



EQUATORIAL ENERGIA S.A.
Corporate Taxpayers ID (CNPJ/MF) 03.220.438/0001-73
Company Registry ID (NIRE) 2130000938-8
Publicly-Held Company

**MINUTES OF THE ANNUAL AND EXTRAORDINARY GENERAL
MEETINGS HELD ON APRIL 29, 2010**

1. DATE, TIME AND VENUE: on April 29, 2010, at the Company's headquarters, at Alameda A, Quadra SQS, no. 100, Loteamento Quitandinha, Altos do Calhau, CEP 65.071-680, São Luís, MA, at 10:00 a.m.

2. CALL: the terms and conditions (call notice) for calling the meeting, dated April 14, 2010, was published on April 14, 15 and 16, 2010, in the newspapers: "Valor Econômico", "O Estado do Maranhão" and the "Diário Oficial in the State of Maranhão".

3. QUORUM AND ATTENDANCE: Shareholders were present representing 71.29% of the total voting shares, as shown by the signatures in the shareholders' presence book. Also present, Mr. Eduardo Haiama, Chief Financial and Investor Relations Officer of the Company; Mr. Fellipe Franco Rosman, representing Apsis Consultoria Empresarial Ltda.; Mr. Marcelo Sousa Monteiro, member of the Company's Fiscal Council; and Mrs. Adriana Rodrigues Pereira da Silva, representing KPMG – Auditores Independentes, independent auditors of the Company.

4. PRESIDING: Chairman: Carlos Augusto Leone Piani; Secretary José Silva Sobral Neto.

5. DOCUMENTS FILED AT THE HEADQUARTERS: a) call notice of the meeting, dated April 14, 2010, published on April 14, 15 and 16, 2010, in the newspapers: "Valor Econômico", "O Estado do Maranhão" and the "Diário Oficial (Daily State Register) in the State of Maranhão"; b) warning subject of Article 133 of Law no. 6,404/76, dated March 29, 2010, published on March 29, 30 and 31, 2010, in the newspapers: "Valor Econômico", "O Estado do Maranhão" and the "Diário Oficial (Daily State Register) in the State of Maranhão"; c) proposal made by the Company's management regarding items included in the agenda at the ordinary and extraordinary shareholders' meetings, published on April 14, 2010 in accordance with CVM Instruction no. 481, of December 17, 2009, to which the following documents are attached, and that will also be filed at the headquarters: Annex I – comments by Company management about the Company's financial situation, in the terms of item 10 of the reference form, as required by Article 9 of CVM Instruction no. 481, of December 17, 2009, Annex II – proposal for destination of the Company's net income related to the fiscal year ending on December 31, 2009, in the terms of Annex 9-1-II of CVM Instruction no. 481, of December 17, 2009, Annex III – proposal for the compensation of the Company's managers and members of the fiscal council and other information relative to the referred material, as required in Article 12 of CVM Instruction no. 481, of December 17, 2009, Annex IV – information related to the candidates being considered to integrate the Company's Fiscal Council in the 2010 fiscal year, as required in Article 10 of CVM Instruction no. 481, of December 17,

2009, Annex V – proposal and justification of the partial spin off of the Company, drawn up by the Management on April 9, 2010, for which the following documents are attached, and that are also filed at the headquarters: Annex 1 – information of interest to related party, Annex 2 – the Company’s balance sheet as of December 31, 2009, Annex 3 – information about the choice of appraisal company, Annex 4 – report on the valuation of the Company’s net equity, Annex 5 – information about the reduction in the Company’s share capital, Annex 6 – information about the alteration in the Company’s social bylaws and minutes of its bylaws after the partial spin off, Annex 7 – minutes of the bylaws of a new corporation, and Annex 8 – assets and liabilities to be transferred to the new corporation, Annex VI – minutes of the Company’s Fiscal Council meeting held on April 13, 2010, at which the Fiscal Council approved the partial spin off of the Company and all the other actions related to this operation at the extraordinary general meeting, Annex VII – information related to candidates to integrate the Board of Directors and the Fiscal Council of the new corporation, as required in Article 10 of CVM Instruction no. 481, of December 17, 2009, Annex VIII – proposal for the compensation of the Company’s managers and members of the fiscal council in the new corporation and other information related to the referred material, as required in Article 12 of CVM Instruction no. 481, of December 17, 2009; d) the Company’s financial statements related to the financial year ending on December 31, 2009, and published on March 30, 2010 in the newspapers: “Valor Econômico”, “O Estado do Maranhão” and the “Diário Oficial (Daily State Register/Gazette) do Estado do Maranhão”, together with Company’s management report about its social business and main administrative facts related to the fiscal year ending on December 31, 2009 and the independent auditor’s report; e) minutes of the Company’s Fiscal Council meeting held on March 24, 2010, at which the Fiscal Council approved the financial statements, the annual management report and independent auditor’s report for the ordinary general meeting; f) minutes of the Company’s Board of Directors’ meeting held on March 26, 2010, at which the submission of the Company’s financial statements and the proposals for the destination of net income was approved for deliberation at the ordinary general meeting, and determining the global annual compensation of the Company’s managers in the 2010 financial year; g) minutes of the Company’s Board of Directors held on December 23, 2009, when the Company’s directors approved management’s proposal related to the payment of interest on own capital to shareholders; h) minutes of the meetings of the Company’s Board of Directors held on May 7, 2009, July 9, 2009, September 3, 2009, December 3, 2009, January 6, 2010 and March 4, 2010, when share capital increases in the company were verified due to the exercising of stock options within the scope of the Third Plan for the Purchase of Stock Options, approved at the Company’s Extraordinary General Meeting held on October 16, 2008; i) minutes of the meetings of the Company’s Board of Directors held on April 13, 2010, at which the submission of the proposal and justification for the partial spin off of the Company and all the other actions related to this operation at the extraordinary general meeting were approved; and j) copies of the statements of the candidates to be nominated to the Board of Directors of the new corporation in accordance with Article 2 of CVM Instruction no. 367, of May 29, 2002.

6. AGENDA: In accordance with the terms and conditions (call notice) for calling the meeting, the agenda is: **(a) AGM: (a.1)** take the management accounts, examine, discuss and vote on the Company’s financial statements, the Independent Auditor’s report and the Company’s Fiscal Council report on the financial year ending on December 31, 2009; **(a.2.)** discuss the destination of net earnings in the financial year

ending on December 31, 2009; **(a.3.)** discuss the payment of dividends; **(a.4.)** determine the global annual compensation to be paid to management, and discuss the proposal approved by the Company's Board of Directors at the meeting held on March 26, 2010; **(a.5.)** discuss the installation and work of the Company's Fiscal Council during 2010, the election of its respective members and determine their compensation; and **(b) EGM:**

(b.1.) recognize the Company's capital increase resulting from the exercising of the Stock Option Plan, in the terms approved at the Company's Board of Directors' meeting held on March 4, 2010; **(b.2.)** examine, discuss and vote on the proposal and justification for the partial spin off of the Company, as drawn up by Company management on April 9, 2010 and approved by the Company's Board of Directors in a meeting held on April 13, 2010, at which the Company's partial spin off was finalized ("Partial Spin Off"), with the transfer of the portion of its net equity corresponding to its interest in RME – Rio Minas Energia Participações S.A., a closed corporation headquartered at Avenida Marechal Floriano, 168, Centro, CEP 20080-002, in the city and state of Rio de Janeiro, with Corporate Taxpayer's Id. (CNPJ/MF) 07.925.628/0001-47, and its articles of incorporation duly registered at the Board of Trade of the State of Rio de Janeiro under Company Registry (NIRE) no. 33.3.0027826-5, by order dated March 28, 2006, to a new corporation to be constituted specifically for this purpose, to be named Redentor Energia S.A. ("Newco"), at the time of the partial spin-off of the Company, and the consequent registration of the Newco as a publicly-held company with the Brazilian Securities and Exchange Commission (CVM) and its admission to the Novo Mercado listing segment of the São Paulo Stock Exchange; **(b.3.)** ratify the hiring, by the Company's management, of the specialized company Apsis Consultoria Empresarial Ltda., a limited-liability company to appraise the portion of the Company's net equity to be transferred to the Newco, and prepare the appraisal report that will serve as basis for the reduction in the Company's capital and appraisal of the capital stock of the Newco ("Appraisal Report"), pursuant to the Proposal and Justification of Partial Spin-Off; **(b.4.)** examine, discuss and vote on the aforementioned appraisal report in item **(b.3.)** retro; **(b.5.)** discuss and vote on the Partial Spin-Off, on the terms of the Company's Proposal and Justification of Partial Spin-Off and other documents made available to the shareholders; **(b.6.)** approve the reduction in share capital in the Company resulting from the Partial Spin-Off, without cancelling shares, at an amount equivalent to the portion of net equity in the Company transferred to the Newco, **(b.7.)** approve the consequent alteration in Article 5 of the Company's bylaws, in order to reflect the new share capital in the Company arising from: (i) the resulting increase in share capital after the exercising of stock options by Company management, and (ii) the reduction in share capital as a result of the Partial Spin-Off, if approved at the O/EGM, as the proposal approved by the Company's Board of Directors in a meeting held on April 13, 2010; **(b.8.)** approve the creation of a Newco, the share capital of which will be subscribed to and comprised integrally of the spun off shares in the Company, including (i) discuss and vote on its bylaws, (ii) nominate its first Board of Directors, (iii) discuss the installation and work of its Fiscal Council during 2010 and nominate its respective members, (iv) discuss the determination of compensation to be paid to management and members of the Fiscal Council, (v) discuss the newspaper in which, together with the (Daily State Register/Gazette) Diário Oficial do Estado do Rio de Janeiro, the announcements will be made as required by law, (vi) approve all the steps necessary to register the publicly-held Company with the CVM and its admission of its shares into the Novo Mercado, and (vii) authorize the management of the Newco to take all the actions necessary for its legalization, notably the filing and publication of its constitutive acts; **(b.9.)** ratify the actions already taken by the Company's management

in relation to the Partial Spin-Off and authorize the Company's management to take any and all the other actions necessary to implement and formalize the Partial Spin-Off; **(b.10.)** consolidate the Company's bylaws under the assumption that all the previous items will be approved; **(b.11.)** discuss the alteration in the newspapers where the Company announcements are made.

7. RESOLUTIONS: Preliminarily, the general meeting appointed the Board Member Mr. Firmino Ferreira Sampaio Neto to preside the meeting, who, in his turn, appointed Mr. José Silva Sobral Neto to be the secretary. The transcription of the present minutes were approved in summary form and their publication with the omission of shareholder signatures, in accordance with the item in Article 130, paragraphs 1 and 2, of Law no. 6,404/76. Following, all the material included in the agenda were deliberated, and approved, [unanimously and without reservations,] the following deliberations:

(a) At the Annual General Meeting:

(a.1.) Approve unanimously the annual report and Company's administrative accounts, as well as the financial statements related to the financial year ending on December 31, 2009, together with the report issued by the independent auditors, which were published within the legal term, in full, on March 30, 2010, in the newspapers: "Valor Econômico", "O Estado do Maranhão" and the "Diário Oficial do Estado do Maranhão" (Daily State Register/Gazette).

(a.2.) Approve unanimously the allocation of net income recorded in the financial year ending on December 31, 2009, of R\$208,990,850.83 (two hundred and eight million, nine hundred and ninety thousand, eight hundred and fifty reais and eighty three centavos), which will be distributed in the following way: (i) R\$10,449,542.54 (ten million, four hundred and forty nine thousand, five hundred and forty two reais and fifty four centavos) for the legal reserve; (ii) R\$50,804,143.30 (fifty million, eight hundred and four thousand, one hundred and forty three reais and thirty centavos), equivalent to 25% (twenty five percent) of adjusted net income in the form of Article 202 of Law no. 6,404/76, for the payment of dividends to shareholders in the Company, in proportion to their respective shareholdings, already imputing the interest on own capital approved by the Company's Board of Directors at the meeting held on December 23, 2009, of R\$7,411,812.10 (seven million, four hundred and eleven thousand, eight hundred and twelve reais and ten centavos); and (iii) R\$147,737,164.99 (one hundred and forty seven million, seven hundred and thirty seven thousand, one hundred and sixty four reais and ninety nine centavos), equivalent to 75% (seventy five percent) of adjusted net income in the form of Article 202 of Law no. 6,404/76, for the reserve referred to in Article 25, paragraph 2, items (iv) and (v), of the Company's bylaws, instituted in the terms of Article 194 of Law nº 6,404/76.

(a.3.) Approve unanimously the payment of dividends related to the financial year ending on December 31, 2009, of R\$50,804,143.30 (fifty million, eight hundred and four thousand, one hundred and forty three reais and thirty centavos), corresponding to R\$0.47 (forty seven centavos) per common share, with R\$0.40 (forty centavos) in the form of dividends and R\$0.07 (seven centavos) as interest

on own capital. The global value of the distribution (dividends and interest on own capital) will be paid in a single installment after May 17, 2010, with shareholders of the Company on this date receiving R\$0.40 (forty centavos) per common share. From April 30, 2010, the common shares issued by the Company will be traded “ex-dividends”. As already announced to the market, since December 29, 2009, the common shares issued by the Company will be traded “ex-interest on own capital”.

- (a.4.) Approve, by majority, the global annual compensation of the Company’s management during 2010, of up to R\$6,000,000.00 (six million reais), to be distributed individually among the members of the Board of Directors and Executive Board, in accordance with the Company’s bylaws and based on the criteria fixed in the paragraph in Article 152, of Law no. 6,404/76, observing the fixed global annual limit.

- (a.5.) Approve unanimously the proposal of shareholder PCP LATIN AMERICA POWER S.A. in the sense of installing the Company’s Fiscal Council for the 2010 financial year, with the following members of the Company’s Fiscal Council: (i) **Sergio Passos Ribeiro**, Brazilian, single, business manager, bearer of identity no. 08808411-6 IFP, registered with tax registration CPF/MF no. 026.246.867-03, resident and domiciled in the city and State of Rio de Janeiro, at Av. Ataulfo de Paiva, 153 / 5° floor, and his substitute/alternate, **Bruno Augusto Sacchi Zaremba**, Brazilian, married, economist, bearer of identity no. 08423755-1 IFP, registered with tax registration CPF/MF no. 034.032.377-96, resident and domiciled in the city and State of Rio de Janeiro, at Av. Ataulfo de Paiva, 153 / 5° floor; (ii) **Felipe Sousa Bittencourt**, Brazilian, married, business manager, bearer of identity no. 11001496-6 Detran/RJ, registered with tax registration CPF/MF no. 078.366.387-07, resident and domiciled in the city and State of Rio de Janeiro, at Av. Ataulfo de Paiva, 153 / 5° floor, and his substitute/alternate, **José Guilherme Cruz Souza**, Brazilian, married, electrical engineer, bearer of identity no. 835772 SSP-ES, registered with tax registration CPF/MF no. 003.669.617-05, resident and domiciled in the city and State of Rio de Janeiro, at Av. Ataulfo de Paiva, 153 / 5° floor; and (iii) **Paulo Roberto Franceschi**, Brazilian, married, accountant, bearer of identity RG no. 669.976 SSP-PR, registered with tax registration CPF/MF no. 171.891.289-72, with an office in the city of Curitiba, in the State of Paraná, at Rua Marechal Deodoro, 630, conjunto 1305, and his substitute/alternate **Marcos Antonio Krauss**, Brazilian, married, graduated in accounting sciences, bearer of identity RG no. 5.224.572-9 SESP/PR, registered with tax registration CPF/MF no. 368.419.602-97, with an office in the city of Curitiba, in the State of Paraná, at Rua Marechal Deodoro, 630, apt. 1305, with a mandate in office to the date the next ordinary general meeting is held when the accounts will be examined related to the financial year ending on December 31, 2010. Annual global compensation of up to R\$155,000.00 (one hundred and fifty five thousand reais) for the members of the Company’s Fiscal Council was approved for 2010, in accordance with the terms in Article 162, paragraph 3 , of Law no. 6,404/76.

- (b) **At the Extraordinary General Meeting:**
 - (b.1.) Approve, unanimously, due to the exercising of the stock options included in the Third Plan for the Purchase of Stock Options, approved at the Company’s

Extraordinary General Meeting held on October 16, 2008; the increase in share capital in the Company of R\$19,105,049.66 (nineteen million, one hundred and five thousand, forty nine reais and sixty six centavos), from R\$906,891,179.23 (nine hundred and six million, eight hundred and ninety one thousand, one hundred and seventy nine reais and twenty three centavos) to R\$925,996,228.89 (nine hundred and twenty five million, nine hundred and ninety six thousand, two hundred and twenty eight reais and eighty nine centavos), representing 108,480,828 (one hundred and eight million, four hundred and eighty thousand, eight hundred and twenty eight) common shares, nominative and with no par value. The increase in share capital herein recognized took into consideration the increases arising from the exercising of stock options recognized in the terms of the Board of Directors' meetings held on May 7, 2009, July 9, 2009, September 3, 2009, December 3, 2009, January 6, 2010 and March 4, 2010.

- (b.2.)** Approve unanimously the proposal and justification of partial spin-off of the Company, included in these present minutes, together with the Annexes (“Proposal and Justification of Partial Spin-Off”).
- (b.3.)** Ratify unanimously the hiring, by the Company’s management, of the specialized company Apsis Consultoria Empresarial Ltda., a limited-liability company headquartered at Rua São José, 90, sala 1.802, in the city and state of Rio de Janeiro, with Corporate Taxpayer’s ID. (CNPJ/MF) 27.281.922/0001-70, to value the portion of the Company’s net equity to be transferred to the Newco, and prepare the appraisal report that will serve as basis for the reduction in the Company’s capital and appraisal of the capital stock of the Newco (“Appraisal report”), pursuant to the Proposal and Justification of Partial Spin-Off.
- (b.4.)** Approve unanimously the Appraisal report prepared by Apsis Consultoria Empresarial Ltda. and attached in Annex 4 of the Proposal and Justification of Partial Spin-Off included in these minutes, according to which the value of the portion of the Company’s net equity to be transferred to the new corporation is R\$359,165,652.17 (three hundred fifty-nine million, one hundred sixty-five thousand, six hundred fifty-two reais and seventeen centavos). The Appraisal report was prepared based on elements shown in the Company’s balance sheet as of December 31, 2009, the base date for the Partial Spin-Off, audited by KPMG Independent Auditors, in compliance with Article 12 of CVM Instruction no. 319/1999.
- (b.5)** Approve unanimously the Company’s Partial Spin-Off, in the terms of the Proposal and Justification of Partial Spin-Off and other documents made available to shareholders, with the transfer of the full value spun off to the Newco.
- (b.6)** Approve unanimously the Company’s capital reduction as a result of the Partial Spin-Off by three hundred fifty-nine million, one hundred sixty-five thousand, six hundred fifty-two reais and seventeen centavos (R\$359,165,652.17), from R\$925,996,228.89 (nine hundred twenty five million, nine hundred ninety-six thousand, two hundred twenty-eight reais and eighty-nine centavos) after the increase in share capital recognized in the terms deliberated (b.1) above; to five hundred sixty-six million, eight hundred thirty thousand, five hundred seventy-

six reais and seventy-two centavos (R\$566,830,576.72), as determined by the Appraisal report, without share cancellation.

- (b.7.) Approve unanimously the alteration to Article 5 of the Company's bylaws, in order to reflect its new share capital structure resulting from (i) the increase in share capital due to the exercising of the stock options included in the Third Plan for the Purchase of Stock Options, recognized in the terms of the deliberation (b.1.) above, and (ii) the Company's capital reduction as a result of the Partial Spin-Off, the terms of the deliberation (b.6.) above, with the Article referred to entering into effect with the following new text:

“Article 5 – Capital Stock is R\$566,830,576.72 (five hundred sixty-six million, eight hundred thirty thousand, five hundred seventy-six reais and seventy-two centavos) divided into 108,480,828 (one hundred and eight million, four hundred and eighty thousand, eight hundred and twenty eight) common shares, nominative and with no nominal value.

Paragraph One – Each common share gives the holder the right to 01 (one) vote in the Company's deliberations at its General Shareholder Meetings.

Paragraph Two – Shareholders can be paid the compensation defined in paragraph 3º of Article 35 of Law nº 6,404, of December 15, 1976 and subsequent alterations (“Brazilian Corporate Law - Lei das S.A.”).

Paragraph Three – The Company cannot issue preferred shares or convertible/tradable securities.”

- (b.8.) Approve, by majority, the constitution of the company called Redentor Energia S.A., with its headquarters at Avenida Marechal Floriano, 168, in the city of Rio de Janeiro, Rio de Janeiro State, with a share capital of R\$359,165,652.17 (three hundred fifty-nine million, one hundred sixty-five thousand, six hundred fifty-two reais and seventeen centavos), fully subscribed and integrated in this act with the transfer of the Company's net equity value corresponding to its stake in share capital in RME – Rio Minas Energia Participações S.A., already qualified, according to the Appraisal report approved by the present. The share capital in Redentor Energia S.A. is represented by 108,480,828 (one hundred and eight million, four hundred and eighty thousand, eight hundred and twenty eight) common shares, nominative, with no par value, attributed to shareholders in the Company in such a way that each shareholder in the Company receives one share in Redentor Energia S.A. for each share held in the Company from this date. In this context, the following deliberations were also approved: (a) the project read for the bylaws for Redentor Energia S.A., the attached Proposal and Justification of Partial Spin-Off in Annex 7, was as approved; (b) with no request for a multiple vote by shareholders, or request to exercise the right to vote as established in paragraph 4 and items in Article 141 of Law no. 6,404/76, and copies of the statements of the candidates to be named on Board of Directors having been presented to shareholders in accordance with Article 2 of CVM Instruction no. 367, of May 29, 2002, were elected, unanimously, the following members were named as the Board of Directors of Redentor Energia S.A.: (i) **Carlos Augusto Leone Piani**, Brazilian, married, business manager, bearer of

identity RG no. 09.578.876-6 IFP/RJ, registered with tax registration CPF/MF no. 025.323.737-84, resident and domiciled in the city and State of Rio de Janeiro, at Av. Borges de Medeiros, 633 – Gr. 708 – Leblon, Offices Shopping Leblon; (ii) **Gilberto Sayão da Silva**, Brazilian, married, businessman, bearer of identity RG no. 04625996-6 IFP/RJ, registered with tax registration CPF/MF no. 016.792.777-90, with an office in the city and state of Rio de Janeiro, at Praia de Botafogo, 501, 5° floor, parte, Torre Corcovado, Botafogo; (iii) **Alessandro Monteiro Morgado Horta**, Brazilian, married, electrical engineer, bearer of identity RG no. 835740 SSP/ES, registered with tax registration CPF/MF no. 005.153.267-04, with an office in the city and state of Rio de Janeiro, at Praia de Botafogo, 501, 5° floor, parte, Torre Corcovado, Botafogo; (iv) **Firmino Ferreira Sampaio Neto**, Brazilian, married, businessman, bearer of identity RG no. 005536790 SSP/BA, registered with tax registration CPF/MF no. 037.101.225-20, resident and domiciled in the city and State of Rio de Janeiro, at Praia de Botafogo, 300, 10° floor; (v) **Paulo Jerônimo Bandeira de Mello Pedrosa**, Brazilian, married, mechanical engineer, registered with CRE under no. 6.478/D DREA DF, registered with tax registration CPF/MF no. 309.880.471-87, with an office in the Federal District, Brasilia, at SHS Quadra 06, conjunto A, bloco C, sala 1115, Ed. Brasil XXI; (vi) **Celso Fernandez Quintella**, Brazilian, married, engineer mechanical engineer, registered with CREA-5th Region under no. 18341-D registered with tax registration CPF/MF no. 022.752.447-00, resident and domiciled in the city and State of Rio de Janeiro, at Av. Francisco Bhering, 169, apt. 401, Ipanema; and (vii) **Alexandre Gonçalves Silva**, Brazilian, married, engineer, bearer of identity RG no. 39.565.565-1 SSP/SP, registered with tax registration CPF/MF no. 022.153.817-87, resident and domiciled in the city and State of São Paulo, at Rua Jacques Felix, 226, apt. 51, Vila Nova Conceição, all with a mandate in office to the date the next ordinary general meeting is held when the accounts will be examined related to the financial year ending on December 31, 2010. Celso Fernandez Quintella and Alexandre Gonçalves Silva are independent board members, in accordance with the Regulations for Listing on the Novo Mercado in the São Paulo Stock Exchange, thus complying with the regulation related to the minimum required percentage. The members herein elected should take office after having signed the respective terms of agreement, as transcribed in the books, within the legal timeframe; (c) the installation of the Fiscal Council of Redentor Energia S.A. was approved for the 2010 financial year, with the following members elected to the Company's Fiscal Council: i) **Sergio Passos Ribeiro**, Brazilian, single, business manager, bearer of identity no. 08808411-6 IFP, registered with tax registration CPF/MF no. 026.246.867-03, resident and domiciled in the city and State of Rio de Janeiro, at Av. Ataulfo de Paiva, 153 / 5° floor, and his substitute/alternate, **Bruno Augusto Sacchi Zaremba**, Brazilian, married, economist, bearer of identity no. 08423755-1 IFP, registered with tax registration CPF/MF no. 034.032.377-96, resident and domiciled in the city and State of Rio de Janeiro, at Av. Ataulfo de Paiva, 153 / 5° floor; (ii) **Felipe Sousa Bittencourt**, Brazilian, married, business manager, bearer of identity no. 11001496-6 Detran/RJ, registered with tax registration CPF/MF no. 078.366.387-07, resident and domiciled in the city and State of Rio de Janeiro, at Av. Ataulfo de Paiva, 153 / 5° floor, and his substitute/alternate, **José Guilherme Cruz Souza**, Brazilian, married, electrical engineer, bearer of identity no. 835772 SSP-ES, registered with tax registration CPF/MF no. 003.669.617-05, resident and domiciled in the city and State of Rio de Janeiro, at Av. Ataulfo de Paiva, 153 / 5°

floor; and (iii) **Paulo Roberto Franceschi**, Brazilian, married, accountant, bearer of identity RG no. 669.976 SSP/PR, registered with tax registration CPF/MF no. 171.891.289-72, with an office in the city of Curitiba, in the State of Paraná, at Rua Marechal Deodoro, 630, conjunto 1305, and his substitute/alternate **Marcos Antonio Krauss**, Brazilian, married, graduated in accounting sciences, bearer of identity RG no. 5.224.572-9 SESP/PR, registered with tax registration CPF/MF no. 368.419.602-97, with an office in the city of Curitiba, in the State of Paraná, at Rua Marechal Deodoro, 630, apt. 1305, all with a mandate in office to the date the next ordinary general meeting is held when the accounts will be examined related to the financial year ending on December 31, 2010, (d) annual global compensation of up to R\$60,000.00 (sixty thousand reais) for the members of the Company's Fiscal Council was approved for 2010, in accordance with the terms in Article 162, paragraph 3, of Law no. 6,404/76, to be distributed individually between the members of the Board of Directors and Executive Board in accordance with the Company's bylaws and based on the criteria determined in the items of Article 152, of Law no. 6,404/76, observing the fixed annual global limit, and, for the Fiscal Council, an annual global compensation of up to R\$15,000.00 (fifteen thousand reais); (e) it was decided that the publications required by law will be published in the (Daily State Register/Gazette) Diário Oficial do Estado do Rio de Janeiro and Diário Comercial, both edited in the city of Rio de Janeiro, Rio de Janeiro State, and Folha de São Paulo, a newspaper with a wide national circulation; (f) approval was given to the request a Publicly-Held Company registry to Redentor Energia S.A. with the CVM and the subsequent request to trade its shares in the Novo Mercado segment of the São Paulo Stock Exchange; and (g) the management of Redentor Energia S.A. was authorized to take all the measures necessary for its legalization, notably the filing and publishing of its corporate constitutive acts.

- (b.9.) Ratify, unanimously, the actions already taken by the Company's management related to the Partial Spin-Off and authorize the same to take all the other actions necessary to implement and formalize the Partial Spin-Off.
- (b.10.) Approve unanimously the consolidation of the Company's bylaws, given the aforementioned deliberations, and which will become effective as per Annex 6 of the Proposal and Justification of Partial Spin-Off.
- (b.11.) Approve unanimously the alteration of the newspapers used to publish the Company's acts, which will now be announced in: "Diário Oficial do Estado do Maranhão" (Daily State Register/Gazette), "O Estado do Maranhão" and "Folha de São Paulo".

8. CLOSURE: There being no further business to discuss, these minutes were transcribed, read, approved and signed by all the presiding members present and the majority shareholder representatives necessary to make the decisions taken at this meeting.

9. SIGNATURES OF ATTENDEES: **Chairman:** Firmino Ferreira Sampaio Neto; **Secretary:** José Silva Sobral Neto; **Company Executive Officer:** Eduardo Haiama; **Representative of Apsis Consultoria Empresarial Ltda.:** Felliipe Franco Rosman; **Member of the Fiscal Council:** Marcelo Sousa Monteiro; **Representative of**

the KPMG – Auditores Independentes: Adriana Rodrigues Pereira da Silva; **Shareholders:** (a) PCP LATIN AMERICA POWER S.A., represented herein by David Abdalla Pires Leal; (b) SNAPPER EQUITY LLC, GROUPER EQUITY LLC, SQUADRA MASTER LONG-ONLY FUNDO DE INVESTIMENTO EM AÇÕES and SQUADRA MASTER LONG BIASED FUNDO DE INVESTIMENTO EM AÇÕES, represented herein by Felipe Dutra Cançado; (c) FIDELITY INVEST TRUST LATIN AMERICA FUND, FIDELITY LATIN AMERICA FUND, AIM DEVELOPING MARKETS FUND, BLACKROCK LATIN AMERICA FUND INC, JANUS WORLDWIDE FUND, MFS VARIABLE INSURANCE TRUST II – MFS E M EQUITY PORTFOLIO, PHILIPS ELECTRONICS N.A. CORP MASTER RET TRU, FIDELITY ADVISOR SER. VIII LATIN AMERICA FD, THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, AIM INTERNATIONAL SMALL COMPANY FUND, THE MONETARY AUTHORITY OF SINGAPORE, BLACKROCK GLOBAL FUNDS, JANUS ASPEN SERIES WORLDWIDE PORTFOLIO, PENSIONSKASERNES ADMINISTRATION A/S, THE HONEYWELL INTL INC MASTER RETIREMENT TRUST, MFS MERIDIAN FUNDS – EMERGING MARKETS EQUITY FUND, NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST, PRUDENTIAL INVEST PORTFOLIOS INC 10 PRUD JENNISON EQ INC FD, NORTHWESTERN MUTUAL SERIES FUND, INC. – E.M.E.P., MFS MERIDIAN FUNDS – LATIN AMERICAN EQUITY FUND, EMERGING MARK SMALL CAPITALIZATION EQUITY INDEX NON-LENDABLE FUND, EMERGING MARKETS SMALL CAPITALIZATION EQUITY INDEX NON-LENDABLE FUND, CREDIT AGRICOLE ASSET MANAGEMENT, MFS INTERNATIONAL NEW DISCOVERY FUND, NORGE BANK and AMUNDI FUNDS, represented herein by Miguel Vieira Pavanela.

This is a free English translation of the original instrument drawn up in the Company's records.



**Annex to the Minutes of the Ordinary and Extraordinary General Shareholders'
Meetings
Equatorial Energia S.A. held on April 29, 2010**

**EQUATORIAL ENERGIA S.A.
CORPORATE TAXPAYER'S ID (CNPJ/MF) 03.220.438/0001-73
CORPORATE REGISTRY ID (NIRE) 2130000938-8
Publicly-held Company**

**BYLAWS OF EQUATORIAL ENERGIA S.A.
HIGHLIGHTING THE PROPOSED ALTERATIONS**

**CHAPTER I
NAME, PURPOSE, HEADQUARTERS AND DURATION**

Article 1 - The Company is called "EQUATORIAL ENERGIA S.A." and shall be governed by these Bylaws and by applicable legal provisions.

Article 2 - The Company has as its purpose holding interest in the capital stock of other companies, consortiums and undertakings that operate in the electricity sector or in similar activities.

Article 3 - The Company's headquarters and jurisdiction are in the City of São Luis, State of Maranhão, and it may, at the Board of Directors' discretion, create and extinguish branches, agencies and sales offices in any part of the country or abroad.

Article 4 - The Company's term of duration is undetermined.

**CHAPTER II
CAPITAL STOCK**

Article 5 - The Capital Stock is five hundred sixty-six million, eight hundred thirty thousand, five hundred seventy-six reais and seventy-two centavos (566,830,576.72), divided into one hundred five million, eight hundred thousand, six hundred twenty-six (105,800,626) non-par registered common shares.\

Paragraph One - Each common share is entitled to one (1) vote in the resolutions of the Company's General Meetings.

Paragraph Two - The compensation mentioned in paragraph 3 of Article 35 of Law 6,404, of December 15, 1976, as amended ("Corporation Law"), may be charged from shareholders.

Paragraph Three - The Company may not issue preferred shares or founders' shares.

Article 6 - The Company is authorized to increase its capital stock, regardless of amendment to the Bylaws, up to the limit of three hundred million (300,000,000) shares by issuing new common shares.

Paragraph One - Within the authorized capital limit, the Board of Directors shall be responsible for resolving on the issue of shares, simple debentures or subscription bonuses, establishing if the increase



shall take place by public or private subscription, the payment conditions and the issue price, and it may also exclude the preemptive right or reduce the term for the exercise of the issues whose placement is made through sale on a stock exchange or by public subscription, or in a public offering of control acquisition, as set forth by law.

Paragraph Two - The Board of Directors, within the authorized capital limit and according to the plan approved at the General Meeting, may grant a call option of shares to administrators, employees or individuals who provide services to the Company or to a company under its control as long as he or she does not have the ability to enable the change of the Company's control.

Article 7 - For purposes of reimbursement, the share value may be determined based on the Company's economic value ascertained in an appraisal by a specialized company indicated and chosen according to the provisions in Article 45 of the Corporation Law, or based on the Company's book value, whichever is lower.

CHAPTER III **GENERAL MEETING**

Article 8 - The General Meetings shall be called pursuant to Article 124 of the Corporation Law, with at least fifteen (15) days advance notice counted from the publication of the first call notice; if the Meeting is not held, a second call notice shall be published at least eight (8) days before the Meeting.

Sole Paragraph – According to Article 126, paragraph one of Law 6,404/76, the Company may waive the certification of signatures and notarization of the powers of attorney granted by its shareholders, in compliance with legislation applicable to publicly-held companies.

Article 9 - The General Meeting shall be chaired by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman of that body, who shall invite one of the attendees to be the secretary of the meeting.

CHAPTER IV **MANAGEMENT**

Section I - General Rules

Article 10 - The Board of Directors and the Board of Executive Officers are responsible for the Company's Management.

Article 11 - The General Meeting shall establish the Management's annual overall compensation, including benefits of any nature and agency fees, taking into account their responsibilities, the time dedicated to their functions, their professional competence and reputation and the value of their services in the market, being incumbent upon the Board of Directors the payment of the fixed compensation.

Article 12 - The management shall be invested in their positions upon the execution of the Instrument of Investiture drawn up in the Company's records within thirty (30) days after their election. The management's investiture shall be subject to the previous subscription of the Management Instrument of



Agreement, mentioned in the *Novo Mercado* (New Market) Listing Regulation and the Disclosure Policy of Material Acts or Facts adopted by the Company pursuant to CVM Instruction 358 of January 22, 2002.

Sole Paragraph - The members of the Board of Directors and of the Board of Executive Officers are obligated, without adverse effects to the duties and responsibilities attributed to them by law, to be discreet about all the Company's businesses, treating as confidential all information they have access to and concerning the Company, its businesses, employees, management, shareholders or contracted parties and service providers, undertaking to use such information in the Company's exclusive and best interest. Upon investiture in their positions, the management shall execute the Term of Confidentiality, as well as see that subordinates or third parties do not violate their obligation to confidentiality.

Section II – Board of Directors

Article 13 - The Board of Directors, elected at the General Meeting, shall be composed of at least five (5) and at most nine (9) sitting members, with a unified term of office of two (2) years. Reelection is allowed. At least 20% of the members of the Board of Directors shall be Independent Board Members.

Paragraph One – For the purposes of these Bylaws, an "Independent Board Member" is as defined in the *Novo Mercado* Listing Regulation.

Paragraph Two - Those elected as provided for in paragraphs 4 and 5 of Article 141 of the Corporation Law shall also be considered Independent Board Members.

Paragraph Three - When compliance with the percentage referred to in Paragraph One above results in a fractional number of board members, that number shall be rounded to the whole number: (i) immediately higher, when the fraction is equal to or higher than $\frac{1}{2}$, or (ii) immediately lower, when the fraction is lower than $\frac{1}{2}$.

Article 14 - The Board of Directors may determine the creation of advisory committees aimed at assisting the respective members of the Board of Directors as well as define the respective composition and specific duties.

Article 15 - The Board of Directors shall have one (1) Chairman and one (1) Vice-Chairman who shall be elected by majority vote of the sitting members. It shall be incumbent upon the Chairman or, in his absence, upon the Vice-Chairman, to chair the Board of Directors' meetings. In their absences or temporary impediments, the Chairman and the Vice-Chairman shall substitute each other reciprocally.

Paragraph One - In the event of absence or temporary impediment of other Members of the Board of Directors, they may be substituted by other Board Members to whom special powers have been granted. In this case, the Board Member who is substituting the absent or temporary impeded Member shall express the vote of the Board Member he is substituting in addition to his own vote.

Paragraph Two - In the event that the position of Chairman or Vice-Chairman becomes vacant, a meeting of the Company's Board of Directors shall be called immediately for the election of a substitute. In the event that other positions on the Board of Directors become vacant, a Board of Directors' meeting shall be likewise called pursuant to Article 150 of the Corporation Law, and the remaining Board Members shall elect a substitute who shall remain in office until the Company's first General Meeting. In the event that



most positions on the Board of Directors become vacant, a General Meeting shall be called immediately to proceed with the new election of Board Members.

Paragraph Three - The Board of Directors shall always meet whenever called by the Chairman, by the Vice-Chairman or by the Chief Executive Officer in writing, including through facsimile, at least five business days in advance. Regardless of the call formalities, a meeting that all members of the Board Directors attend shall be considered lawful.

Paragraph Four - The meetings shall be called to order with the attendance of the majority of their Members, being indispensable the attendance of the Chairman or of the Vice-Chairman of the Board of Directors. The Board Members may participate in such meetings by means of conference call or video conference, thus considered as attending the meeting, and they shall confirm their vote through a written declaration submitted to the Chairman by letter, facsimile or electronic mail immediately following the end of the meeting. Once the declaration is received, the Chairman shall be invested with full powers to sign the minutes of the meeting on behalf of the said Board Member.

Paragraph Five- The resolutions shall be made by majority vote.

Article 16 - It is incumbent upon the Board of Directors:

- (a) to establish the general guidance of the Company's businesses including the preparation of any substantial amendment to its business plan;
- (b) to elect and dismiss the Board of Executive Officers;
- (c) to oversee the Management of the Board of Executive Officers;
- (d) to call, by its Chairman, or its Vice-Chairman, or by any two (2) of its Members, the Annual and Extraordinary General Meetings;
- (e) to give its opinion about the Management report and the Board of Executive Officers' accounts;
- (f) to establish and distribute, within the limits annually set forth by the General Meeting, the administrators' compensation when voted as an overall allocation;
- (g) after observing the legal provisions and hearing the Fiscal Council, if instated, (i) to declare, during the fiscal year and up to the Annual General Meeting, interim dividends, including as partial or total anticipation of the minimum mandatory dividend on the account of: (a) profits ascertained on a semiannual balance sheet; or (b) retained earnings or profit reserves existing in the last annual or semiannual balance sheet; (ii) to determine the payment of interest on the Company's own capital;
- (h) the approval of the Company's dividend policy and the declaration, during the fiscal year and up to the General Meeting, of interim dividends, including as partial or total anticipation of the minimum mandatory dividend, on the account of profits ascertained on a semiannual or quarterly balance sheet, or on a balance sheet for a smaller period of time, or of retained earnings or profit reserves existing on the last balance sheet;
- (i) the constitution of any lien on movable or fixed assets, or the pledge or assignment of revenues or credit rights as guarantee in financial operations, or not to be entered into by the Company, whenever the total amount of the assets of the guarantee exceeds ten percent (10%) of the Company's total shareholders' equity, or any lower percentage to be established by the Board of Directors, determined based on the Company's most recent audited financial statements;
- (j) the sale of any asset included in the Company's permanent assets whose value exceeds ten percent (10%) of the total value of the Company's permanent assets, determined based on the Company's most recent audited financial statements;
- (k) the acquisition of any asset to be included in the Company's permanent assets whose value exceeds ten percent (10%) of the Company's total shareholders' equity, or any lower percentage

to be established by the Board of Directors, determined based on the Company's most recent audited financial statements;

- (l) to give prior opinion on the proposals to issue shares and/or any securities by the Company and resolve on the issue of shares or subscription bonuses within the authorized capital limit, as the case may be, and of simple debentures;
- (m) to choose and dismiss independent auditors;
- (n) to authorize the Company to hold interest in other companies;
- (o) to authorize the acquisition of shares issued by the Company for purposes of cancelation or to be held in treasury and their subsequent sale, according to the provisions in paragraph 10, items "a" and "b" of Article 30 of the Corporation Law;
- (p) to authorize the assumption of responsibility or obligation by the Company, the release of third parties from obligations with the Company, and transactions to prevent or end litigations, involving an amount higher than five million reais (R\$5,000,000.00);
- (q) the approval of investments and/or the contract of loans or financing of any nature, including the issue of commercial papers, debentures and/or any other bonds or similar instruments for distribution on any capital markets whose individual amount, or overall amount in the event of a series of connected or identical operations, is higher than 5% of the Company's total shareholders' equity, or any lower percentage to be established by the Board of Directors, determined based on the Company's most recent audited financial statements. Any of the aforementioned operations shall also depend on prior approval of the Board of Directors, regardless of the value, in the event the additional indebtedness represented by them exceeds, within a certain fiscal year, 10% of the Company's shareholders' equity;
- (r) to authorize the opening or closing of branches, agencies or sales offices in any part of the country or abroad;
- (s) to give prior opinion on the proposals of amendments to the Company's Bylaws;
- (t) to give prior opinion about the proposals of mergers, amalgamations, spin-offs, transformations or any similar operations that involve the Company and its subsidiaries;
- (u) to establish the vote of the Company's representative at the General Meetings and meetings of the companies in which it participates as partner or shareholder, give prior approval to the amendments to the articles of incorporation or to the bylaws of the companies in which the Company participates, also approving the choice of the management of subsidiaries or affiliated companies to be elected with the Company's vote;
- (v) to approve the legal businesses and the resolutions referred to in this article by the Company's subsidiaries or affiliated companies;
- (w) to establish general compensation criteria and the benefits policy (indirect benefits, profit sharing and/or a share in sales) of the Company's management and senior employees (superintendents or employees with management positions);
- (x) to approve the execution of any businesses or agreements between the Company and its shareholders and management (and partners, directly or indirectly, of the Company's shareholders and their respective management), except the acquisition of products or services in uniform conditions or as part of the normal course of business;
- (y) to define the three-name list of companies specialized in the economic appraisal of companies for the preparation of the appraisal report of the Company's shares, in the event of a public tender offering for deregistration as a publicly-held company or for delisting from the *Novo Mercado*; and
- (z) to approve any long-term agreements between the Company and its clients, suppliers, service providers and other entities with which it has a commercial relationship, or their extensions, with a term of duration longer than twelve months and total amount higher than five million reais (R\$5,000,000.00), except with concessionaires of public services or others that maintain uniform conditions.

Section III – Board of Executive Officers

Article 17 - The Board of Executive Officers, elected by the Board of Directors, shall be composed of at least (2) and at most five (5) Officers, with one (1) Chief Executive Officer and one (1) Chief Financial and Investor Relations Officer; the other members elected to compose the Board of Executive Officer shall not have a specific designation. All Officers must be residents in the country, shareholders or not, to be elected by the Board of Directors, with a term of office of one (1) year. Reelection is allowed.

Article 18 - The Board of Executive Officers is not a collective body, however, it may meet to discuss operational aspects, whenever necessary, at the Chief Executive Officer's discretion, and he shall also chair the meeting,

Sole Paragraph. The meetings of the Board of Executive Officers shall be called to order with the attendance of the majority of the members of the Board of Executive Officers.

Article 19 - In their absence or temporary impediments, the Chief Executive Officer and the Chief Financial and Investor Relations Officer shall substitute each other, reciprocally.

Sole Paragraph - In the event that a position on the Board of Executive Officers becomes vacant, a Board of Directors' meeting shall be called immediately for the election of his substitute.

Article 20 - Incumbent upon the Board of Executive Officers are the duties determined by law, in compliance with the other rules of these Bylaws.

Paragraph One - It is incumbent upon the Chief Executive Officer: (i) to call and chair the Board of Executive Officers' meetings; (ii) to command the Company's businesses; (iii) to determine and follow the exercise of the duties of the Officers with no specific designation; (iv) to chair the Board of Executive Officers' meetings and the General Meetings, the latter only in the absence of the Chairman and of the Vice-Chairman of the Board of Directors; and (v) to implement the resolutions of the Board of Directors and of the General Meeting.

Paragraph Two - It is incumbent upon the Chief Financial and Investor Relations Officer: (i) to manage Company's finances; (ii) to manage the controllership, treasury and accounting areas; (iii) to execute the guidelines determined by the Board of Directors; (iv) to substitute the CEO in his absence and temporary impediments; and (v) those duties assigned to the Investor Relations Officer by the legislation in force, such as to provide information to investors, to the Brazilian Securities and Exchange Commission and to the São Paulo Stock Exchange - BOVESPA, as well as to keep the Company's registration current according to the applicable regulation of the Brazilian Securities and Exchange Commission.

Paragraph Three - It shall be incumbent upon the Officers with no specific designation to execute the policies and guidelines set forth by the Chief Executive Officer, Chief Financial and Investor Relations Officer and the Board of Directors.

Article 21 - All documents that assume obligations for the Company or release third parties from obligations with the Company shall, under the penalty of being rendered ineffective, be signed: (a) by any two (2) Officers; (b) by any one (1) Officer pursuant to paragraph two of this Article; or (c) by one (1) Officer, jointly with one (1) attorney-in-fact constituted pursuant to paragraph one of this Article.

Paragraph One - The powers of attorney granted by the Company shall be signed by any two (2) Officers, expressly specify the powers granted, including the assumption of obligations as mentioned in this Article, and delimit the term of validity which shall be limited to, at most, one (1) year, except those granted to attorneys for the Company's representation in judicial or administrative proceedings.

Paragraph Two - The Company may also be validly represented by any one (1) Officer, including for the assumption of obligations, as long as there is a unanimous, express and specific resolution of the Board of Executive Officers to this effect, or in the following situations:

- (i) when related to the hiring of service providers or employees;
- (ii) in routine issues before federal, state and municipal public bodies, autonomous public entities and mixed companies;
- (iii) in the signature of correspondence concerning routine issues;
- (iv) in the endorsement of instruments aimed at collection or deposit on behalf of the company; and
- (v) in the representation of the company at the general meetings of its subsidiaries and other companies in which it has equity interest in compliance with the provision in these Bylaws.

Article 22 – Company Officers and attorneys-in-fact are prohibited from obligating it in businesses different from the corporate purpose, as well as from practicing acts of liberality on behalf of the Company or grant sureties and guarantees unnecessary to the achievement of the corporate purpose.

CHAPTER V **FISCAL COUNCIL**

Article 23 - The Company shall have a non-permanent Fiscal Council, composed of three (3) to five (5) sitting members and the same number of deputies elected at the General Meeting, who shall have those duties provided for by law.

Paragraph One - The investiture of the members of the Fiscal Council is subject to the prior subscription of the Instrument of Agreement of the Members of the Fiscal Council, mentioned in the *Novo Mercado* Listing Regulation.

Paragraph Two - Each operating period of the Fiscal Council shall end on the date of the first Annual General Meeting held after its investiture.

Paragraph Three - The members of the fiscal council shall have the duties and responsibilities established by the corporate legislation in force and in the *Novo Mercado* Listing Regulation.

CHAPTER VI **FISCAL YEAR, PROFITS AND THEIR DISTRIBUTION**

Article 24 - The fiscal year coincides with the calendar year, ending December 31 of each year, on which date the Company's balance sheet shall be drawn up and the financial statements shall be prepared for purposes of publication and examination at the General Meeting.

Paragraph One - The Company, by resolution of the Board of Directors, may draw up semiannual, quarterly or monthly balance sheets, as well as declare dividends on the account of profits ascertained on these balance sheets, pursuant to the provisions in Article 204 of the Corporation Law.

Paragraph Two - The Company, by resolution of the Board of Directors, may also declare interim dividends on the account of retained earnings or profit reserves existing in the last annual or semiannual balance sheet.

Paragraph Three - The interim or interposed dividends paid and the interest on the Company's own capital, net of taxes, shall always be computed as anticipation of the minimum and mandatory dividend.

Article 25 - Jointly with the financial statements for the year, the Board of Directors shall present to the Annual General Meeting a proposal on the allocation of the net income for the year, after the deduction from the shared profits referred to in Article 190 of the Corporation Law and in Paragraph 2 of this Article, adjusted for the purposes of calculating dividends pursuant to Article 202 of the same law, in compliance with the following deduction:

Paragraph One - From the result of each fiscal year, any accumulated deficit and provisions for Income Tax and for Social Contribution on Profit shall be deducted before any profit sharing.

Paragraph Two - The net income for the year shall be allocated successively as follows:

- (i) five percent (5%) for the constitution of the legal reserve until it reaches twenty percent (20%) of the capital stock;
- (ii) the Company may choose not to constitute the legal reserve in a fiscal year in which the balance of this reserve plus the amount in capital reserves exceeds thirty percent (30%) of the capital stock;
- (iii) at least twenty-five percent (25%) of the balance of the net income for the year obtained after the deduction mentioned in item (i) of this Paragraph shall be distributed as dividends to all the Company's shareholders;
- (iv) the remaining portion of the net income for the year after the payment of dividends to shareholders shall be allocated to the Investment and Expansion Reserve in a percentage to be defined at the General Meeting, which reserve has is to (i) ensure resources for the acquisition of interests in the capital stock of other companies, consortiums and undertakings that operate in the electricity sector; (ii) reinforce the Company's working capital; and, (iii) be used for redemption, reimbursement or acquisition of shares of the Company's capital; and
- (v) the annual amount to be allocated to the Investment and Expansion Reserve shall be at most seventy-five percent (75%) of the net income for the year, being certain that the amount of the said reserve shall comply with the limit referred to in Paragraph Four of this Article.

Paragraph Three - The General Meeting, by a proposal of the Board of Directors, may, at any time, pay dividends to the Investment and Expansion Reserve account, or allocate its balance, fully or partially, to increase the capital stock, including with bonus in new shares.

Paragraph Four - Pursuant to Article 194, III of the Corporation Law, the Investment and Expansion Reserve may not exceed the amount equivalent to eighty percent (80%) of the Company's capital stock.

Article 26 - Except the contrary resolutions of the General Meeting, the payment of dividends, of interest on the Company's own capital and the distribution of shares resulting from the capital increase shall be put into effect within sixty (60) days from the date of the respective resolution.

CHAPTER VII
SALE OF THE CONTROL POWER

Article 27 - The direct or indirect Sale of the Company's share Control (as defined in the Sole Paragraph of Article 28), either by means of a single operation or by means of successive operations, shall be contracted under suspensive or resolutive condition that the acquirer of the control undertakes to hold, pursuant to the conditions and terms provided for in the current legislation and in the *Novo Mercado* Listing Regulation, a public offering of acquisition of shares from the other shareholders in order to guarantee them treatment equal to that given to the Selling Controlling Shareholder.

Article 28 - The public offering referred to in Article 27 shall also be held:

- (a) when there is an onerous assignment of subscription rights of shares and of other bonds or rights related to securities convertible into shares that results in the Sale of the Company's Control; and
- (b) in the event of the sale of control of a company that holds the Company's Control Power, and in this case the Selling Controlling Shareholder shall be obligated to declare to the São Paulo Stock Exchange – BOVESPA the value attributed to the Company in this sale and attach the documentation proving this value.

Sole Paragraph – For the purposes of the provisions in these Bylaws, the following are defined as:

“Sale of Control” the remunerated transfer to a third party of the Control Shares;

“Control Shares” the block of shares that directly or indirectly ensures its holder(s), the individual and/or shared exercise of the Company's Control Power;

“Controlling Shareholder” the shareholder or group of shareholders connected by a shareholders' agreement or under common control who exercises the Company's Control Power.

“Selling Controlling Shareholder” the Controlling Shareholder that seeks to sell the Company's control.

“Control Power” is the power effectively used to permanently direct the social activities and guide the operation of the Company's bodies, directly or indirectly, de facto or de jure. There is a relative presumption of ownership of control in relation to the person or group of persons connected by a shareholders' agreement or under common control (“control group”) that holds of shares ensuring him the absolute majority of votes of shareholders attending the last three general meetings of the Company, even if he is not the holder of shares that ensure him the absolute majority of the voting capital.

Article 29 - Whoever already holds stock in the Company and acquires the shareholder Control Power due to a private agreement of purchase and sale of shares entered into with the Controlling Shareholder involving any number of shares, undertakes to:

- (a) hold the public tender offering referred to in Article 27 of these Bylaws;
- (b) refund the shareholders from whom he has purchased shares on the stock exchange in the six (6) months before the date of the Sale of Control, to whom he shall pay the difference between the price



- paid to the Selling Controlling Shareholder and the value paid on a stock exchange for the Company's shares in this period, duly restated; and
- (c) take reasonable measures to recompose the minimum percentage of twenty-five percent (25%) of the total Outstanding Shares of the Company within six (6) months after the acquisition of the Control Power.

Article 30 - While the Participation Agreement in the *Novo Mercado* is effective, the Company shall not register (i) any transfer of shares to the Purchaser, or to those who hold the Control Power, as long as they do not subscribe the Instrument of Agreement of the Controlling Shareholders mentioned in the *Novo Mercado* Listing Regulation; or (ii) any Shareholders' Agreement that provides for the exercise of the Control Power without its signatories having subscribed the Instrument of Agreement of the Controlling Shareholders.

Sole Paragraph - For purposes of the provisions in these Bylaws, the following is defined as:

"Purchaser" the one to whom the Selling Controlling Shareholder transfers the Control Power in a Sale of the Company's Control;

CHAPTER VIII **DEREGISTRATION AS A PUBLICLY-HELD COMPANY**

Article 31 - Deregistration as a publicly-held company shall be preceded by a public tender offering, obligatorily having as minimum price the economic value ascertained through the Appraisal Report, pursuant to Articles 32 and 33 below.

Article 32 - The Appraisal Report shall be prepared by a specialized company, with proven experience and independence from the Company's decision power, management and/or Controlling Shareholders, in addition to meeting the requirements of paragraph 1 of Article 8 of the Corporation Law, and holding the responsibility provided for in paragraph 6 of the same Article.

Paragraph One - The choice of the specialized company responsible for the determination of the Company's economic value is incumbent upon the General Meeting, based on the presentation by the Board of Directors of the three-name list, and the respective resolution, not counting blank votes, shall be made by majority vote of the shareholders representing Outstanding Shares attending that meeting, which if instated at first call shall be attended by shareholders who represent at least twenty percent (20%) of the total Outstanding Shares, or which, if instated at second call, may be attended by any number of shareholders representing the Outstanding Shares.

Paragraph Two - For purposes of the provisions in Paragraph One of this Article, all shares issued by the Company are considered Outstanding Shares except those held by the Controlling Shareholder, by persons connected to him, by the members of the Company's Board of Directors and Board of Executive Officers, and those held in treasury.

Paragraph Three - The costs incurred with the preparation of the report shall be the full responsibility of the offeror.



Article 33 - When the decision to deregister as a publicly-held company is communicated to the market, the offeror shall disclose the maximum value per share or one thousand shares by which the public offering will be formulated.

Paragraph One - The public offering shall have the condition that the value ascertained in the appraisal report is not higher than the value disclosed by the offeror.

Paragraph Two - If the economic value of the shares, ascertained pursuant to Articles 32 and 33, is higher than the value communicated by the offeror, the decision to deregister as a publicly-held company shall be automatically revoked, except if the offeror expressly agrees to reformulate the public offering according to the economic value ascertained, and the offeror shall disclose to the market the decision he has adopted.

Paragraph Three – The procedure for the Company’s deregistration as a publicly-held company shall meet the other requirements set forth in the rules applicable to publicly-held companies and the precepts in the *Novo Mercado* Listing Regulation.

CHAPTER IX **DELISTING FROM THE NOVO MERCADO**

Article 34 - The Company’s delisting from the Novo Mercado shall be approved at the General Meeting by a majority vote of attending shareholders and communicated to BOVESPA in writing thirty (30) days in advance.

Paragraph One - For the Company’s shares to be registered for trading off of the *Novo Mercado*, the Controlling Shareholder shall hold a public offering of acquisition of shares belonging to the other shareholders of the Company by at least the economic value ascertained in the appraisal report prepared pursuant to Articles 32 and 33 of these Bylaws.

Paragraph Two - In the event the Company’s delisting from the *Novo Mercado* occurs by virtue of corporate reorganization in which the company resulting from this reorganization is not admitted for trading on the *Novo Mercado*, the Controlling Shareholder shall hold a public offering of shares belonging to the other shareholders of the Company by at least the economic value ascertained in an appraisal report prepared pursuant to Articles 31 and 32 of these Bylaws, in compliance with the applicable legal and regulatory rules. News of the public offering shall be communicated to BOVESPA and disclosed to the market immediately after the Company’s General Meeting approving the said reorganization.

Article 35 - The sale of the Company’s Control Power which occurs within the twelve (12) months after its delisting from the *Novo Mercado* shall obligate the Selling Controlling Shareholder, jointly and in conjunction with the Purchaser, to offer to the other shareholders the acquisition of his shares for the price and on the conditions obtained by the Controlling Shareholder in the sale of his own shares, duly restated, pursuant to the legislation in force and in compliance with the same rules applicable to the Sale of Control provided for in Chapter VII of these Bylaws.

Paragraph One - If the price obtained by the Controlling Shareholder in the sale referred to in the “caput” of this Article is higher than the value of the public offering held according to the other provisions of these Bylaws, duly restated pursuant to the legislation in force, the Selling Controlling Shareholder, jointly and in conjunction with the Purchaser, shall be obligated to pay the difference of the value ascertained to acceptors of the respective public offering on the same conditions provided for in the “caput” of this Article.

Paragraph Two – In relation to the shares held by the Controlling Shareholder, the Company and the Controlling Shareholder are obligated to register in the Company’s Registry of Shares a lien which obligates the purchaser of those shares to extend to the other shareholders of the Company price and payment conditions equal to those paid to the Selling Controlling Shareholder, in the event of sale, as provided for in the “caput” and in paragraph one, above.

CHAPTER X **ARBITRATION**

Article 36 - The Company, its shareholders, management and members of the Fiscal Council undertake to resolve by means of arbitration all and any disputes or controversies that may arise between them, related to or resulting from, especially, the application, validity, efficiency, interpretation, violation and their effects of the provisions in Law 6,404/76 and these Bylaws, and in the rules edited by the Brazilian Monetary Council, the Central Bank of Brazil and the Brazilian Securities and Exchange Commission, as well as of the other rules applicable to the operation of the capital markets in general, in addition to those in the *Novo Mercado* Listing Regulation, the Participation Agreement in the *Novo Mercado* and the Arbitration Regulation of the Market Arbitration Chamber.

CHAPTER XI **LIQUIDATION**

Article 37 - The Company shall be liquidated in the events provided for by law, or by resolution of the General Meeting, which shall establish the form of liquidation, elect the liquidator and, as the case may be, instate the Fiscal Council for the liquidation period, electing its members and determining their respective compensation.

CHAPTER XII **SHAREHOLDERS’ AGREEMENTS**

Article 38 - Any shareholders’ agreements that establish the purchase and sale conditions of their shares, or the preemptive right in their purchase or the exercise of the voting right, shall always be respected by the Company as long as they are filed at Company headquarters, being incumbent upon the respective management to abstain from counting the votes cast against the terms of such agreements.