) In case this conversion into common shares issued by the Company does not occur, the redeemable preferred shares shall be automatically redeemed by the Company without it being necessary to hold a special general meeting or a meeting of the Company's Board of Directors, being that the redeem of the redeemable preferred shares shall affect the respective shareholders in a proportionate form, therefore, it is unnecessary to carry out the random selection provided by the law;
- (g) the redemptions of redeemable preferred shares shall be carried out on the following dates and with the following proportions: (i) one sixth (1/6) of the preferred shares shall be redeemed on 05. 24.2013; (ii) one sixth (1/6) of the preferred shares shall be redeemed on 11.25.2013; (iii) one sixth (1/6) of the preferred shares shall be redeemed on 05.16.2014; (iv) one sixth (1/6) of the preferred shares shall be redeemed on 06. 26. 2014; (v) one sixth (1/6) of the preferred shares shall be redeemed on 11.24.2014; (vi) one sixth (1/6) of the preferred shares shall be redeemed on 05.25.2015; and (vii) one sixth (1/6) of the preferred shares shall be redeemed on 11.24.2015;
- (h) the redeemable preferred shares' redemption value shall correspond to their issue price updated as per the variation of the IGP-M (Market Price General Index) disclosed by the Getúlio Vargas Foundation – FGV ("IGP-M") or an index that replaces it in case of its extinction, in the shortest periodicity allowed, added

nine point five percent (9.5%) a year, from the date of their issue, discounting the values received for dividend purposes, interests on own capital, or any other earnings provided by the redeemable preferred shares updated by the IGP-M added nine point five percent (9.5%) a year, from the date of the receipt of these amounts;

- (i) the redemption of the redeemable preferred shares shall occur without the reduction of the Company's capital;
- (j) the capital reserve and the Preferred Shares' Redemption Reserve and/or the Dividend Payment may only be utilized for the payment of the redemption of the redeemable preferred shares or of dividends which these shares are entitled to; and
- (k) any alteration to provision under this Paragraph Six and in article 32 of this Articles of Incorporation shall depend on the previous approval by the majority of the shareholders of the redeemable preferred shares, in the form of §1st of art. 136 of Law 6,404/76.

Paragraph Seven. The shares issued by the Company are book entries kept in a deposit account in the name of their holders, with a financial institution duly authorized by the Securities Commission (CVM) to render this service, and the shareholders may be charged the cost addressed in article 35, §3rd of Law no. 6,404/76 observing the limits possibly fixed in the legislation in force.

Paragraph Eight. Shares are indivisible in relation to the Company. When one share belongs to more than one person, the rights entitled to it shall be exercised by the representative of the co-ownership.

Paragraph Nine. The Company may, within the limit of the authorized capital and by the Board of Directors' resolution and in accordance with the option plan previously approved by the General Meeting, grant the option of purchase of shares to its managers or employees and further to the individuals who render services to the Company or to the association under its direct or indirect control, observing the Articles of Incorporation provisions and the applicable legal rules, not applying the preference right to shareholders.

Paragraph Ten. In the hypotheses where the law grants the right of withdrawal to the dissenting shareholder from resolution of the General Meeting, the reimbursement value shall have as a basis the lowest value between the economic value of the Company and the net asset value of the last balance sheet approved by the General Meeting and observing the provisions of article 45 of Law no. 6,404/76.

Clause 6. In the proportion of the number of shares held, the shareholders will have the right to preference to subscription of new shares and of securities convertible into shares, pursuant to article 171 of Law no. 6,404/76. The right of preference shall be exercised within the preemptive period of 30 (thirty) days, counted as of the publishing on the General Meeting minutes of the resolution determined the exercise of the right of preference by the shareholders.

Sole Paragraph. In the increases of capital by means of issue of new shares, the shareholder who fails to make the payment corresponding to the subscribed shares in the conditions provided in the respective subscription report will be put in default without

judicial declaration pursuant to article 106, §2nd of Law no. 6,404/76, being subject to (i) a fine of ten percent (10%) of the value of the due installment, without detriment to the inflation adjustment in accordance with the IGP-M variation or an index which replaces it in case of its extinguishment, in the shortest periodicity allowed. (ii) to provision in article 107 of Law no. 6,404/76; and (iii) to payment of interests for late payment of twelve percent (12%) a year, *pro rata temporis*.

Clause 7. The Company may by resolution of the Executive Board exclude the right of preference or reduce the term for its exercise in the issues of shares, debentures convertible in shares or subscription premium, which placement be made through their selling in the stock exchange, public subscription or exchange for shares in a mandatory public offering of acquisition of control under the provisions of articles 257 to 263 of Law no. 6,404/76. There will not be right of preference in the granting and in the exercise of the option of purchasing shares, pursuant to provisions in §3rd of article 171 of Law no. 6,404/76.

Clause 8. The company may by resolution of the Executive Board acquire its own shares to be kept in the treasury and further alienated or cancelled, up to the amount of the profit and reserve balance, except for the legal reserve, without decreasing the Capital, observing the applicable legal and ruling provisions,

TITLE III – GENERAL MEETING

Clause 9. The General Meeting shall be held ordinarily within the following four (4) months in the end of the fiscal year to deliberate on the matters of article 132 of Law no. 6,404/76 and extraordinarily whenever the corporate interest, this Articles of Incorporation and/or law requires.

Paragraph One. The General Meeting shall be called by the Board of Directors without detriment to the provision in the sole paragraph of art. 123 of Law no. 6,404/76, the advance term of the first call being fifteen (15) days and that of the second call of eight (8) days. Apart from the call formalities the General Meeting which is attended by all shareholders will be considered a regular one.

Paragraph Two. The General Meeting will be held and presided by the President of the Board of Directors or, in his absence, by the Vice-President of the Board of Directors. In the absence of the President or of the Vice-President of the Board of Directors, the majority of shareholders attending shall choose another member of the Board of Directors to preside the Meeting, which may assign another person to hold the position. In the absence of all members of the Board of Directors, the president shall be chosen among the shareholders present by resolution of the majority, the shareholder chosen being allowed to appoint another person to hold the position. The President shall choose among those attending the secretary of the board.

Clause 10. To participate in the General Meeting, the shareholder shall submit on the day the respective meeting will be held: (i) proof issued by the financial institution depositary of the book entry shares held by him or under his custody pursuant to article 126 of the Business Corporation Act, and/or in relation to the shareholders participating in the fungible custody of registered shares, the statement containing the respective stock interest, issued by the competent body dated up to two (02) useful days before the General Meeting; or (ii) power of attorney duly regularized pursuant to law and this Articles of Incorporation, in the hypothesis of the shareholder representation. The

shareholder or his legal representative shall attend the General Meeting with documents that prove his identity.

Paragraph One. The shareholder may be represented in the General Meeting by a proxy appointed at least one (01) year ago, who shall be a shareholder, manager of the Company, lawyer, financial institution or manager of the investment fund which represents the co-owners.

Paragraph Two – The resolutions of the General Meeting, except for the special hypotheses provided in law and in these Articles of Incorporation will be taken by majority of votes of the attendants, not computing blank votes.

Paragraph Three – The minutes of the Meetings will be executed in form of summary of the facts occurred, including dissidences and protests, including the transcription of the resolutions made, observing the provisions in § 1st of article 130 of the Business Corporation Act.

Clause 11. Without detriment to other subjects provided in law or in this Articles of Incorporation, the General Meeting is entitled to:

- (a) make any amendment to the provisions of these Articles of Incorporation, including those related to the participation of the employees in the corporate profits;
- (b) Issue the debentures convertible into shares or of any other bond or security;
- (c) Development or grouping, acquisition of shares to be cancelled or kept in treasury and also for further resale, amortization or redemption of shares by the Company of shares of its issue, except for the redeemable preferred shares;
- (d) Any reduction or increase of the Company's capital, including through the issue or sale of options or other securities of the Company convertible into shares or that grant right to the acquisition or subscription of shares;
- (e) Spin-off, merge, incorporation of the Company by another corporation or of another corporation by the Company, incorporation of shares of the Company or by the Company or other forms of corporate reorganization which imply alteration of the Company's capital and/or dividend flow;
- (f) Transformation of the Company's corporate type;
- (g) Liquidation and/or dissolution of the Company;
- (h) Bankrupt declaration;
- (i) Promotion of Company's judicial or extrajudicial reorganization proceeding;
- (j) Any matter which by law entitles any shareholder the right of leaving the Company;
- (k) Approval of the Company's business five-year plan;
- (l) Approval of the Managers' accounts and financial statements submitted by them;

- (m) Establishment and alteration of the distribution policy of dividends and interests on own capital;
- (n) Distribution of dividends and/or interests on own capital in amount different from the minimum mandatory dividend provided in the Articles of Incorporation;
- (o) Capital opening or closing;
- (p) Elect and destitute at any time members of the Board of Directors and of the Audit Committee, except for the members elected by holders redeemable preferred shares issued by the Company as provided in clause 12;
- (q) Fix the global remuneration of the Company's Board of Directors;
- (r) Deliberate on the leaving of the Company from the São Paulo Stock Exchange New Market – BOVESPA ("New Market"), which shall be communicated to the Stock Exchange of São Paulo - BOVESPA, in writing, with thirty (30) days in advance;
- (s) Participation in other companies or groups of companies.

Clause 12. The General Meeting of the holders of redeemable preferred shares held for the purposes provided in law and in this Articles of Incorporation may be called at any moment by the Board of Directors or by any shareholder of redeemable preferred shares.

Paragraph One. The redeemable preferred shares only may have their characteristics and conditions altered by proposal approved by the Shareholder General Meeting, if approved by majority, in the General Meeting of the shareholders of preferred shares.

Paragraph Two. The General Meeting of holders of redeemable preferred shares as regards forms and terms of call, representation and quorum of installation and resolution, is applied the provisions in clauses 9 and 10 above.

TITLE IV - MANAGEMENT OF THE COMPANY

Section I – Common Provisions

Clause 13. The Company shall be managed by a Board of Directors and by an Executive Board as provided in law and in this Articles of Incorporation.

Paragraph One. The Members of the Board of Directors and of the Executive Board will be assigned to their respective positions by means of signing a term of possession in the proper book, within thirty (30) days following their election and are exempted from posting security in guarantee for their management.

Paragraph Two. From the adhesion by the Company to the segment of the New Market of Bovespa, the possession and vesting of the managers with their respective positions are conditioned (i) to the previous subscription of the of the Managers' Consent Term referring to in the New Market Listing Rule; and (ii) to the adhesion to the Manual of Disclosure and Use of Information and Policy of Negotiation of Securities Issued by the

Company, by means of signing the respective term. The managers shall immediately after their vesting with the position, communicate Bovespa the amount and characteristics of the securities issued by the Company which they are holders of, directly or indirectly, including their derivatives.

Paragraph Three. The members of the Board of Directors and the Executive Board shall, without prejudice to the duties and responsibilities attributed by law to keep all the Company's businesses under confidentiality, and treating as confidential all information of non-public character to which they have access and relate to the Company, its businesses, employees, managers, shareholders or contractors, service providers and suppliers, and shall use such information only in the exclusive and better interest of the Company.

Paragraph Four. The members of the Board of Directors and the Executive Board shall remain in their positions and in the exercise of their functions until the election and possession of their substitutes, except otherwise deliberated by the General Meeting.

Paragraph Five. The General Meeting shall fix individually or globally the compensation of the Company's managers. If it is a global fixation, the Board of Directors shall define the values to be paid individually. The Board of Directors shall also to distribute, if this is the case, the participation in the profits fixed by the General Meeting.

Section II – Board of Directors

Clause 14. The Board of Directors, a body of collegiate resolution, shall be elected and removed at any time by the General Meeting, except for the member indicated by the shareholders holding redeemable preferred shares, which shall be elected and removed in an exclusive General Meeting, and comprising at least five (05) and at the most nine (09) members, all of them shareholders of the Company, residing or not in the Country, with an unified mandate of up to one (01) year, and being allowed to be reelected.

Paragraph One. The General Meeting shall determine through the vote of absolute majority, blank votes not being computed, previously to its election the number of positions of the Board of Directors to be filled in each mandate, observing the minimum of five (05) members and the most of nine (09) members.

Paragraph Two. Apart from the number of members of the Board of Directors, the holders of redeemable preferred shares shall have the right to indicate, jointly, One (01) of their members, through a General Meeting called for this purpose, under the provisions in clause 12 above.

Paragraph Three. The Board of Directors shall have one (01) President and one (01) Vice-President which shall be elected by the absolute majority of votes of the attendants, in the first meeting of the Board of Directors which occur immediately after the possession of such members, or whenever there is a vacancy in those positions.

Paragraph Four. At least twenty percent (20%) of the effective members of the Board of Directors shall be Independent Directors, as defined in paragraphs four and five below.

Paragraph Five. When, due to the compliance with the percent referred to in the above paragraph a fractioned number of directors results, rounding shall be made for the

integer: (i) immediately superior, when fraction is equal or superior to five tenths (0.5), or (ii) immediately inferior, when fraction is inferior to five tenths (0.5).

Paragraph Six. For the purpose of this clause, the term “Independent Director” means the Director who: (i) has not any connection with the Company, except for capital interest; (ii) is not a Controlling Shareholder, spouse or relative up to second grade of that one, or is not or has not been, in the latest three (3)years, linked to the Company or entity related to the Controlling shareholder (people linked to public learning institutions and/or research public institutions are excluded from the restriction); (iii) has not been for the latest three (3)years an employee or a Member of the Company, of the Controlling Shareholder or of a corporation controlled by the Company; (iv) is not a supplier or buyer, direct or indirect, of services and/or products of the Company, in magnitude that implies loss of independence. (v) is not an employee or manager of the corporation or entity which is offering or demanding services and/or products to the Company; (vi) is not a spouse or relative up to second grade of any manager of the Company; (vii) does not receive another remuneration of the Company besides that of a Director (earnings in cash deriving from the participation in the capital are excluded from this restriction).

Paragraph Seven: Independent Directors also include those elected through the provision in §§ 4^t and 5^t of article [4] of Law no. 6,404/76 and the members appointed by the shareholders holding redeemable preferred shares.

Paragraph Eight. The members of the Board of Directors shall remain in their respective positions and in the exercise of their functions until their substitutes are elected and vested with the positions, except if otherwise deliberated by General Meeting.

Clause 15. In case of absence or temporary impairment of a director, the function shall be exercised by another directors assigned by him, and the substituted shall be entitled to, besides his own vote, the vote of the substituted. In case of vacancy in the Director’s position, the Board of Directors shall elect the substitute, which shall serve up to the first General Meeting held. The substitute elected in the General Meeting to fulfill the vacant position shall complete the management term of the substituted directors except for the director indicated by shareholders holding redeemable preferred shares, who shall be elected in a General Meeting. Having the majority of position become vacant, a General Meeting shall be immediately called to proceed to the election of the substitutes which shall complete the mandate of the substituted, except for the director appointed by the shareholders holding redeemable preferred shares.

Sole Paragraph. In case of absence or temporary impairment of the President of the Board of Directors, shall assume the functions of President or Vice-President, In the hypothesis of absence or temporary impairment of the President or Vice President of the Management Council, the functions of the President exercised by another director of the Board of Directors indicated by the President.

Clause 16. The Board of Directors shall meet ordinarily once at each three (3) months and extraordinarily whenever the corporate interests, these Articles of Incorporation and/or law requires it.

Paragraph One. The meetings of the Board of Directors shall be called by the President or its Vice-President or by any (2) two directors acting jointly by means of a written call – through a letter, telegram, fax, electronic mail or any other means of communication

without receipt proof – containing besides the place, date and time of the meeting, the agenda.

Paragraph Two. The calls shall be made with at least three (03) useful days in advance. In case of a justified urgency, the meeting shall be called by the President of the Board of Directors and held without observing the previously referred term, provided the other directors of the Board of Directors are undoubtedly aware of. In any hypothesis, the presence of the totality of the directors of the Board of Directors shall disregard any formality of call.

Paragraph Three. The Board of Directors meetings shall be installed in the first call with the presence of the majority of its directors, and, in a second call, with any number. Once installed, the meetings of the Board of Directors shall be presided by the President of the Board of Directors or by a person assigned by him, which shall invite one of the attendants or the Company's attorney to do the secretarial work of the meeting.

Paragraph Four. The resolutions of the Board of Directors shall be made by means of a favorable vote of the majority of the members present, advanced written votes being accepted, for the purpose of quorum and resolution. The President of the Board of Directors in case of deadlock in voting, shall have the casting vote.

Paragraph Five. In the Board of Directors' meetings directors shall be considered present when they: (i) appoint in writing their substitutes; (ii) attend the meeting by means of teleconference, videoconference or by any other means of communication which provides the other in accordance with see them and/or hear them; or (iii) send the vote in writing; the president of the meeting being vested with powers to sign the respective minutes of the Board of Directors' Meeting in the name of the director not physically present.

Paragraph Six. The meetings held in the form of item (ii) of Paragraph Five above shall be formally held at the Company's headquarters when this is attended by at least one Director or, if this is not the case, in a venue where the President or his substitute is present.

Paragraph Seven. The Board of Directors' meeting agendas shall be executed in their own book, and there being sufficient for the validity of the minutes the signature of how many directors as enough to validate the resolutions made. If these resolutions produce effect against third parties, they shall be filed in the Trade Register and published in the form by law.

Paragraph Eight. The Board of Directors shall admit other participants in their meetings, with the purpose of following the resolutions and/or provide clarifications of any nature, but not being entitled the right to vote.

Clause 17. The Board of Directors has the primordial function of general guidance of the Company's businesses, as well as of controlling and auditing its performance, and it shall also, without detriment to the other competencies attributed to it by law or by these Articles of Incorporation:

- (i) establish the general guidance of the Company's businesses;
- (ii) Elect and remove the Officers of the Company;

- (iii) Assign to the Officers their respective functions, attributions and limits of hierarchy, observing provisions in these Articles of Incorporation;
- (iv) Audit the management of the Officers, examining at any time the books and papers of the Company and requesting information on contracts entered into or ready to be executed and any other actions;
- (v) Deliberate on the call of the General Meeting, when finding convenient, or in case of article 132 of the Business Corporation Act (Law no. 6,404/76).
- (vi) Appreciate the three-monthly results of the Company's operations;
- (vii) Choose and remove independent auditors, observing in this choice the provisions in the applicable legislation. The external audit company shall report to the Board of Directors;
- (viii) Call the independent auditors to provide clarifications considered necessary;
- (ix) Appreciate the Management Report and the Executive Board accounts and deliberate on their submittal to the General Meeting;
- (x) Approve the work plans, annual or pluriannual budgets of the Company and their respective alterations;
- (xi) Evaluate and dispatch to the General Meeting the five-year business plan of the Company;
- (xii) Manifest in advance on any proposal to be submitted to resolution by the General Meeting;
- (xiii) Deliberate on the increase of capital and on the issue of common shares or redeemable preferred shares of the Company, within the limits authorized in the Article 5 of this Articles of Incorporation, fixing the issue conditions, including price and payment term, and it may also exclude (or reduce the term for) the right of preference in the issue of shares, subscription bonus and convertible debentures which placement is carried out by means of selling in the stock exchange or through public subscription or in control purchase public offering under the terms established in law.
- (xiv) Approve and alter the Company's organizational structure;
- (xv) Approve the salary policy of the Company;
- (xvi) Establish and alter the division of the annual global remuneration of the Company's Management fixed and approved by the General Meeting;
- (xvii) Elect the President of the Board of Directors;
- (xviii) Define the triple list of companies specialized in the economic evaluation of companies for the preparation of an evaluation report on the shares of the Company in case of cancellation of the registration of a public-held company leaving the New Market; and

- (xix) Approve the signature of the contracts with one of the partners or companies that have in their stock composition people linked, relatives or connected with one of the partners or participants of the capital of the Company's partners.

Article 18. Without detriment to the other competencies that these Articles of Incorporation attributes to it, the President of the Board of Directors shall (i) represent the Board of Directors in the General Meetings, and (ii) authorize the signing by the Director-President or by the Director Vice-President along with another Director, of a proxy for representation of the Company in actions or law business which demand liability or obligation for the Company superior to five hundred thousand reais (R\$500,000.00) as per Art. 26, paragraph one and paragraph four hereof.

Art. 19 The Board of Directors for their support, may establish the formation of technical and consulting committees with defined purposes and functions, being composed of members of the Company's management bodies or not.

Sole Paragraph. The Board of Directors shall establish applicable rules to committees, including rules composition, management term, remuneration, operation, scope and action field.

Section III - Executive Board

Art. 20. The Executive Board shall comprise up to ten (10) members, chosen among professionals recognized trustworthiness and technical capacity residing in the Country, elected and removable, at any time by the Board of Directors, being authorized accumulation of functions by one same Officer, and there being assigned one (01) Director President, one (01) Director Vice-President, one (01) Director for New Business, one (01) Director for Corporate Management, one (01) Director of Investors Relations, one (01) Legal Director, one (01) Technical Planning Director, one (01) Operation and Maintenance Director and up to two (02) Assistant Directors.

Sole Paragraph. The mandate of the Board of Directors' members shall be up to three (03) years and they may be reelected.

Art. 21. When there is a vacancy in the Board of Directors, it as a collegiate may appoint, among its members, a substitute who shall temporarily accumulate the functions of the substituted, this temporary substitution remaining until the definitive fulfillment of the position to be decided by the first Board of Directors' meeting held, which shall occur within a maximum thirty (30) day term after such vacancy, acting as a substitute then elected up to the end of Executive Board' mandate.

Sole Paragraph. Officers may not leave the exercise of their functions for more than thirty (3) calendar consecutive days under penalty of losing the mandate, except in case of a license granted by the very Executive Board.

Art. 22. The Executive Board shall meet whenever the corporate interests thus require, by means of a call made by the Director President, independently, with three (03) useful days in advance, through a letter, telegram, fax, electronic mail or any other means of communication with receipt proof, disregarding these formalities when the totality of its members attend the meeting.

Paragraph One. The Executive Board Meetings shall only be effectively held with at least the presence of the majority of its members and there shall be considered valid the resolutions made by the majority of votes of the attendants, being presided by the Director President, or by a person appointed by him, and it may be held out of the headquarters, when convenient. In the hypothesis of deadlock in the resolutions, the Director President shall be entitled the casting vote.

Paragraph Two. In his absences or impairments, the Director President shall be replaced by the Director Vice-President and in the absence of the latter by the Corporate Management Director.

Paragraph Third. In the Executive Board's meetings, there shall be considered as attendants the officers which: (i) assign in writing substitutes; (ii) attend the meeting by means of teleconference, videoconference or any other means of communication which makes it possible to the other officers to see and/or hear them; or (iii) send the vote in writing; the present of the meeting being vested with powers to sign the respective minutes of the Executive Board's Meeting in the name of the officer who is not physically present.

Paragraph Four. In the end of each meeting, a minutes shall be executed which shall be signed by all Officers physically present in the meeting, and it being further transcribed in the Executive Board's Minute Record Book. Votes proclaimed by the Officers that remotely attend the Executive Board's meeting or which have manifested themselves in the form of paragraph 3 of this article, shall be equally included in the Executive Board's Minute Record Book, and a copy of the letter, fax or electronic message, as the case may be, containing the Officer's vote, being attached to the Book soon after the minutes transcription.

Art. 23. Observing the limits established by this Articles of Incorporation and the other attributions that General Meeting and the Board of Directors grant to them, the Officers shall have an active and passive representation of the Company, and they shall:

- (a) contract, interfere, contract obligations, renounce, waive, sign agreements, undertake commitments, make loans and financing, alienate, acquire, mortgage or in any mode, encumber properties of the Company and of its subsidiaries, securities, estates and other rights, respecting the provisions and limitations of these Articles of Incorporation.
- (b) accept, withdraw, confirm and validate exchange documents, duplicate invoices, checks, promissory notes and any other credit deeds that imply responsibility for the company, respecting the provisions and limitations of these Articles of Incorporation.
- (c) Admit and dismiss employees, obeying the directions of the Board of Directors, if it is the case, the relevant rules, including the personnel regime of the Company.
- (d) Open, operate and close banking and investment accounts;
- (e) Draw up annual or pluriannual business plans and budget of the Company and submit them to the Board of Directors.

- (f) Deliberate on the proposition of any administrative or judicial proceeding, arbitral proceeding or other form of resolution of extrajudicial disputes;
- (g) Deliberate on the adoption of strategies on behalf of the Company before any government body and possible changes of position;
- (h) Deliberate on the exercise of vote on behalf of the Company in the deliberations of its subsidiaries;
- (i) Represent the Company, actively and passively, in court or out of it, respecting the provisions and limitations provided in these Articles of Incorporation; and
- (j) Exercise other legal attributions or the ones it is assigned to by the Board of Directors or which are provided in internal policies and rules of the Company.

Art. 24. It is the responsibility of:

- (i) the Director President;
 - (a) submit to approval of the Board of Directors the work plans, business plans and annual or pluriannual budgets, the investment plans and the new expansion programs of the Company and of its subsidiaries, promoting their execution in the terms approved;
 - (b) formulate operational strategies and guidelines of the Company, and establish criteria for the execution of the resolutions of both the General Meeting and the Board of Directors with the participation of the other officers;
 - (c) exercise the supervision of all activities of the Company, coordinating the development of the normal activities of the Company and observing compliance with the Law, this Articles of Incorporation, the resolutions of the Board of Directors and the General Meeting;
 - (d) keep the members of the Board of Directors informed of the activities of the Company and of its subsidiaries, as well as of the progress of their operations;
 - (e) guide, coordinate and supervise the activities of the other Officers, calling and presiding the Executive Board's meetings;
 - (f) conduct the general policy and management of the Company, as directed by the Board of Directors;
 - (g) arrange for the preparation and submit to the Board of Directors the report of the Executive Board and the financial statements of each fiscal year, followed by the report of independent auditors, as well as the proposal of application of profits assess in the previous year;
 - (h) exercise the other attributions assigned to him by the Board of Directors or by the General Meeting; and

- (i) represent the Company before technical and/or regulating agencies of the energy market.
- (ii) The Director Vice-President:
 - (a) replace the Director-President when he is absent or impaired in the assignments assigned to him by Law, by these Articles of Incorporation and by the Board of Directors.
- (iii) The Corporate Management Director:
 - (a) follow and coordinate the management-financial and support areas of the Company;
 - (b) evaluate the performance and the results of the finance areas in accordance with the goals established;
 - (c) draw up management information of the Company; and
 - (d) draw up and provide mandatory information to the Securities Commission and to stock exchange companies, and, if this is the case, to the over-the-counter markets organized with which the Company is registered, whether national or international.
- (iv) the New Business Director
 - (a) evaluate the potential of new businesses;
 - (b) plan, execute and manage the trade activities of the Company, in the domestic and foreign markets;
 - (c) establish relations for the development of the Company's activities; and
 - (d) participate in the establishment and management of guidelines and policies for the development of new businesses on behalf of the Company.
- (v) Legal Director;
 - (a) direct subjects of the Company's legal area;
 - (b) suggest and coordinate the preparation of legal opinions on the Company's strategic positionings;
 - (c) follow the progress of the management and judicial actions which in some way may impact the Company; and
 - (d) follow the regulation of the power sector, mainly as to the activities of generation and commercialization of power, evaluating the possible legal impacts on the Company.
- (vi) Director of Relation with Investors:

- (a) plan, coordinate and guide the relationship and communication among the Company and its investors, the Securities Commission and the entities where the Company's securities received for negotiation;
 - (b) propose guidelines and rules for the relation with the Company's investors;
 - (c) observe the requirements established by the legislation of the capital market in effect, disclosing to the market the relevant information on the Company and its business; and
 - (d) provide information to the investing public, to the Securities Commission and to the Stock Exchange and if this is the case, the over-the-counter market organized with which the Company is registered, whether national or international.
- (vii) Technical Planning Director:
- (a) define the specification of electric power generation projects.
- (viii) Operation and Maintenance Director:
- (a) coordinate the building of plants; and
 - (b) coordinate the operation and maintenance of generation plants.
- (ix) Assistant Directors:
- (a) assist to other members of the Executive Board in specific projects they are assigned to.

Art. 25. In compliance with the provisions in these Articles of Incorporation, other powers and attributions of Officers may be established by the Board of Directors.

Art. 26. The representation of the Company in court or out of it, actively and passively, in any other legal actions or businesses that require liability or obligation for the Company in up to five hundred thousand reais (R\$500,000.00) or which exonerate the Company from obligations with third parties shall be mandatorily practiced by:

- (a) two Directors, together, always being one of them the Corporate Management Director, the Director President or the Director Vice-President; or
- (b) One proxy along with the Corporate Management Director, or the Director President or the Director Vice-President.

Paragraph One. The representation of the Company, in court or out of it, actively and passively, in any legal actions or businesses that require liability or obligation for the Company superior to five hundred thousand reais (R\$500,000.00) shall be mandatorily practiced by:

- (a) the Director President along with the Director Vice-President; or

- (b) the Director President or the Director Vice-President along with a proxy with specific powers granted in the form of paragraph four hereof.

Paragraph Two: In meetings of shareholders, quotaholders or partners, as the case may be, the corporations in which the Company participate, the Company shall be represented by two Directors, together, and at least one of them shall be the Director President or the Director Vice-President.

Paragraph Three. In compliance with the provision in paragraph five hereof, powers of attorney shall be granted in the name of the Company by the joint signature of two (02) Officers, being always at least one of the Director President or the Director Vice-President or the Corporate Management Director, and powers granted shall be specified and, except for the proxies for judicial purposes, they shall be valid for one (01) year at the most.

Paragraph Four. The powers of attorney for representation of the Company in legal actions or business that require liability or obligation for the Company superior to five hundred thousand reais (R\$500,000.00) shall be granted:

- (a) by the joint signature of the Director President and the Director Vice-President, or
- (b) by the signature of the Director President or the Director Vice-President along with any other Officer, by means of previous authorization in writing of the President of the Board of Directors.

Paragraph Five. Actions of any of the Directors or proxies that imply obligations related to foreign business and/or operations foreign to the corporate purpose such as suretyships, accommodations and indorsements or any other guarantees in favor of third parties are expressly prohibited, being null and inoperative in relation to the Company.

Paragraph Six. The hierarchic levels established in this Articles of Incorporation were defined on the base date of January 2008, there being foreseen their annual updates, always in the months of January based on the Accumulated IGP-M of the previous month.

TITLE V – SHAREHOLDERS' AGREEMENT

Art. 27. The Company shall observe the shareholders' agreements filed in its headquarters in the form of article 118 of Law no. 6,404/76, it being expressly prohibited to the components of the board of the General Meeting or of the Board of Directors to accept declaration of vote of any shareholder, signatory of the shareholders' agreement duly filed in the corporation headquarters, which has been proclaimed not in compliance with what has been adjusted in the referred agreement, and it is also expressly prohibited to the company to accept and proceed the transfer of shares and/or to encumbrance and/or assignment of preference rights to the subscription of shares and/or of other securities which do not respect what is provided and regulated in the shareholders' agreement.

TITLE VI – AUDIT COMMITTEE

Art. 28. The Company's Audit Committee shall operate in a non-permanent character and, when established, it shall comprise three (03) effective members and an equal number of substitutes, shareholders or not, elected and removable at any time by the General Meeting, except for the member appointed by shareholders holding redeemable preferred shares, who shall be elected in the General Meeting. The Company's Audit Committee shall be organized, installed and compensated in accordance with the legislation in force.

Paragraph One. The holders of redeemable preferred shares shall have the right of appointing together one (01) member of the Audit Committee, through the General Meeting specially called for this purpose under the terms of the above Article 12.

Paragraph Two. The possession of the members of the Audit Committee shall take place by means of a signature of the respective instrument, in the proper book, and as of the adhesion of the Company to the segment of the Bovespa New Market, which shall be conditioned to the subscription of the Consent Term of the Audit Committee Members provided in the Bovespa New Market Rule.

Paragraph Three. As of the adhesion by the Company to the Bovespa New Market segment, the members of the Audit Committee shall further immediately after the possession of the position, communicate Bovespa the quantity and the characteristics of the securities issued by the Company which they are holders, directly or indirectly, including derivatives.

Paragraph Four. The Audit Committee members shall be replaced in their absences and impairments by the respective substitute.

Paragraph Five. When there is a vacancy in the position of member of the Audit Committee, the respective substitute shall occupy his place. If there is not a substitute, the General Meeting shall be called to carry out the election of a member to the vacant position, except for a member appointed by the shareholders holding redeemable preferred shares, who shall be elected in a General Meeting.

Paragraph Six. The individual who keeps a link with a company considered a competitor of the Company may not be elected to the position of member of the Company's Audit Committee, and it being prohibited, among others, the election of the individual that: (a) is employed by, a shareholder of, or a member of the management body, a technician or an auditor of a competitor or of a controlling or controlled shareholder of the competitor; (b) is spouse or relative up to 2nd degree of a member of the management body, technician or auditor of a competitor or of controlling or controlled shareholder of a competitor.

Paragraph Seven. In case any shareholder wants to appoint one or more representative to join the Audit Committee, who has not been a member or members of the Audit Committee in the period following the last Common General Meeting, such shareholder shall notify the Company in writing with ten (10) useful days in advance in relation to the date of the General Meeting which shall elect the Members, informing the name, qualification and complete professional curriculum of the applicants.

Art. 29. When established, the Audit Committee shall meet as provided by law whenever required and shall analyze at least on a three-month basis the financial statements.

Paragraph One. Apart from any formalities, a meeting shall be considered regularly called when the totality members of the Audit Committee attend it.

Paragraph Two. The Audit Committed manifests itself by the absolute majority of votes, the majority of its members being present.

Paragraph Third. All resolutions of the Audit Committee shall be included in the minutes executed in the respective book of Minutes and Opinions of the Audit Committee and signed by the Members present.

TITLE VII – FISCAL YEAR, FINANCIAL STATEMENTS AND RESULT

Art. 30. The fiscal year begins on January 1st and ends on December 31st of each year, when the Company's financial statements are drawn up in accordance with the Bovespa New Market Regulation and the legal provisions applied. From the result of the year, before the calculation of the employees' and managers' interests possible accumulated losses and the reserve for the income tax will be deducted.

Paragraph One. By resolution of the Board of Directors, six-month, three-month or shorter period financial statements may be drawn up and intermediate dividends may be stated observing provision in the articles below.

Paragraph Two. The Company and the Managers may, at least once a year, hold a public meeting with analysts and any other people interested, to disclose information as to the economic-financial status, projects and perspectives of the Company.

Art. 31. Along with the financial statements, the management shall submit to the Common General Meeting a proposal of destination of the net profit, observing the following order of deduction: (a) five percent (5%), at least, for the Legal Reserve constitution, until reaching twenty percent (20%) of the capital. In the fiscal year where the legal reserve balance added with the amount of the capital reserves, addressed in paragraph one of article 182 of the Business Corporation Act, exceeds thirty percent (30%) of the capital, the destination of part of the net profit of the fiscal year to the legal reserve shall not be mandatory; (b) from five percent (5%) to fifty percent (50%) for the constitution of the Reserve for Preferred Share Redemption and/or Payment of Dividends, in the terms of Article 32, below: (c) from five percent (5%) to seventy-five percent (75%) for constitution of an Investment Reserve and Working Capital, intended for the financing of operations and investments of its subsidiaries or affiliated companies, being that the reserve is intended to ensure investments in permanent asset properties or working capital increments, including through the amortization of debts, apart from profit retentions linked to the capita budget, and its balance may be utilized in the absorption of losses, whenever necessary, in the distribution of dividends, at any moment, in redemption, reimbursement or share purchase operations, authorized by law, or in incorporation into the capital, including by means of premiums in new shares; and (d) at least twenty-five percent (25%) of the net profit adjusted in the terms of article 202 of Law no. 6,404 of 12.15. 1976 (with the new text provided by Law no. 10,303 of 10.31.2001), by way of mandatory dividend, attributing to the mandatory dividend the dividends and interests on the own capital paid in advance during the year

per resolution of the Board of Directors. The constitution of the reserves indicated in item (b) and (c) above shall not impair the right of the shareholders to receive the payment of the mandatory dividend provided in item (d) above.

Paragraph One. The Common General Meeting or the Board of Directors as the case may be may attribute to the managers or employees an interest in the profits according to the cases, form and legal limits.

Paragraph Two. The Company may state and pay interests by way of compensation of own capital in the form of article 9 of Law 9,249 of 12.26.1995, which shall be attributed to the mandatory dividend value addressed in section “c” of the caput of this article, as provided in § 7 of article 9 of the referred law.

- (i) In case of credit recording of interests to shareholders during the fiscal year and the attribution of the same to the mandatory dividend value, it shall be ensured to the shareholders the payment of a possible remaining balance. In the hypothesis of the dividend value be inferior to what they have been credited, the Company shall not charge the shareholders the exceeding balance.
- (ii) The effective payment of interests on own capital, with credit recording taking place during the fiscal year, will be made by resolution of the Board of Directors, during the fiscal year or in the next fiscal year.

Paragraph Three. The distribution provided in the caput of this article 31 being met, the balance shall have the destination approved by the General Meeting after the Board of Directors and the Audit Committee being heard, respecting the applicable legal provisions.

Paragraph Four. Dividends stated shall be paid within the legal terms, only being levied on inflation adjustment and/or interests through express determination of the General Meeting and, if not claimed for within a three (3) year period as of the resolution which authorized their distribution, shall prescribe in favor of the Company.

Art. 32. The Reserve for Preferred Share Redemption and/or Payment of Dividends, to which there shall be destined from five percent (5%) to fifty percent (50%) of the net profit of the fiscal year, shall have as a limit the total value of the redeemable preferred shares redemption.

Art. 33. The Company, by resolution of the Board of Directors may: (a) distribute intermediate dividends to the assess profit account in the financial statements surveyed in accordance with paragraph one of article 30 of these Articles of Incorporation, by way of advancement of the mandatory dividend provided in letter “d” of article 31 of these Articles of Incorporation, observing the legal provisions; and (b) distribute intermediate dividends on the account of accumulated profits; or of existing profit reserves in the last annual or three-month financial statement.

TITLE VIII – CANCELLING OF REGISTRATION OF A PUBLIC-HELD COMPANY

Art. 34. The cancelling of registration of a public-held company shall be preceded by the public offering of shares purchase to be accomplished by the Controlling Shareholder or by the Company, having as the minimum price the economic value assessed by means

of the evaluation opinion, in the form of article 35 below, observing the provision in art. 44 in case of Diffuse Control.

Paragraph One. In compliance with the other terms of the Bovespa New Market Rule and the legislation in force, the public offering for cancelling of registration may provide also the exchange for securities of other public-held companies to be accepted at the discretion of the party receiving the offer.

Paragraph Two. Cancelling may be preceded by an Extraordinary General Meeting in which such cancelling is specifically deliberate.

Paragraph Three. For the purpose of the provision in these Articles of Incorporation, it is understood by:

- (a) "Alienating Controller Shareholder": The Controlling Shareholder, when he promotes the the Company's control alienation;
- (b) "Controlling Shareholder": the shareholder or group of shareholders linked by voting agreement or under common control that exercise the Company's Control Power;
- (c) "Control Shares": group of shares that ensures directly or indirectly to their holders the individual and/or shared exercise of the Company's Control Power;
- (d) "Shares in Circulation": all shares issued by the Company except for those held by the Controlling Shareholder, by individuals bound to him, by the Company's managers and those kept in treasury;
- (e) "Alienation of Control": the transfer to a third party, by onerous title, of Control Shares;
- (f) "Purchaser": the individual to whom the Alienating Controlling Shareholder transfers the Power of Control in one Control Alienation of the Company;
- (g) "Diffuse Control": means the Control Power exercised by a shareholder holding less than fifty percent (50%) of the capital, as well as by a group of shareholders which are not signatories of vote agreement and which are not under common control and does not act representing a common interest.
- (h) "Control Power": means the power actually used of directing the corporate activities and guiding the operation of the Company's bodies, direct or indirectly, in fact or of right. There is the relative presumption of ownership of control in relation to the individual or group of individuals bound by agreement of vote or under common control which hold shares that have entitled it the absolute majority of votes of the shareholders present in the three last General Meetings of the Company, even if it does not hold shares that ensure the absolute majority of capital; and
- (i) "Controller Consent Term": The term by which the new Controlling Shareholders or shareholder(s) that join(s) the controlling group of the Company personally undertake to subject to and act in accordance with the New Market Participation Agreement, with the New Market Listing Rule, with the Commitment Clause,

including in art. 44, and with the Arbitral Rule, as per model included in the New Market Listing Rule.

Art. 35. The evaluation report shall be drawn up by a specialized company, with proven experience and independence as to the decision making power of the Company, of their managers and relevant shareholders, observing the requirements of paragraph 1 of article 8 of the Business Corporation Act, and including the responsibility provided in paragraph 6 of the same article.

Paragraph One. The choice of the specialized company responsible for the determination of the economic value of the Company shall be made exclusively by the General Meeting as of the submittal by the Board of Directors of a triple list and the respective resolution shall, not computing the blank votes, be made by the majority of votes of shareholders representing Outstanding shares attending that meeting which, if installed in first call, shall count with the presence of shareholders that represent at least twenty percent (20%) of the totality of the Outstanding shares or if installed in a second call it may count with the presence of any number of shareholders representing Outstanding shares.

Paragraph Two: The costs incurred with the preparation of the evaluation report shall be fully born by the supplier.

Art. 36. When the market is informed of the decision to cancel the registration of a public-held company, the supplier shall disclose the maximum value per share or lot thousand shares through which he shall formulate the public offering.

Paragraph One. The public offering shall be conditioned to the value assessed in the evaluation report not being superior to the value disclosed by the supplier.

Paragraph Two. If the economic value of the shares, assessed in the form of article 35 is superior to the value informed by the supplier, the decision of cancelling the registration of a public-held shall be automatically revoked, except if the supplier expressly agrees to formulate the public offering at the economic value assessed, and the supplier shall disclose to the market the decision adopted.

Paragraph Three. The procedure for the cancellation of the Company's public-held company registration shall meet the other requirements established in the rules applied to the public-held companies and the precepts included in the New Market Listing Rule.

TITLE IX – LEAVING THE NEW MARKET

Art. 27. The Company's leaving the New Market shall depend on the approval in General Meeting by majority of votes of the shareholders present and shall be communicated to the São Paulo Stock Exchange – BOVESPA in writing within thirty (30) days in advance.

Paragraph One. In order that the shares of the Company have the registration for negotiation out of the New Market, the Controlling Shareholder shall carry out the public offering for the purchase of shares belonging to the other shareholders of the Company, at least, at the economic value assessed in the evaluation report drawn

up under the terms of article 35 of these Articles of Incorporation, observing the provisions in art. 43 in case of Diffuse Control.

Paragraph Two. In case of the Company's leaving the New Market takes place in virtue of the operation of a corporation recovery, in which the resulting corporation is not admitted for negotiation in the New Market, the Controlling Shareholder shall also carry out the public offering of acquisition of shares belonging to the other shareholders of the Company, in the minimum value equivalent to the economic value assessed in the evaluation report drawn up in the provisions of article 35 of this Articles of Incorporation, respecting the legal rules and regulations applied, observing the provision in art. 43 in case of Diffuse Control.

Art. 38. The alienation of the Company's Control Power that takes place within the twelve(12) months following its leaving from the New Market shall oblige the Alienating Controlling Shareholder, jointly and severally with the Purchaser, to offer to the other shareholders the purchase of his shares at the price and conditions obtained by the Alienating Controlling Shareholder in the alienation of his own shares, duly updated, observing the same rules applicable to the alienations of control provided in Title X of these Articles of Incorporation.

Paragraph One. If the price obtained by the Alienating Controlling Shareholder in the alienation referred in the caput of this article 38 is superior to the value of the public offering of leaving carried out in accordance with the further provisions of these Articles of Incorporation, the Alienating Controlling Shareholder, jointly and severally, with the Purchaser shall pay the difference of the value assessed to the acceptors of the respective public offering, in the same conditions provided in the caput of t his article 38.

Paragraph Two. The Company and the Controlling Shareholder shall amend to the registration in the Company's Share Registration Book as to the shares owned by the Controlling Shareholder, the onus that obliges the Purchaser of those shares to extend to the other shareholders of the Company the price and payment conditions identical to those that have been paid to the Alienating Controlling Shareholder in case of alienation in the form provided in the caput and in Paragraph One above.

TITLE X – ALIENATION OF THE CONTROL POWER

Art. 39. The alienation of the Company's Control Power whether by means of one sole operation and by means of successive operations shall be contracted under suspension or resolution condition, that the Purchaser of the Control Power shall accomplish observing the conditions and terms provided in the legislation in force and in the New Market Listing Rule, the public offering of the acquisition of shares of the other shareholders, in order that they are ensured equal treatment as that of the Alienating Controlling Shareholder and also observing the procedures established by Bovespa and by the Securities Commission – CMB.

Art. 40. The public offering referred to in art. 39 also may be accomplished:

- (a) when there is an onerous assignment of share subscription rights and of other titles or rights related to securities convertible into shares that may result in the Company' Control Alienation; and

- (b) in case of the Corporation's control alienation that bears the Company's Control Power, being that, in this case, the Alienating Controlling Shareholder shall state to the São Paulo Stock Exchange – BOVESPA the value attributed to the Company in this alienation and attach documentation that prove this value.

Art. 41. The individual that already holds the Company's shares and purchases its Control Power, in reason of a share purchase and sale particular agreement entered into with the Controlling Shareholder, involving any amount of shares, shall:

- (a) carry out the public offering referred to in art. 39;
- (b) compensate the shareholders who have bought shares in the stock exchange in the six (6) months prior to the date of the Control Alienation, to whom he shall pay the difference between the price paid to the Alienating Controlling Shareholder and the value paid in the stock exchange for shares of the Company in this period, duly updated; and
- (c) make the proper arrangements to recompose the minimum percentage of twenty-five percent (25%) of the totality of the Outstanding Shares of the Company within the six (6) months following the acquisition of the Control Power.

Art. 42. The Company shall not register (i) any share transfer to the Control Power Purchaser, or to those that will hold the Control Power, while the latter do not subscribe the Controllers' Consent Term; or (ii) any Shareholder Agreement that provides for the exercise of the Control Power without their signatories having subscribed the Controllers' Consent Term.

TITLE XI – DIFFUSE CONTROL

Art. 43. In the hypothesis of not having the Diffuse Control:

- (a) whenever it is approved in General Meeting, the cancelling of registration of a public-held company, the public offering of share acquisition shall be accomplished by the very Company, being that, in this case, the Company may only acquire the shares owned by shareholders that have voted in favor of the cancellation of the registration in the resolution in General Meeting after having purchased the shares of the of the other shareholders that have not voted in favor of the referred resolution and have accepted the referred public offering; and
- (b) whenever it is approved in General Meeting the leaving of the Company from New Market, whether by registration for negotiation of shares out of the New Market or by corporate recovery in which the corporation's shares resulting from such recovery are not admitted for negotiation in the New Market, although without the cancellation of the registration of the public-held company, the public offering for the purchase of shares shall be carried out by the shareholders that had voted in favor of the respective resolution in General Meeting.

Art. 44. In case of Diffuse Control, if the Stock Exchange of São Paulo – BOVESPA determines that the quotations of securities issued by the Company are disclosed in separate or that the securities issued by the Company have their negotiation suspended in the New Market in reason of non-fulfillment of obligations of the New Market Listing Rule, the President of the Board of Directors or the Vice-president of the Board of

Directors shall call, in up to two (2) days from the resolution, being computed only the days on which there is circulation of newspapers commonly utilized by the Company, an Extraordinary General Meeting for the replacement of the whole Board of Directors .

Paragraph One. In case the Extraordinary General Meeting referred to in the caput of this art. 42 is not called by the President of the Board of Directors or by the Vice-President of the Board of Directors within the term established, it may be called by any shareholder of the Company.

Paragraph Two. The new Board of Directors elected in the Extraordinary General Meeting referred to in the caput and in the previous paragraph of this art. 44 shall cure the non-fulfillment of the obligations determined in the New Market Listing Rule in the shortest possible term or in a new term granted by the Stock Exchange of São Paulo – BOVESPA for this purpose, whichever shortest.

Art. 45. In case of a Diffuse Control, if the leaving of the Company from the New Market takes place in reason of non-fulfillment of the obligations of the New Market Listing Rule deriving from:

- (a) resolution in General Meeting, the public offering for the purchase of shares shall be carried out by the share holders that have voted in favor of the resolution that implies this non-fulfillment; and
- (b) action or fact of management, the Company shall carry out the public offering for the acquisition of shares for cancellation of the public-held company registration directed to all shareholders of the Company. In case it is deliberated in General Meeting for the maintenance of the public-held company registration of the Company, the shareholders that have voted in favor of this resolution shall carry out the public offering for the purchase of the totality of the shares of the other shareholders.

TITLE XII – ARBITRATION COURT

Art. 46. The Company, its current and future shareholders, managers and members of the Audit Committee, shall resolve by means of arbitration under the terms of the BOVESPA's Market Arbitration Chamber Rule ("Arbitration Rule") , any and all dispute or controversy that may arise among them, related to or arising out of the application, validity, efficiency, interpretation, violation and its effects, of the provisions in Law no. 6,404/76 in the Articles of Incorporation of the Company, in the rules edited by National Monetary Council, by the Central Bank of Brazil and by the Securities Commission, as well as in the other rules applied to the operation of the capital market in general, besides those included in the Arbitration Rule.

Paragraph One. The Brazilian law is the only one applicable to any and all controversy, as well as to the execution, interpretation and validity of the present arbitration clause. The Arbitration Court shall be composed by arbitrators chosen in the form established in article 7.8 of the Arbitration Rule. The arbitration procedure shall take place in the city of Rio de Janeiro, state of Rio de Janeiro, where the arbitration decision will be proclaimed. The arbitration shall be managed by the very Market Arbitration Chamber, being conducted and judged in accordance with the pertinent provisions of the Arbitration Rule.

Paragraph Two. Without detriment to the validity of this arbitration clause, any of the parties of the arbitration procedure shall have the right to appeal to the Judicial Branch with the purpose of, if and when necessary, require provisional remedies of protection of rights, whether in arbitration proceeding already established or not yet established, being that, as soon as any remedy of this nature is granted, the jurisdiction for the decision of merits shall be immediately returned to the arbitration court established or to be established.

TITLE XIII – LIQUIDATION

Art. 47. The Company shall dissolve and enter liquidation in cases provided in law, and the General Meeting shall establish the way of liquidation, assign a liquidator, determine his powers and compensation, and the Audit Committee which shall operate in the liquidation period.

TITLE IX – TRANSITORY PROVISIONS

Art. 48. The following provisions of the Articles of Incorporation of the Company – the articles of Titles VIII, IX, X and XI, besides the provision in Article 11 (r) and in Article 30, Paragraph Two – shall only be effective as of the date on which the Company publishes the Announcement of the Start of Primary Public Distribution of Shares, referring to the first public distribution of common shares issued by the Company.

It is in accordance with the original executed in the proper book.

[contains signature]

Carlos Henrique Figueiredo

Secretary

[contains seal of the JUNTA COMERCIAL DO ESTADO DO RIO DE JANEIRO]