

IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS DOCUMENT.

IMPORTANT: You must read the following before continuing. This important notice applies to the consent solicitation memorandum (the "**Consent Solicitation Memorandum**") following this page, whether received by email or otherwise received as a result of electronic communication, and you are therefore required to read this important notice carefully before accessing, reading or making any other use of the Consent Solicitation Memorandum. In accessing, reading or making any use of the Consent Solicitation Memorandum, you agree (in addition to giving the representations below) to be bound by the terms and conditions set out in this important notice, including any modifications to them from time to time, each time you receive any information from Centrais Elétricas Brasileiras S.A. – Eletrobras (the "**Issuer**"); Banco Bradesco BBI S.A. or Merrill Lynch, Pierce, Fenner & Smith Incorporated (together, the "**Solicitation Agents**"); or D.F. King & Co., Inc. (the "**Information and Tabulation Agent**"). Capitalised terms used but not otherwise defined in this important notice shall have the meaning given to them in the Consent Solicitation Memorandum.

THIS DOCUMENT (WHICH EXPRESSION WHEN USED ON THIS PAGE INCLUDES THE CONSENT SOLICITATION MEMORANDUM) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If any holder of Notes (as defined in the Consent Solicitation Memorandum) is in any doubt as to the contents of the Consent Solicitation Memorandum or the action it should take or is unsure of the impact of the Proposal (as defined in the Consent Solicitation Memorandum), such holder of Notes is advised to seek its own financial and legal advice, including in respect of any tax consequences, immediately from its stockbroker, bank manager, legal adviser, accountant or other independent financial or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, commercial bank, custodian, trust company or other nominee or intermediary or clearing system (including any Clearing System (as defined in the Consent Solicitation Memorandum)) must contact such entity if it wishes to participate in the Meeting at which the Extraordinary Resolution will be considered (each as defined in the Consent Solicitation Memorandum). None of the Issuer, the Solicitation Agents, the Information and Tabulation Agent or Deutsche Bank Trust Company Americas (in its capacity as trustee of the Notes, the "**Trustee**") is providing holders of Notes with any legal, business, tax or other advice in this Consent Solicitation Memorandum.

THIS ELECTRONIC TRANSMISSION DOES NOT CONTAIN OR CONSTITUTE A SOLICITATION TO EXERCISE VOTING RIGHTS WITH RESPECT TO ANY, SECURITIES TO OR FROM, OR BY, ANY PERSON LOCATED IN OR RESIDENT IN ANY JURISDICTION WHERE SUCH AN OFFER OR SOLICITATION IS UNLAWFUL.

THE ATTACHED CONSENT SOLICITATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THE CONSENT SOLICITATION MEMORANDUM MAY ONLY BE DISTRIBUTED TO PERSONS TO WHOM IT IS LAWFUL TO SEND THE CONSENT SOLICITATION MEMORANDUM. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE CONSENT SOLICITATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THESE REQUIREMENTS MAY RESULT IN A VIOLATION OF APPLICABLE LAWS.

The communication of this Consent Solicitation Memorandum and any other documents or materials relating to the Proposal is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended (the "FSMA"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is exempt from the restriction on financial promotions under Section 21 of the FSMA on the basis that it is only directed at and may be communicated to (i) persons who have professional experience in matters relating to investments, being investment professionals as defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Financial Promotion Order"); (ii) persons who fall within Article 43(2) of the Financial Promotion Order; or (iii) any other persons to whom these documents and/or materials may lawfully be provided. Any investment or investment activity to which this Consent Solicitation Memorandum relates is available only to such persons or will be engaged in only with such persons and other persons should not rely on it.

This Consent Solicitation Memorandum is not a public offer or advertisement of the securities referred to herein in Brazil and is not an offer, or an invitation to make offers, to purchase, sell, exchange or transfer any securities in Brazil or to or for the benefit of any Brazilian person or entity, unless and to the extent otherwise permitted under Brazilian law, and must not be made publicly available in Brazil. The securities referred to herein have not been and will not be registered in Brazil and are not intended for "placement", "public circulation", "offering" or "advertising" (each as defined under Brazilian law) in Brazil except as permitted by Brazilian law.

Confirmation of your representation: In order to be eligible to access the Consent Solicitation Memorandum or make an investment decision or exercise voting rights with respect to the contents therein, you must be able to participate lawfully in the Meeting at which the Extraordinary Resolution will be considered. The Consent Solicitation Memorandum was sent to you as a holder of the Notes referred to below and, by accepting the e-mail to which the Consent Solicitation Memorandum was attached and accessing the Consent Solicitation Memorandum, you shall be deemed (in addition to the above) to have represented to the Issuer, the Solicitation Agents and the Information and Tabulation Agent that:

- you are a holder or a beneficial owner of 6.875% Notes due 2019 (Unrestricted Global Note ISIN: USP22854AF31, CUSIP: P22854AF3; Restricted Global Note ISIN: US15234QAJ76, CUSIP: 15234QAJ7) or 5.750% Notes due 2021 (Unrestricted Global Note ISIN: USP22854AG14, CUSIP: P22854AG1; Restricted Global Note ISIN: US15234QAL23, CUSIP: 15234QAL2);
- you are a person to whom it is lawful to send the Consent Solicitation Memorandum and for the Issuer to solicit consents to the Proposal (each, as defined in the Consent Solicitation Memorandum); and
- you consent to delivery of the Consent Solicitation Memorandum to you by electronic transmission.

NEITHER THE CONSENT SOLICITATION MEMORANDUM NOR ANY RELATED DOCUMENT HAS BEEN FILED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), NOR HAS ANY SUCH DOCUMENT BEEN FILED WITH OR REVIEWED BY ANY U.S. STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY OF ANY COUNTRY. NO AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THE CONSENT SOLICITATION MEMORANDUM OR ANY RELATED DOCUMENTS, AND IT MAY BE UNLAWFUL AND A CRIMINAL OFFENCE TO MAKE ANY REPRESENTATION TO THE CONTRARY.

If you have recently sold or otherwise transferred your entire holding of Notes, please inform the Information and Tabulation Agent accordingly.

This important notice and the Consent Solicitation Memorandum following this page have been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic communication and consequently none of the Issuer, the Solicitation Agents, the Information and Tabulation Agent or, in each case, any person who controls any such person, any director, officer, employee or agent of any such person or any affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between the Consent Solicitation Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Information and Tabulation Agent.

You are also reminded that the Consent Solicitation Memorandum has been delivered to you on the basis that you are a person into whose possession the Consent Solicitation Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located or are resident. If you are not the addressee to whom the Consent Solicitation Memorandum was intended to be delivered, please notify the sender immediately and destroy the Consent Solicitation Memorandum.

In certain jurisdictions, the distribution of this Consent Solicitation Memorandum may be restricted by law. Under no circumstances shall the Consent Solicitation Memorandum constitute a solicitation to exercise any voting rights with respect to any Notes to or from, or by, any person located or resident in any jurisdiction where it is unlawful to make such offer or solicitation under applicable securities or "blue sky" or other laws. Persons into whose possession the Consent Solicitation Memorandum comes are required by the Issuer, the Solicitation Agents, and the Information and Tabulation Agent to inform themselves about and to observe any such restrictions.

This Consent Solicitation Memorandum does not constitute an invitation to exercise voting rights with respect to the Proposal to or from any person located or resident in any jurisdiction where it is unlawful to make such invitation or for there to be such participation under applicable securities or "blue sky" or other laws. The distribution of this Consent Solicitation Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Consent Solicitation Memorandum comes are required by the Issuer and the Solicitation Agents (as defined below) to inform themselves about, and to observe, any such restrictions. No action that would permit a public offer of any securities has been or will be taken in any jurisdiction by the Issuer or the Solicitation Agents.



**Centrais Elétricas Brasileiras S.A. – Eletrobras
(incorporated in the Federative Republic of Brazil)**

SOLICITATION OF CONSENTS TO THE HOLDERS OF

US\$1,000,000,000 6.875% Notes due 2019 (the "2019 Notes")

(Unrestricted Global Note ISIN: USP22854AF31, CUSIP: P22854AF3; Restricted Global Note ISIN:
US15234QAJ76, CUSIP: 15234QAJ7)

and

US\$1,750,000,000 5.750% Notes due 2021 (the "2021 Notes" and together with the 2019 Notes, the "Notes")

(Unrestricted Global Note ISIN: USP22854AG14, CUSIP: P22854AG1; Restricted Global Note ISIN:
US15234QAL23, CUSIP: 15234QAL2)

issued by Centrais Elétricas Brasileiras S.A. – Eletrobras (the "Issuer")

to consent, on the terms and subject to the conditions set forth in this Consent Solicitation Memorandum, to amend by Extraordinary Resolution (as defined herein) the Terms of the Notes (as defined herein) (i) to amend the negative pledge to allow for the assumption of certain secured debt owed to Petrobras in order to facilitate the sale of certain distribution subsidiaries of the Issuer in a manner that would not breach the negative pledge and to make certain additional changes to the negative pledge to reflect the current funding environment in Brazil in respect of the 2019 Notes and the 2021 Notes, (ii) to amend the events of default of the 2019 Notes and the 2021 Notes to allow for the liquidation of Amazonas D in case the sale of Amazonas D does not proceed and (iii) to add an offer to purchase by the Issuer in the event of a change of control (and to delete the current event of default in the event of a change of control) in respect of the 2021 Notes only

The Proposal (as defined below) begins on February 8, 2019 and will expire at 5:00 p.m. (New York City time) on February 28, 2019, unless the Proposal is extended or earlier terminated, as described herein (the "Expiration Deadline").

Holders who consent and do not withdraw such consent to the Proposal at or prior to the Expiration Deadline shall be eligible to receive the Consent Fee (as defined below).

The Issuer invites each Holder to consent to amend (as more fully set out in the Extraordinary Resolution) the relevant terms and conditions of the Notes (the "**Terms of the Notes**") (i) to amend the negative pledge to allow for the assumption of secured debt owed to Petrobras in order to facilitate the sale of certain distribution subsidiaries of the Issuer in a manner that would not breach the negative pledge and to make certain additional changes to the negative

pledge to reflect the current funding environment in Brazil in respect of the 2019 Notes and the 2021 Notes, (ii) to amend the events of default of the 2019 Notes and the 2021 Notes to allow for the liquidation of Amazonas D in case the sale of Amazonas D does not proceed and (iii) to add an offer to purchase by the Issuer in the event of a change of control (and to delete the current event of default in the event of a change of control) in respect of the 2021 Notes only (the "**Proposal**"). The Proposal is made on the terms and subject to the conditions contained in this Consent Solicitation Memorandum.

Holders that consent to the Proposal at or prior to the Expiration Deadline and whose consents are accepted will receive, in the case of the 2019 Notes, US\$3.75 per US\$1,000 in principal amount of Notes or, in the case of the 2021 Notes, US\$7.50 per US\$1,000 in principal amount of Notes (the "**Consent Fee**").

Holders may consent to, vote against or abstain from the Proposal as described under "*Procedures for Participating in the Proposal—Procedure for Delivering Voting Instructions.*"

Holders should note that the relevant deadline set by any broker, dealer, commercial bank, custodian, trust company or other nominee or intermediary or clearing system (including either of Euroclear Bank SA/NV ("**Euroclear**") or Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") through which a Holder holds any Notes will be earlier than the Expiration Deadline and that any instructions to consent to the Proposal must be received by the Information and Tabulation Agent on or prior to the Expiration Deadline in order to be deemed valid.

Consents to the Proposal are irrevocable and may not be withdrawn from the Proposal, except in certain limited circumstances where the Issuer determines withdrawal rights are required by law, as described under "*Terms of the Proposal—Amendment and Termination.*" Holders are advised that, in the event that the relevant Meeting is adjourned for lack of quorum or otherwise, the Issuer intends to postpone the Settlement Date. Holders will not be given withdrawal rights as a result of such postponement, if any.

All documentation relating to the Proposal, including all announcements, additional copies of this Consent Solicitation Memorandum, any amendments or supplements to this Consent Solicitation Memorandum and the Forms of Sub-Proxy (as defined herein), will be available on the Proposal Website (<https://sites.dfkingltd.com/eletrabras>) or from the Information and Tabulation Agent.

The Issuer is making the Proposal only in those jurisdictions where it is legal to do so.

Notwithstanding any other provision of the Proposal, the Issuer's obligations to pay the applicable Consent Fee are subject to, and conditional upon, the satisfaction or (to the extent such conditions are capable of being waived) waiver of the Conditions to the Proposal (as defined herein), including the Minimum Consent Condition, in respect of the 2019 Notes or the 2021 Notes, as applicable. The Issuer reserves the right to waive or modify (to the extent any such Condition to the Proposal is capable of being waived or modified) any one or more of the Conditions to the Proposal in whole or in part at any time with respect to any or all of the 2019 Notes or the 2021 Notes, as applicable.

THIS CONSENT SOLICITATION MEMORANDUM SHOULD BE READ CAREFULLY BEFORE A DECISION IS MADE WITH RESPECT TO THE EXERCISING ANY VOTING RIGHTS IN CONNECTION WITH THE PROPOSAL. IN PARTICULAR, SEE "RISK FACTORS" BEGINNING ON PAGE 4 FOR A DISCUSSION OF CERTAIN FACTORS HOLDERS SHOULD CONSIDER IN CONNECTION WITH THE PROPOSAL.

BofA Merrill Lynch

Solicitation Agents

Bradesco BBI

February 8, 2019

Upon the terms and subject to the conditions of the Proposal, the Issuer will notify the Trustee promptly after the relevant Meeting of the aggregate principal amount of 2019 Notes and 2021 Notes in respect of which consents have been obtained with respect to the Proposal. If a Holder consents to the Proposal, subject to the terms and conditions of the Proposal as set forth in this Consent Solicitation Memorandum, including satisfaction of, *inter alia*, the Conditions to the Proposal, including the Minimum Consent Condition, the Issuer will pay the applicable Consent Fee in respect of such Notes. Payment of the applicable Consent Fee will be made promptly following the Expiration Deadline on or about March 7, 2019 (the "**Settlement Date**"), unless the Proposal is extended by the Issuer at its discretion.

In order to exercise voting rights in connection with the Proposal, Holders of Notes must validly submit a Form of Sub-Proxy to the Information and Tabulation Agent consenting to the Extraordinary Resolution for processing, and must not have validly withdrawn their Form of Sub-Proxy, at or prior to the relevant Expiration Deadline. Holders of Notes that do not deliver a valid Form of Sub-Proxy, but who wish to attend and vote at the relevant Meeting in person or to be represented or to otherwise vote at such Meeting, must make the necessary arrangements by the Expiration Deadline. Such Holders of Notes will not be eligible to receive the applicable Consent Fee irrespective of whether they vote in favour of the Extraordinary Resolution.

Any questions or requests for assistance may be directed to Banco Bradesco BBI S.A. or Merrill Lynch, Pierce, Fenner & Smith Incorporated (together, the "**Solicitation Agents**") or the Information and Tabulation Agent at their respective addresses and telephone numbers as set forth on the back cover of this Consent Solicitation Memorandum. All documentation relating to the Proposal, including all announcements, additional copies of this Consent Solicitation Memorandum, any amendments or supplements to this Consent Solicitation Memorandum and the Forms of Sub-Proxy, will be available on the Proposal Website (<https://sites.dfkingltd.com/eletrobras>) or from the Information and Tabulation Agent. A Holder may also contact such Holder's broker, dealer, commercial bank, custodian, trust company or other nominee or intermediary or clearing system (including any of The Depository Trust Company ("**DTC**"), Euroclear or Clearstream, Luxembourg (each a "**Clearing System**" and together the "**Clearing Systems**")) for assistance concerning the Proposal.

NONE OF THE ISSUER, ITS SUPERVISORY BOARD OR MANAGEMENT BOARD OR OTHER MANAGEMENT BODIES, THE SOLICITATION AGENTS OR THE INFORMATION AND TABULATION AGENT OR THE TRUSTEE OR ANY OF THEIR RESPECTIVE AFFILIATES MAKES ANY RECOMMENDATION WHATSOEVER REGARDING THIS CONSENT SOLICITATION MEMORANDUM, INCLUDING AS TO WHETHER ANY HOLDER SHOULD CONSENT, OR REFRAIN FROM CONSENTING, TO THE PROPOSAL, AND NO ONE HAS BEEN AUTHORISED BY ANY OF THEM TO MAKE SUCH A RECOMMENDATION. EACH HOLDER MUST MAKE ITS OWN DECISIONS AS TO WHETHER TO CONSENT TO THE PROPOSAL. EACH HOLDER SHOULD SEEK ITS OWN TAX AND ACCOUNTING ADVICE IN RELATION TO THE TAX CONSEQUENCES OF THE PROPOSAL.

Any Forms of Sub-Proxy submitted will be retained by the Information and Tabulation Agent until the relevant Meeting is held and, whether or not the Proposal has been terminated at the time of such Meeting, the Notes represented by such Forms of Sub-Proxy will be voted by the Information and Tabulation Agent as specified, respectively, in such Form of Sub-Proxy.

References herein to "US\$" are to United States Dollars.

Before making a decision whether to consent to the Proposal, Holders should carefully consider all of the information in this Consent Solicitation Memorandum and, in particular, the risk factors described in "Risk Factors."

IMPORTANT INFORMATION

A beneficial owner of Notes that are held by a broker, dealer, commercial bank, custodian, trust company or other nominee or intermediary or clearing system (including any Clearing System) must instruct such intermediary to consent to the Proposal on the beneficial owner's behalf. See "*Procedures for Participating in the Proposal.*"

Neither Holders nor beneficial owners of the Notes will be obligated to pay brokerage fees or commissions to the Solicitation Agents, the Information and Tabulation Agent or the Issuer in connection with the Proposal. **No guaranteed delivery procedures will be available for consenting to the Proposal.**

The statements made in this Consent Solicitation Memorandum are made on the date of this Consent Solicitation Memorandum. The delivery of this Consent Solicitation Memorandum shall not under any circumstances create any implication that the information contained herein is correct as of a later date or that there has been no change in such information since the date hereof or, if earlier, the date as of which information is stated to be given.

This Consent Solicitation Memorandum does not constitute a solicitation to exercise any voting rights with respect to any, Notes to or from, or by, any person located or resident in any jurisdiction where it is unlawful to make such offer or solicitation under applicable securities or "blue sky" or other laws. In those jurisdictions where the securities, blue sky or other laws require the Proposal to be made by a licensed broker or dealer, the Proposal shall be deemed to be made on behalf of the Issuer by the Solicitation Agents or one or more registered brokers or dealers licensed under the laws of such jurisdiction.

This Consent Solicitation Memorandum has not been filed with or reviewed by the SEC, any State securities commission or any other regulatory authority, nor has any such commission or authority passed upon the accuracy or adequacy of this Consent Solicitation Memorandum or any of the accompanying ancillary documents delivered herewith. Any representation to the contrary is unlawful and may be a criminal offense.

No dealer, salesperson or other person has been authorised to give any information or to make any representation or warranty not contained in this Consent Solicitation Memorandum and, if given or made, such information or representation or warranty may not be relied upon as having been authorised by the Issuer, the Trustee, the Solicitation Agents or the Information and Tabulation Agent.

None of the Solicitation Agents, the Information and Tabulation Agent or the Trustee (or their respective affiliates, directors, officers, employees and agents) have separately verified the information contained herein and none of the Solicitation Agents, the Information and Tabulation Agent or the Trustee, their affiliates or their respective directors, officers, employees or agents makes any representations, warranties, undertakings or recommendations whatsoever (express or implied) regarding this Consent Solicitation Memorandum or the Proposal and none of such persons accepts any liability or responsibility as to the accuracy or completeness of the information contained in this Consent Solicitation Memorandum or any other information provided by the Issuer in connection with or in relation to the Proposal.

In the ordinary course of their respective businesses, the Solicitation Agents and the Information and Tabulation Agent are entitled to hold positions in Notes either for their own account or for the account, directly or indirectly, of third parties, and, notwithstanding the Proposal, such persons are entitled to continue to hold or dispose of, in any manner they may elect, subject to applicable law, any Notes they may hold as at the date of this Consent Solicitation Memorandum or hereafter. No determination by either Solicitation Agent or the Information and Tabulation Agent to consent or not to consent to the Proposal should be taken by any other Holder or any other person as any recommendation or otherwise by either Solicitation Agent or the Information and Tabulation Agent (as the case may be) as to the merits of participating or not participating in the Proposal.

The effecting of the Extraordinary Resolution (if duly passed in accordance with its terms) will not require the Trustee to, and the Trustee shall not, consider the interests of the Holders. The Trustee will assess any direction it is given by the sub-proxies in accordance with its rights and duties under the Trust Deeds. The Trustee shall have no liability whatsoever to the Issuer, the Holders or any other party in respect of the payment of the Consent Fee or any other matter relating to this Consent Solicitation Memorandum. The Trustee makes no representation that all relevant

information has been disclosed to Holders in this Consent Solicitation Memorandum, or for any failure by any party to disclose events that may have occurred and may affect the significance or accuracy of such information.

THIS CONSENT SOLICITATION MEMORANDUM CONTAINS IMPORTANT INFORMATION WHICH SHOULD BE READ CAREFULLY BEFORE ANY DECISION IS MADE WITH RESPECT TO THE PROPOSAL, INCLUDING ANY DECISION TO CONSENT TO THE PROPOSAL. EACH HOLDER MUST TAKE HIS, HER OR ITS OWN DECISION AS TO WHETHER TO CONSENT. IN ACCORDANCE WITH NORMAL PRACTICE, NEITHER THE TRUSTEE NOR ANY OF ITS DIRECTORS, OFFICERS, EMPLOYEES OR AFFILIATES EXPRESSES ANY OPINION ON THE MERITS OF, OR MAKES ANY REPRESENTATION OR RECOMMENDATION WHATSOEVER REGARDING, THE PROPOSAL OR THIS CONSENT SOLICITATION MEMORANDUM OR MAKES ANY RECOMMENDATION AS TO WHETHER HOLDERS SHOULD EXERCISE ANY VOTING RIGHTS WITH RESPECT TO THE PROPOSAL. THE TRUSTEE HAS NOT REVIEWED, NOR WILL IT BE REVIEWING, ANY DOCUMENTS RELATING TO THE PROPOSAL. THE TRUSTEE URGES HOLDERS TO SEEK THEIR OWN INDEPENDENT FINANCIAL, TAX AND LEGAL ADVICE.

The Issuer accepts responsibility for the information contained in this Consent Solicitation Memorandum. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Consent Solicitation Memorandum is, in all material respects, in accordance with the facts and does not omit anything likely to affect the import of such information.

TABLE OF CONTENTS

	Page
DEFINITIONS	1
RISK FACTORS	4
EXPECTED TIMETABLE	6
FORWARD-LOOKING STATEMENTS	9
TERMS OF THE PROPOSAL.....	10
PROCEDURES FOR PARTICIPATING IN THE PROPOSAL	14
TAX CONSEQUENCES	19
SOLICITATION AGENTS AND INFORMATION AND TABULATION AGENT	24
ANNEX A - FORM OF NOTICE AND EXTRAORDINARY RESOLUTION OF 2019 NOTES.....	26
EXTRAORDINARY RESOLUTION	27
ANNEX B - FORM OF NOTICE AND EXTRAORDINARY RESOLUTION OF 2021 NOTES.....	32
EXTRAORDINARY RESOLUTION	33

DEFINITIONS

"2019 Notes"	US\$1,000,000,000 6.875% Notes due 2019 issued by the Issuer.
"2021 Notes"	US\$1,750,000,000 5.750% Notes due 2021 issued by the Issuer.
"2019 Trust Deed"	The Trust Deed (which expression includes any such trust deed as from time to time modified in accordance with the provisions therein and any deed or other document expressed to be supplemental thereto, as from time to time so modified) dated July 30, 2009, between the Issuer and the Trustee.
"2021 Trust Deed"	The Trust Deed (which expression includes any such trust deed as from time to time modified in accordance with the provisions therein and any deed or other document expressed to be supplemental thereto, as from time to time so modified) dated October 27, 2011, between the Issuer and the Trustee.
"affiliate"	Has the meaning given to that term by Rule 405 under the Securities Act.
"Amazonas D"	Amazonas Distribuidora de Energia S.A.
"Business Day"	A day other than a Saturday or a Sunday or a public holiday on which banks and foreign exchange markets are open for business in London and New York City.
"Clearing Systems"	DTC, Clearstream, Luxembourg and Euroclear.
"Clearstream, Luxembourg"	Clearstream Banking, <i>société anonyme</i> .
"Consent Fee"	In the case of the 2019 Notes, US\$3.75 per US\$1,000 in principal amount of 2019 Notes or, in the case of the 2021 Notes, US\$7.50 per US\$1,000 principal amount of 2021 Notes, as applicable.
"Direct Participant"	Each person shown in the records of the Clearing Systems as a Holder of the Notes, including without limitation a DTC Participant.
"DTC"	The Depository Trust Company.
"DTC Participant"	A participant of DTC (<i>i.e.</i> , a broker, dealer, bank, custodian, trust company or other nominee or intermediary).
"Euroclear"	Euroclear Bank S.A./N.V.
"Expiration Deadline"	5:00 p.m. New York City time on February 28, 2019 (subject to the right of the Issuer to extend, re-open and/or terminate the Proposal).
"Extraordinary Resolution"	The Extraordinary Resolution to be put to the Holders at the relevant Meeting, if the necessary quorum is present to consider the Proposal, as set out in the applicable Notice.
"Form of Sub-Proxy"	A properly completed and applicable form of sub-proxy signed by or on behalf of a Holder of the 2019 Notes or the 2021 Notes, as the case may be, who is shown in the records of Cede & Co. as a DTC Participant in relation to such Notes to procure that the votes attributable to such Note(s) should be cast at the relevant Meeting in favour of, against or abstain from voting in respect of the Extraordinary Resolution, as applicable, and delivered by the relevant DTC Participant by email to

eletrobras@dfkingltd.com by the Expiration Deadline, followed by a copy by mail, hand delivery or overnight courier to the Information and Tabulation Agent at its New York office address set forth on the last page of this Consent Solicitation Memorandum.

"Holder"	A holder of Notes.
"Information and Tabulation Agent"	D.F. King & Co., Inc.
"Launch Date"	The date of this Consent Solicitation Memorandum.
"Meeting"	Meeting of the Holders of each of the 2019 Notes and the 2021 Notes to consider the Proposal, to be held at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ, United Kingdom, at 10:00 a.m. (London time) (in respect of the 2019 Notes) and 10:30 a.m. (London time) (in respect of the 2021 Notes) on March 4, 2019, unless adjourned due to a lack of quorum.
"Minimum Consent Condition"	The Issuer having received consents in an amount at least equal to 51 per cent. of the aggregate principal amount of the 2019 Notes or the 2021 Notes, as the case may be.
"Notes"	The 2019 Notes together with the 2021 Notes.
"Notice"	The notice convening the relevant Meeting and setting out the applicable Extraordinary Resolution, which has been published in accordance with the Trust Deeds and the Terms of the Notes by delivery to the Holders, delivery to the Clearing Systems for communication to Direct Participants and publication on the website of the Luxembourg Stock Exchange, in each case in the form set out in " <i>Annex A—Form of Notice and Extraordinary Resolution of 2019 Notes</i> " and " <i>Annex B—Form of Notice and Extraordinary Resolution of 2021 Notes</i> ."
"Proposal Website"	The website https://sites.dfkingltd.com/eletrobras operated by the Information and Tabulation Agent for the purpose of the Proposal.
"Issuer"	Centrais Elétricas Brasileiras S.A. – Eletrobras.
"Omnibus Proxy"	An omnibus proxy pursuant to which DTC will appoint the DTC Participants on February 26, 2019 (the " Record Date ") as its proxies in respect to the principal amount of the relevant Notes shown on its records as being held by them on the Record Date. Only Holders as of the Record Date are entitled to submit their applicable Form of Sub-Proxy for voting on the Extraordinary Resolution.
"Proposal"	The invitation by the Issuer to each Holder to consent to amend by adoption of the Extraordinary Resolution the Terms of the Notes (i) to amend the negative pledge to allow for the assumption of secured debt owed to Petrobras in order to facilitate the sale of certain distribution subsidiaries of the Issuer in a manner that would not breach the negative pledge and to make certain additional changes to the negative pledge to reflect the current funding environment in Brazil in respect of the 2019 Notes and the 2021 Notes, (ii) to amend the events of default of the 2019 Notes and the 2021 Notes to allow for the liquidation of Amazonas D in case the sale of Amazonas D does not proceed and (iii) to add an offer to purchase by the Issuer in the event of a change of control (and to delete

the current event of default in the event of a change of control) in respect of the 2021 Notes only, all as set out in the relevant Notice. Such invitation is made on the terms and subject to the conditions set out in this Consent Solicitation Memorandum.

" Restricted Notes "	Notes sold in the United States to "qualified institutional buyers" in accordance with Rule 144A.
" Securities Act "	The U.S. Securities Act of 1933, as amended.
" Settlement Date "	The date on which the applicable Consent Fee will be paid to the relevant Holders, which is expected to be no later than three Business Days immediately following the Expiration Deadline (subject to the right of the Issuer to extend, re-open and/or terminate the Proposal or, in particular, to extend the Expiration Deadline and the Settlement Date).
" Solicitation Agents "	Banco Bradesco BBI S.A. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, in their capacity as solicitation agents in connection with the Proposal.
" Supplemental Trust Deeds "	In relation to the Notes, the relevant supplemental trust deed (supplemental to the relevant Trust Deed) to effect the amendments and modifications to the relevant Terms of the Notes provided for in the applicable Extraordinary Resolution and as set out in the Notice.
" Trust Deeds "	The 2019 Trust Deed together with the 2021 Trust Deed.
" Trustee "	Deutsche Bank Trust Company Americas.
" Unrestricted Notes "	Notes initially sold outside the United States in accordance with Regulation S under the Securities Act.

RISK FACTORS

In deciding whether to participate in the Proposal, each Holder should consider carefully, in addition to the other information contained in this Consent Solicitation Memorandum, the following.

No Assurance the Proposal will be Completed

The Issuer may reject consents to the Proposal in its sole discretion for any reason and the Issuer is under no obligation to any Holder to furnish any reason or justification for refusing to accept any consents to the Proposal. In addition, the Issuer may determine in its sole discretion whether or not the Conditions to the Proposal have been satisfied.

Completion, Termination and Amendments

Subject to applicable law, the Issuer may, in its sole discretion, extend the Expiration Deadline, postpone the Settlement Date, amend or waive any Condition to the Proposal or terminate the Proposal.

Irrevocability of Form of Sub-Proxy

Following the transmission of a Form of Sub-Proxy by a Holder, the relevant Forms of Sub-Proxy will be retained by the Information and Tabulation Agent until the relevant Meeting is held and, whether or not the Proposal has been terminated at the time of such Meeting, the Notes represented by such Forms of Sub-Proxy will be voted by the Information and Tabulation Agent as specified on the relevant Form of Sub-Proxy.

Compliance with Procedures for Participating in the Proposal

Holdes are responsible for complying with all of the procedures for participating in the relevant Meeting related to the Proposal. None of the Issuer, the Solicitation Agents or the Information and Tabulation Agent (or any of their respective directors, employees or affiliates) assumes any responsibility for informing Holders of irregularities with respect to any such Holder's Form of Sub-Proxy or for notifying the Holder of any failure to follow the proper procedures.

Each Holder is advised to check with any broker, dealer, bank, custodian, trust company or other nominee or intermediary or clearing system (including any Clearing System or Direct Participant) through which it holds Notes when such intermediary would require to receive instructions from a Holder in order for that Holder to be able to participate in the Proposal before the deadlines specified in this Consent Solicitation Memorandum. The deadlines set by any such intermediary will be earlier than the relevant deadlines specified in this Consent Solicitation Memorandum.

Holdes who do not deliver or arrange for the delivery of a Form of Sub-Proxy as provided above but who wish to attend and vote at the relevant Meeting in person or to make other arrangements to be represented or to vote at such Meeting may do so in accordance with the voting and quorum procedures set out in the Notice and the applicable voting provisions. However, only Holdes who deliver, or arrange to have delivered on their behalf, valid Forms of Sub-Proxy which have been received by the Information and Tabulation Agent by the Expiration Deadline will be eligible to receive the applicable Consent Fee.

Irrevocable Instructions

Consents to the Proposal are irrevocable and may not be withdrawn, except in certain limited circumstances where the Issuer determines withdrawal rights are required by law. Holdes are advised that, in the event that a Meeting is adjourned for lack of quorum or otherwise, the Issuer intends to postpone the Settlement Date. Holdes will not be given withdrawal rights as a result of such postponement, if any.

Responsibility to Consult Advisers and for Assessing the Merits of the Proposal

Each Holder is solely responsible for making its own investment appraisal of all matters as such Holder may deem appropriate (including those relating to the Proposal, the Notes and the Issuer) and each Holder must make its own decision as to whether or not to vote in favour of the Extraordinary Resolution.

Each Holder should consult its own tax, accounting, financial and legal advisers regarding the suitability to it of the tax, accounting, financial or legal consequences of participating or not participating in not voting in favour of the Extraordinary Resolution. None of the Issuer, the Solicitation Agents or the Information and Tabulation Agent or any director, officer, employee, agent or affiliate of any such person is acting for any Holder or will be responsible to any Holder for providing any protections that would be afforded to its clients or for providing advice in relation to the Proposal, and, accordingly, none of the Issuer, the Solicitation Agent or, the Information and Tabulation Agent or any of their respective affiliates, directors, officers, employees or agents makes any recommendation whatsoever regarding the Proposal, including any recommendation as to whether a Holder should or should not vote in favour of the Extraordinary Resolution, and none of them has authorized any person to make any such recommendation. Furthermore, each Holder is solely responsible for complying with all of the procedures for participating in the Proposal, including the submission of a Form of Sub-Proxy. None of the Issuer, the Solicitation Agents or the Information and Tabulation Agent assumes any responsibility for informing any Holder of any irregularities with respect to a Form of Sub-Proxy submitted by it.

The Issuer cannot assure Holders that existing credit ratings for the Notes will be maintained.

The Issuer cannot assure Holders that as a result of the Proposal or the Consent Solicitation or otherwise, one or more credit rating agencies would not take action to downgrade or negatively comment upon their respective credit ratings of the Notes. Any downgrade or negative comment would likely adversely affect the market price of the Notes.

Taxation Consequences

Holders may become subject to adverse tax consequences by consenting to the Proposal. Each Holder is urged to consult its own professional advisers regarding all possible tax consequences under the laws of all jurisdictions that apply to it or to the amendment of the Terms of the Notes and its receipt of the applicable Consent Fee. Each Holder is liable for its own taxes and has no recourse to the Issuer, either Solicitation Agent or the Information and Tabulation Agent with respect to any taxes arising as a result of such Holder exercising its voting rights in connection with the Proposal.

EXPECTED TIMETABLE

This is an indicative timetable showing one possible outcome for the timing of the Proposal, based on the dates set out in this Consent Solicitation Memorandum. This timetable is subject to change and dates may be extended or changed by the Issuer, in its discretion, in accordance with the terms and conditions set out in this Consent Solicitation Memorandum (including the Conditions to the Proposal). Accordingly, the actual timetable may differ significantly from the timetable set forth below.

Date and time (all times are New York City time, unless otherwise stated)	Event
February 8, 2019.....	<p><i>Launch Date</i></p> <p>Proposal announced and Consent Solicitation Memorandum available from the Information and Tabulation Agent.</p> <p>Notices of the Proposal and the Meetings published.</p>
February 26, 2019.....	<p><i>Record Date</i></p> <p>Only Holders as of the Record Date are entitled to exercise voting rights with respect to the relevant Proposal.</p>
5:00 p.m., February 28, 2019.....	<p><i>Expiration Deadline</i></p> <p>Deadline for receipt by the Information and Tabulation Agent of all Forms of Sub-Proxy, in order for Holders to be eligible to receive the Consent Fee on the Settlement Date.</p>
10:00 a.m. (London time), March 4, 2019	<p><i>Holder Meeting and Announcement of Results for the 2019 Notes</i></p> <p>Meetings for the 2019 Notes to consider the Proposal, to be held at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ, United Kingdom.</p> <p>After the Meeting, the Issuer shall announce (i) whether the Minimum Consent Condition has been satisfied or is otherwise expected to be waived, and (ii) the results of the Meeting.</p>
10:30 a.m. (London time), March 4, 2019	<p><i>Holder Meetings and Announcement of Results for the 2021 Notes</i></p> <p>Meetings for the 2021 Notes to consider the Proposal, to be held at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ, United Kingdom.</p> <p>After the Meeting, the Issuer shall announce (i) whether the Minimum Consent Condition has been satisfied or is otherwise expected to be waived, and (ii) the results of the Meeting.</p>
March 7, 2019 (unless the Expiration Deadline is extended due to lack of quorum).....	<p><i>Proposal Settlement Date</i></p> <p>Subject to satisfaction of the Minimum Consent Condition and the other Conditions to the Proposal in respect of either the 2019 Notes or the 2021 Notes, payment of the applicable Consent Fee.</p>

10:00 a.m. (London time),
March 19, 2019
(tentative, if applicable)..... *Expected Date for Adjourned Holder Meeting and Announcement of Results for the 2019 Notes (if applicable)*

If the Meeting for the 2019 Notes is adjourned for lack of quorum or otherwise and the Proposal is not terminated, the expected date of the adjourned Meeting to consider the Proposal, to be held at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ, United Kingdom.

After such adjourned Meeting, the Issuer shall announce, if known, whether the Minimum Consent Condition has been satisfied or is otherwise expected to be waived.

10:30 a.m. (London time),
March 19, 2019
(tentative, if applicable)..... *Expected Date for Adjourned Holder Meeting and Announcement of Results for the 2021 Notes (if applicable)*

If the Meeting for the 2021 Notes is adjourned for lack of quorum or otherwise and the Proposal is not terminated, the expected date of the adjourned Meeting to consider the Proposal, to be held at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ, United Kingdom.

After such adjourned Meeting, the Issuer shall announce, if known, whether the Minimum Consent Condition has been satisfied or is otherwise expected to be waived.

As soon as reasonably practicable after a Meeting..... In respect of any Extraordinary Resolution which has been passed at a Meeting (or any adjourned Meeting, if applicable), signing of the applicable Supplemental Trust Deed will occur to implement the relevant Proposal.

March 22, 2019
(tentative, if applicable)..... *Expected Date for Postponed Proposal Settlement Date (if applicable)*

If any Meeting is adjourned for lack of quorum or otherwise and the Proposal is not terminated, subject to satisfaction of the Minimum Consent Condition and the other Conditions to the Proposal in respect of either the 2019 Notes or the 2021 Notes, payment of the applicable Consent Fee.

Each Holder is advised to check with any broker, dealer, bank, custodian, trust company or other nominee or intermediary or clearing system (including any Clearing System) through which it holds Notes when such intermediary would require to receive instructions from a Holder in order for that Holder to be able to participate in the Proposal before the deadlines specified above. The deadlines set by any such intermediary will be earlier than the relevant deadlines specified above.

The Issuer will make (or cause to be made) announcements regarding the Proposal in accordance with applicable law: (i) by delivery of notices to the Clearing Systems for communication to Direct Participants; and (ii) by publication on the website of the Luxembourg Stock Exchange. All announcements will also be posted on the Proposal Website: <https://sites.dfkingltd.com/eletrobras>. Copies of all announcements, notices and press releases may also be obtained from the Information and Tabulation Agent at its address and telephone number as set forth on the back cover of this

Consent Solicitation Memorandum. Delays may be experienced in respect of notices delivered to the Clearing Systems and Holders are urged to contact the Solicitation Agents or the Information and Tabulation Agent for the relevant announcements during the course of the Proposal, the contact details for which are on the last page of this Consent Solicitation Memorandum.

FORWARD-LOOKING STATEMENTS

The Issuer considers portions of this Consent Solicitation Memorandum to be forward-looking statements. Forward-looking statements can be identified by the use of words such as "*may*", "*will*", "*plan*", "*should*", "*expect*", "*anticipate*", "*estimate*", "*continue*" or comparable terminology. Forward-looking statements are inherently subject to risks and uncertainties, many of which the Issuer cannot predict with accuracy and some of which the Issuer cannot even anticipate. Although the Issuer believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions at the time made, no assurance can be given that such expectations will be achieved. Future events and actual results, financial and otherwise, may differ materially from the results discussed in the forward-looking statements as a result of risks and uncertainties, including, without limitation, possible changes in the timing and consummation of the Proposal. Holders are cautioned not to place undue reliance on these forward-looking statements.

The forward-looking statements contained in this Consent Solicitation Memorandum speak only as of the date of this Consent Solicitation Memorandum. The Issuer does not assume any obligation to, and does not undertake to, update or supplement, publicly or otherwise, any forward-looking statements to reflect subsequent events or circumstances, whether or not anticipated, other new information or otherwise, except as may be required under applicable securities laws.

TERMS OF THE PROPOSAL

The Issuer

The Issuer is a government-controlled company operating in the generation and transmission of electricity in Brazil. As of September 30, 2018, it is the largest generation company in Brazil as measured by installed capacity and the largest transmission company in Brazil as measured by percentage of the Brazilian transmission grid for which it is responsible. The Issuer was established on June 11, 1962 as a mixed-capital company with limited liability and unlimited duration. Its executive offices are located at Rua da Quitanda 196, CEP 20090-070 Rio de Janeiro, RJ, Brazil. Its telephone number is + 55 (21) 2514-4637.

Rationale for the Consent Solicitation

The Issuer has in recent years had three main business lines - the generation, transmission and distribution of electricity. As its distribution business has been loss-making for many years the Brazilian Government, which holds 51% of the common shares of the Issuer, and its Board of Directors have determined that it should divest its distribution assets and focus on its generation and transmission businesses.

Accordingly, the Issuer has put all of its six distribution companies up for auction. It has thus far received bids for all six distribution companies. To date, Centrais Elétricas de Rondônia ("**Ceron**"), Companhia de Eletricidade de Acre ("**Eletroacre**"), Boa Vista Energia S.A. ("**Boa Vista**") and Companhia Energética de Piauí ("**Cepisa**") have been sold and control has been transferred to the respective purchasers. Amazonas D and Companhia Energética de Alagoas ("**Ceal**") have just completed their respective auction processes and are awaiting satisfaction of the conditions precedent to their sale. In accordance with the resolution of the shareholders of the Issuer, if the control of any distribution company is not transferred by March 31, 2019, such distribution company will be liquidated unless the Issuer's shareholders extend the deadline. Accordingly, the Issuer is requesting for the events of default of the Notes as set out in the relevant Notes and the relevant Trust Deed to be amended to allow for the liquidation of Amazonas D, which constitutes a Material Subsidiary as defined in the applicable Trust Deed.

Amazonas D, Ceron, Eletroacre and Boa Vista entered into agreements with Petróleo Brasileiro S.A. ("**Petrobras**") to purchase fuel and gas for the production of thermal energy as part of their distribution business. Petrobras provided vendor financing for these purchases, resulting in those four distribution companies owing Petrobras a total of R\$15.9 billion as of November 30, 2018. The Issuer fully guarantees all of such debt owed to Petrobras. As part of the agreed auction process, such debt would be assumed by the Issuer upon the sale of the distribution companies, and Petrobras has asked the Issuer to pledge collateral in the total amount of R\$13.5 billion as of November 30, 2018 with respect to the assigned debt.

As a result, the Issuer is requesting for the negative pledge in the Notes and the Trust Deeds to be amended to allow for the assumption of secured debt owed to Petrobras in order to facilitate the sale of the distribution companies in a manner that would not breach the negative pledge in the Notes. In addition, the Issuer is proposing to make certain additional changes to the negative pledge in the 2019 Notes and the 2021 Notes to better reflect its funding environment in Brazil.

In addition, the Brazilian Government has proposed to increase the share capital of the Issuer in order to dilute its voting shares to below 51% of the voting capital of the Issuer. This proposal is subject to parliamentary vote, among other steps. Currently, the Notes and the Trust Deeds contain an event of default triggered by a change of control. In light of the potential further dilution of the Brazilian Government's voting shares, the Issuer is proposing to delete this event of default in respect of the 2021 Notes and insert a change of control offer to purchase, at 101% of the principal amount of the 2021 Notes.

The consent solicitation for the 2019 Notes includes the same provisions that are being proposed for the 2021 Notes with respect to the negative pledge and the potential liquidation of Amazonas D but does not include the consent solicitation for the event of default and offer to purchase upon a change of control since the 2019 Notes will mature in July of this year.

Terms of the Proposal

The Issuer invites Holders (subject to the terms and subject to the conditions contained in this Solicitation Memorandum) to consent to the Proposal in exchange for the applicable Consent Fee.

Total Amount Payable to Holders who Consent to the Proposal

The total amount the Issuer will pay Holders on the Settlement Date for their consent to the Proposal will be an amount equal to the Consent Fee in the case of Holders who consented (by completing a Form of Sub-Proxy) to the Proposal at or prior to the Expiration Deadline. For the avoidance of doubt, the payment of the Consent Fee is subject to the same terms regarding the payment of additional amounts as set out in the terms and conditions of the applicable Notes.

Payment

If the Proposal is not extended, re-opened, amended or terminated by the Issuer, the Issuer expects to announce promptly after the relevant Meeting, the results of the Proposal. If known, the Issuer expects also to announce, promptly after the relevant Meeting, whether the Minimum Consent Condition has been satisfied or otherwise is expected to be waived.

If consents to the Proposal validly delivered are accepted by the Issuer (and the Conditions to the Proposal in respect of either the 2019 Notes or the 2021 Notes have been met or otherwise waived), the applicable Consent Fee will be paid on the Settlement Date in immediately available funds to the Clearing Systems for payment to the cash accounts of the relevant Holders in the Clearing Systems. See "*Procedures for Participating in the Proposal.*" The payment of such aggregate amount to the Clearing Systems will discharge the obligation of the Issuer to all Holders in respect of payment for exercising voting rights in respect of the Proposal.

General Conditions of the Proposal

The Issuer expressly reserves the right, in its sole discretion, to delay consummation of the Proposal in order to comply with applicable laws. See "*Risk Factors.*"

The failure of any person to receive a copy of this Consent Solicitation Memorandum or any announcement made or notice issued by the Issuer or any other person in connection with the Proposal shall not invalidate any aspect of the Proposal. No acknowledgement of receipt of any Form of Sub-Proxy or other documents will be given by the Issuer, either Solicitation Agent or the Information and Tabulation Agent.

Announcements

The Issuer will make (or cause to be made) announcements regarding the Proposal in accordance with applicable law: (i) by delivery of notices to the Clearing Systems for communication to Direct Participants; and (ii) by publication on the website of the Luxembourg Stock Exchange. All announcements will also be posted on the Proposal Website: <https://sites.dfkingltd.com/eletrobras>.

Copies of all announcements, notices and press releases may also be obtained from the Information and Tabulation Agent.

Delays may be experienced in respect of notices delivered to the Clearing Systems and Holders are urged to contact the Solicitation Agents or the Information and Tabulation Agent for the relevant announcements during the course of the Proposal, the contact details for which are on the last page of this Consent Solicitation Memorandum.

Governing Law

This Consent Solicitation Memorandum, the Proposal, each Form of Sub-Proxy, any notices and all contractual and non-contractual obligations resulting therefrom shall be governed by, and construed in accordance with, English law.

By submitting a Form of Sub-Proxy or attending the applicable Meeting, the relevant Holder will irrevocably and unconditionally agree for the benefit of the Issuer, the Solicitation Agents, the Information and Tabulation Agent and the Trustee that the courts of England are to have jurisdiction to settle any disputes that may arise out of or in

connection with this Consent Solicitation Memorandum, such Form of Sub-Proxy or the Extraordinary Resolution, as the case may be, and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.

Costs and Expenses

Consents to the Proposal and settlement of the Proposal are free of charges, costs and expenses for Holders (except for any taxes triggered by such settlement of the Proposal), save that any charges, costs and expenses charged by a broker, dealer, commercial bank, trust company or other nominee, or intermediary, or the relevant Clearing System, in connection with a consent to the Proposal by a particular Holder shall be borne by the relevant Holder.

Acceptance for Payment and Payment of Notes

Payment for exercising voting rights in respect of the Proposal shall be made on the Settlement Date, by the deposit of the Consent Fee in immediately available funds with the Information and Tabulation Agent. The deposit of the corresponding funds with the Information and Tabulation Agent will discharge any and all obligations (if any) of the Issuer to all Holders in respect of payment of the Consent Fee. Provided the Issuer makes, or there is made on its behalf, full payment of the Consent Fee to the Information and Tabulation Agent on or before the Settlement Date, under no circumstances will any distributions be payable because of any delay in the transmission of funds from any Clearing System or any other intermediary to Holders with respect to such Notes.

The Issuer expressly reserves the right, in its discretion, subject to applicable law, to delay payment of the Consent Fee in order to comply, in whole or in part, with any applicable law. See "*—Conditions to the Proposal.*" Holders are advised that, in the event that a Meeting is adjourned for lack of quorum or otherwise, the Issuer intends to postpone the Settlement Date. Holders will not be given withdrawal rights as a result of such postponement, if any.

Consenting Holders will not be obligated to pay brokerage fees or commissions to the Solicitation Agents, the Information and Tabulation Agent or the Issuer in connection with the Proposal. If payment is to be made to any persons other than the registered owners, the amount of any transfer taxes (whether imposed on the registered Holder or such other person) payable on account of the transfer to such other person will be deducted from the payment of the Consent Fee, unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted.

There are no appraisal or other similar statutory rights available to Holders in connection with the Proposal.

Amendment and Termination

Notwithstanding any other provision of the Proposal, the Issuer may, subject to applicable laws, at its option:

- (a) extend the Expiration Deadline (in which case, all references in this Consent Solicitation Memorandum to "Expiration Deadline" shall, unless the context requires otherwise, be to the latest time and date to which the Expiration Deadline has been so extended); or
- (b) extend, re-open or amend the Proposal in any respect (including, but not limited to, any extension, re-opening or amendment, as applicable, in relation to the Expiration Deadline or the Settlement Date, or termination of the Proposal).

The Issuer also reserves the right at any time to waive (to the extent such conditions are capable of being waived) any or all of the Conditions to the Proposal (including, without limitation, the Minimum Consent Condition) as set out in this Consent Solicitation Memorandum. The Issuer will ensure Holders are notified of any such extension, re-opening or amendment as soon as is reasonably practicable after the relevant decision is made in accordance with the procedures described in "*—Announcements.*"

Holders are advised that, in the event that a Meeting is adjourned for lack of quorum or otherwise, the Issuer intends to postpone the Settlement Date and Holders will not be given withdrawal rights as a result of such postponement.

At any time before (but not after) the Issuer determines (in its sole discretion) that the Minimum Consent Condition has been satisfied, the Issuer may, in its sole discretion, terminate the Proposal, including with respect to Forms of Sub-Proxy submitted before the time of such termination, by giving notice of such termination (i) by delivery of

notices to the Clearing Systems for communication to Direct Participants; and (ii) by publication on the website of the Luxembourg Stock Exchange.

PROCEDURES FOR PARTICIPATING IN THE PROPOSAL

Only registered Holders of Notes are authorised to consent to the Proposal. Accordingly, to properly consent to the Proposal, the below procedures must be followed.

The consent to the Proposal pursuant to any of the procedures set forth in this Consent Solicitation Memorandum will constitute a binding agreement between the consenting Holder and the Issuer upon the terms and subject to the conditions of the Proposal (including the Conditions to the Proposal). A valid consent to the Proposal will constitute the agreement of the consenting Holder to vote in favour of the relevant Extraordinary Resolution.

Procedure for Delivering Voting Instructions for Notes

The procedures set out herein assume that in accordance with its usual procedures, DTC will appoint the DTC Participants on February 26, 2019 (for the purposes of this section, the "**Record Date**") as its proxies under an omnibus proxy (the "**Omnibus Proxy**") in respect of the principal amount of the Notes shown on its records as being held by them on the Record Date.

In order to be eligible to participate in the Proposal, Holders of the 2019 Notes or the 2021 Notes, as the case may be, as of the Record Date must validly submit the applicable form of sub-proxy in favour of, against or abstaining from the Extraordinary Resolution (the "**Form of Sub-Proxy**") prior to the Expiration Deadline. Consents for the 2019 Notes must be voted in minimum denominations of US\$100,000 and integral multiples of US\$1,000 in excess thereof, and consents for the 2021 Notes must be voted in minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof.

Only DTC Participants listed on the Omnibus Proxy may submit a Form of Sub-Proxy. Any Holder which is not a DTC Participant must contact its broker, dealer, commercial bank, custodian, or DTC Participant and arrange for the DTC Participant through which it holds the Notes to submit a Form of Sub-Proxy on its behalf to the Information and Tabulation Agent prior to the Expiration Deadline. Holders are advised that, if Notes are held by a custodian, the custodian may have an earlier deadline for delivering a Form of Sub-Proxy than the Expiration Deadline.

Individuals nominated by the Holders of Notes or one or more employees of the Information and Tabulation Agent nominated by the Information and Tabulation Agent may be appointed as sub-proxies for the purposes of attending the Meeting and voting for or against or abstaining from the relevant Extraordinary Resolution.

In the event that the principal amount of Notes in respect of which a Form of Sub-Proxy was issued by a single DTC Participant exceeds the aggregate holding of such DTC Participant on the Record Date as evidenced by the Omnibus Proxy, any votes in excess of the aggregate holding of such DTC Participant will not be taken into account, provided that the time of receipt of the Form of Sub-Proxy shall determine the priority of votes that will be taken into account for the purposes of the relevant Meeting (with Forms of Proxy received first taking precedence).

Completed forms of Sub-Proxy should be delivered to the Information and Tabulation Agent using the following contact details:

D. F. King
48 Wall Street, 22nd floor
New York, NY 10005
United States
Attention: Andrew Beck
Fax: +1 212 709 3328
Confirmation: +1 212 269 5552
Email: eletrobras@dfkingltd.com

Attending or being represented and voting at the relevant Meeting other than pursuant to a Form of Sub-Proxy

Holders who wish to participate in the Consent Solicitation other than pursuant to a Form of Sub-Proxy can appoint a proxy or make other arrangements to attend or be represented and vote at the relevant Meeting by following the

procedures outlined in the relevant Notice. For the avoidance of doubt, such Holders will not be entitled to receive any Consent Fee.

Determination of Validity

All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of the Consent Fee pursuant to the procedures described in this Consent Solicitation Memorandum and the form and validity of all documents will be determined by the Issuer, in its discretion, subject to applicable law, which determination will be final and binding on all parties. The Issuer, in its discretion, reserves the absolute right to reject any or all consents. The Issuer in its discretion also reserves the absolute right to waive (to the extent such conditions, defect or irregularity is capable of being waived) any of the Conditions to the Proposal and any defect or irregularity in the submission of consents. The Issuer's interpretation of the terms and conditions of the Proposal will be final and binding. No alternative, conditional or contingent consents will be accepted. Unless waived, any defects or irregularities in connection with consents must be cured within such time as the Issuer, in its discretion, shall determine. None of the Issuer or any of its affiliates or assigns, the Information and Tabulation Agent, the Solicitation Agents or any other person will be under any duty to give notification of any defects or irregularities in consents or will incur any liability to any Holder for failure to give such notification. Consents will not be deemed to have been made until all defects and irregularities have been cured or waived.

FORMS OF SUB-PROXY MUST BE SENT ONLY TO THE INFORMATION AND TABULATION AGENT. DO NOT SEND INSTRUCTIONS TO THE ISSUER, THE TRUSTEE AND SOLICITATION AGENTS OR ANY CLEARING SYSTEM.

Instructions Irrevocable

Consents to the Proposal will be irrevocable and may not be withdrawn, except in certain limited circumstances where the Issuer determines withdrawal rights are required by law. Holders are advised that, in the event that the relevant Meeting is adjourned for lack of quorum or otherwise, the Issuer intends to postpone the Settlement Date. Holders will not be given withdrawal rights as a result of such postponement, if any.

Representations, Warranties and Undertakings

By consenting to the Proposal, a Holder shall represent, warrant and undertake to the Issuer, the Solicitation Agents and the Information and Tabulation Agent the following at the time of its consenting to the Proposal, upon submission a Form of Sub-Proxy to the Information and Tabulation Agent, at the Expiration Deadline and on the Settlement Date:

- (i) such Holder has observed all laws, obtained all requisite governmental, exchange control or other required consents and complied with all requisite formalities in connection with the Proposal in all relevant jurisdictions, and has not taken or omitted to take any action in breach of the representations or the terms and conditions of the Proposal as set out in the Consent Solicitation Memorandum or which will or may result in the Issuer, the Solicitation Agents, the Information and Tabulation Agent or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Proposal or its consent to the relevant Extraordinary Resolution;
- (ii) such Holder is not a person to whom it is unlawful to make an invitation pursuant to the Proposal under applicable securities laws; it has not distributed or forwarded this Consent Solicitation Memorandum or any other documents or materials relating to the Proposal to any other person(s) (other than nominees); and it has complied with all laws and regulations applicable to it for the purposes of its exercising of voting rights in respect of the Proposal;
- (iii) such Holder is the Holder in respect of Notes; and, if such Holder is acting in a fiduciary, agency or other capacity as a nominee or other intermediary, such Holder has full investment discretion or is acting upon valid instructions with respect to Notes covered by a Form of Sub-Proxy (as applicable);
- (iv) such Holder: (A) has received, reviewed and acknowledged that it understands this Consent Solicitation Memorandum (including the terms and conditions (including the Conditions to the Proposal) and risk factors, all as described in this Consent Solicitation Memorandum); (B) accepts and agrees to be bound by the terms

- and conditions of the Proposal; (C) is assuming all the risks inherent in participating in the Proposal; and (D) has undertaken an appropriate analysis of the implications of the Proposal without relying on the Issuer, the Solicitation Agents or the Information and Tabulation Agent or any other person;
- (v) upon the terms and subject to the conditions of the Proposal, such Holder consents to the Proposal by submission of a Form of Sub-Proxy to the Information and Tabulation Agent, and waives and releases any rights or claims it may have against the Issuer with respect to the Proposal;
 - (vi) all authority conferred or agreed to be conferred pursuant to such Holder's acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations, shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity, as applicable;
 - (vii) such Holder acknowledges that consents to the Proposal will be irrevocable and may not be withdrawn, in particular, if the Settlement Date is postponed, except in certain limited circumstances where the Issuer determines withdrawal rights are required by law.
 - (viii) each Form of Sub-Proxy will be submitted in compliance with all applicable laws or regulations of the jurisdiction in which such Holder is located or in which it is resident and no registration, approval or filing with any regulatory authority of such jurisdiction is required in connection with such instruction;
 - (ix) if the Proposal is consummated, such Holder acknowledges that: (A) the applicable Consent Fee payable to such Holder will be paid in U.S. Dollars; (B) the applicable Consent Fee will be deposited by or on behalf of the Issuer with the Information and Tabulation Agent on or before the Settlement Date; (C) such deposit comprising the applicable Consent Fee constitutes full discharge of all obligations of the Issuer to such Holder that may arise in respect of the Proposal; and (D) on receipt of such Consent Fee, the Information and Tabulation Agent will make payments promptly to the accounts of the relevant direct participants, which will, in turn (as applicable), make onward payment to such Holder;
 - (x) no information has been provided to such Holder by the Issuer, the Solicitation Agents or the Information and Tabulation Agent, or any of their respective affiliates, directors, officers, employees and agents, with regard to the tax consequences for Holders arising from the receipt by the Holder of the Consent Fee other than as set out in this Consent Solicitation Memorandum, and such Holder acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its exercising of voting rights in respect of the Proposal and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Issuer, the Solicitation Agents or the Information and Tabulation Agent, or any of their respective directors, officers or employees, or any other person in respect of such taxes and payments;
 - (xi) such Holder acknowledges that none of the Issuer, the Solicitation Agents or the Information and Tabulation Agent or any of their respective affiliates, directors, officers, employees or agents has made any recommendation as to whether or not such Holder should participate in the Proposal and such Holder represents that it has made its own decision with regard to participating in the Proposal, based on all such legal, tax, accounting or financial advice that it has deemed necessary to seek;
 - (xii) such Holder shall indemnify the Issuer, the Solicitation Agents and the Information and Tabulation Agent and their respective affiliates, directors, officers, employees and agents against any and all losses, costs, claims, liabilities, expenses, charges, actions or demands, which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the acknowledgments, representations, warranties and/or undertakings given pursuant to the Proposal by such Holder;
 - (xiii) the terms and conditions of the Proposal (including the Conditions to the Proposal) shall be deemed to be incorporated in, and form a part of, a Form of Sub-Proxy, which shall be read and construed accordingly, and the information given by or on behalf of such Holder in a Form of Sub-Proxy is true and will be true in all respects on the Settlement Date; and

- (xiv) such Holder acknowledges that the Issuer, the Solicitation Agents, and the Information and Tabulation Agent will rely upon the truth and accuracy of the foregoing acknowledgements, agreements, representations, warranties, undertakings and directions.

If a Holder is unable to give these representations, warranties and undertakings, such Holder should contact the Information and Tabulation Agent or the Solicitation Agents immediately. No exercise of voting rights will be accepted from any person who is unable to give the foregoing representations, warranties and undertakings.

Conditions to the Proposal

Notwithstanding any other provision of the Proposal and in addition to (and not in limitation of) the Issuer's rights to terminate, extend, re-open or amend the Proposal in its sole discretion, the Issuer shall not be required to accept any validly given consents, in each event subject to applicable securities law, and may terminate the Proposal in respect of either the 2019 Notes or the 2021 Notes, as applicable, if any of the following has occurred (the "**Conditions to the Proposal**"):

- (i) the Minimum Consent Condition in respect of either the 2019 Notes or the 2021 Notes, as applicable, has not been satisfied;
- (ii) there shall have been instituted or threatened or be pending any action, proceeding or investigation (whether formal or informal) (or there shall have been any material adverse development to any action or proceeding currently instituted, threatened or pending) before or by any court, governmental, regulatory or administrative agency or instrumentality, or by any other person, in connection with the Proposal that, in the judgment of the Issuer, in its discretion, either (A) is, or is reasonably likely to be, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Issuer, or (B) would or might prohibit, prevent, restrict or delay consummation of the Proposal;
- (iii) an order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been proposed, enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that, in the judgment of the Issuer, in its discretion, either (A) is, or is reasonably likely to be, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of the Issuer, or (B) would or might prohibit, prevent, restrict or delay consummation of the Proposal;
- (iv) there shall have occurred or be likely to occur any other event affecting the business or financial affairs of the Issuer that, in its judgment (at its discretion), would or might result in any of the consequences referred to in paragraph (iii)(A) or (iii)(B) above; or
- (v) there has occurred (A) any general suspension of, or limitation on prices for, trading in securities in the United States, the United Kingdom, Brazil, Belgium, Luxembourg or other major securities or financial markets, (B) any significant adverse change in the price of the Notes, (C) a material impairment in the trading market for similar debt securities, (D) a declaration of a banking moratorium or any suspension of payments with respect to banks in the United States, United Kingdom, Brazil, Belgium, Luxembourg or other major financial markets, (E) any limitation (whether or not mandatory) by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, or other event, that, in the reasonable judgment of the Issuer might affect the extension of credit to it or any of its affiliates by banks or other lending institutions, (F) a commencement of a war, armed hostilities, terrorist acts or other national or international calamity, which will have a material impact on the Issuer or the Issuer and its consolidated subsidiaries, taken as a whole, or (G) in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof.

The foregoing Conditions to the Proposal are for the sole benefit of the Issuer and may be asserted by the Issuer regardless of the circumstances giving rise to any such condition (including any action or inaction by the Issuer), with the exception of the condition in paragraph (v) above, may be waived by the Issuer with respect to any or all of the 2019 Notes or the 2021 Notes subject to the Proposal, in whole or in part, at any time and from time to time, in the discretion of the Issuer. All Conditions to the Proposal will, promptly after any Meeting, be either satisfied or (to the extent such conditions are capable of being waived) waived by the Issuer, in its discretion, before the Settlement Date.

If any of the Conditions to the Proposal in respect of either the 2019 Notes or the 2021 Notes, as applicable, are not satisfied or (to the extent such conditions are capable of being waived) waived at the Expiration Deadline, the Issuer may, in its discretion, terminate the Proposal in respect of such 2019 Notes or 2021 Notes, as applicable, or extend or amend the Proposal in respect of such 2019 Notes or 2021 Notes, as applicable, and continue to accept consents. The failure by the Issuer at any time to exercise any of the foregoing rights will not be deemed a waiver of any other right and each right will be deemed an ongoing right that may be asserted at any time and from time to time.

TAX CONSEQUENCES

IN VIEW OF THE NUMBER OF DIFFERENT JURISDICTIONS WHERE TAX LAWS MAY APPLY TO A HOLDER, THIS CONSENT SOLICITATION MEMORANDUM DOES NOT DISCUSS ALL TAX CONSEQUENCES FOR HOLDERS ARISING FROM THE PURCHASE OF NOTES BY THE ISSUER PURSUANT TO THE PROPOSAL AND THE RECEIPT PURSUANT TO THE PROPOSAL OF THE CONSENT FEE. HOLDERS ARE URGED TO CONSULT THEIR OWN PROFESSIONAL ADVISERS REGARDING ANY POSSIBLE TAX CONSEQUENCES UNDER THE LAWS OF THE JURISDICTIONS THAT APPLY TO THEM OR THEIR RECEIPT OF ANY PAYMENT (IF APPLICABLE) IN CONNECTION WITH THE PROPOSAL. HOLDERS ARE LIABLE FOR THEIR OWN TAXES AND SIMILAR OR RELATED PAYMENTS IMPOSED ON THEM UNDER THE LAWS OF ANY APPLICABLE JURISDICTION, AND HAVE NO RECOURSE TO THE ISSUER, THE SOLICITATION AGENTS OR THE INFORMATION AND TABULATION AGENT WITH RESPECT TO TAXES ARISING IN CONNECTION WITH THE PROPOSAL.

Certain Material U.S. Federal Income Tax Considerations

The following summary describes certain U.S. federal income tax considerations relating to the adoption of the Proposal and receipt of the Consent Fee. This discussion applies only to Notes held as capital assets for U.S. federal income tax purposes (generally, property held for investment) by U.S. Holders (as defined below).

This discussion does not describe all of the tax consequences that may be relevant in light of a U.S. Holder's particular circumstances or to U.S. Holders subject to special rules, such as financial institutions; insurance companies; dealers in securities or foreign currencies; persons holding Notes as part of a hedging transaction, "straddle," conversion transaction or other integrated transaction; U.S. Holders who have made an election to include in gross income all interest that accrues on any debt instrument under the original issue discount ("**OID**") rules or a cash method taxpayer that has elected to accrue income on a short-term note; certain former citizens and residents of the United States; U.S. Holders whose functional currency is not the U.S. dollar; or partnerships or other entities or arrangements classified as partnerships for U.S. federal income tax purposes.

This summary is based on the Internal Revenue Code of 1986, as amended to the date hereof (the "**Code**"), administrative pronouncements, judicial decisions and final, temporary and proposed U.S. Treasury Regulations, changes to any of which subsequent to the date of this Offering Memorandum may affect the tax consequences described below, possibly on a retroactive basis. No ruling has been or will be sought from the Internal Revenue Service (the "**IRS**") by the Issuer regarding any tax consequences relating to the matters discussed herein. Consequently, no assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of those summarised below.

As used herein, a "**U.S. Holder**" means a beneficial owner of a Note that is for U.S. federal income tax purposes:

- (1) an individual who is a citizen or resident of the United States;
- (2) a corporation created or organised in or under the laws of the United States, any state thereof or the District of Columbia;
- (3) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- (4) a trust, if it is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial business decisions of the trust.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partnership or a partner in a partnership holding Notes, you should consult your tax advisor regarding the tax consequences of the adoption of the Proposal and the receipt of the Consent Fee to you.

U.S. Holders should consult their tax advisors concerning the tax consequences of the adoption of the Proposal and receipt of the Consent Fee in light of their particular circumstances, including the application of the U.S.

federal income tax considerations discussed below, as well as the application of U.S. federal estate and gift tax laws, the Medicare tax on net investment income and state, the alternative minimum tax, local, non-U.S. or other tax laws.

Special Rules Applicable to Certain Accrual Method Taxpayers

Pursuant to recent legislation (and, in the case of notes issued with original issue discount for U.S. federal income purposes, for taxable years beginning after December 31, 2018), an accrual method taxpayer that reports revenues on an "applicable financial statement" generally must recognize income for U.S. federal income tax purposes no later than the taxable year in which such income is taken into account as revenue in the applicable financial statements. This rule could potentially require such a taxpayer to recognize income for U.S. federal income tax purposes with respect to the Notes prior to the time such income otherwise would be recognized pursuant to the rules described below. U.S. Holders should consult their tax advisors regarding the potential applicability of these rules to their investment in the Notes.

Treatment of U.S. Holders Receiving the Consent Fee

Modification of the Notes

Generally, the modification of a debt instrument will be treated as a "deemed" exchange of the unmodified debt instrument for modified debt instruments (a "**Deemed Exchange**") if the modification is "significant" within the meaning of the applicable U.S. Treasury Regulations (the "**Regulations**"). Under the Regulations, payments made to investors as consideration for the modification (i.e., a consent fee) are treated as changing the yield on the debt instruments. With respect to debt instruments similar to the Notes, if the change in annual yield exceeds the threshold provided for in the Regulations (the greater of 25 basis points or 5 percent of the annual yield of the unmodified debt instrument), that generally results in a Deemed Exchange. The Issuer intends to take the position, and the remainder of this discussion assumes, that the receipt of the Consent Fee by U.S. Holders will result in a Deemed Exchange. This discussion refers to the unmodified Notes as "**Old Notes**" and the modified Notes as "**New Notes**."

Assuming the New Notes and Old Notes are treated as being "publicly traded" for purposes of the Regulations, the New Notes will be deemed to have an "issue price" equal to their fair market value at the time of the Deemed Exchange.

The Deemed Exchange may constitute a tax-free recapitalization for U.S. federal income tax purposes, or otherwise will constitute a taxable exchange. Generally, whether the Deemed Exchange will constitute a recapitalization depends on whether the Notes constitute "securities" within the meaning of the relevant provisions of the Code. The term "security" is not defined in the Code or the Regulations. Whether an instrument constitutes a security is determined based on all the facts and circumstances, although most authorities have held that the length of the term of a debt instrument is an important factor in determining whether the instrument is a security for U.S. federal income tax purposes. Under certain administrative pronouncements and judicial decisions, debt instruments originally issued with a maturity of ten years or more, such as the Notes, generally constitute securities.

The proper treatment of the Deemed Exchange for U.S. federal income tax purposes is not entirely clear. However, the Issuer intends to treat the receipt of the Consent Fee in the manner described below under "*Treatment of U.S. Holders Receiving the Consent Fee—Treatment of the Consent Fee*" and to treat the Deemed Exchange as a tax-free recapitalization for U.S. federal income tax purposes. Under this treatment, a U.S. Holder will not recognize any gain or loss on the Deemed Exchange, but will have ordinary income with respect to any portion of the consideration deemed received in respect of accrued and unpaid interest on the Old Notes to the extent not previously included in income. A U.S. Holder's tax basis in the New Notes will generally be the same as the U.S. Holder's tax basis in the Old Notes. A U.S. Holder's holding period for the New Notes will include its holding period for the Old Notes. In the case of a U.S. Holder that purchased Old Notes with market discount and has elected to include market discount in income on a current basis, the New Notes will include any accrued market discount on the Old Notes deemed surrendered in exchange therefore. Amounts that a U.S. Holder takes into income in respect of accrued but unpaid interest for the current Interest Period (as defined in the terms and conditions of the applicable Notes) will correspondingly reduce the income required to be taken into account with respect to the next coupon received by such U.S. Holders. There can be no assurance that the IRS will agree with the Issuer's treatment of the Deemed Exchange

as a tax-free recapitalization. U.S. Holders should consult their own tax advisors regarding the tax consequences of the Deemed Exchange and the tax consequences of holding the Notes after the adoption of the Proposal.

Treatment of the Consent Fee

The U.S. federal income tax treatment of the Consent Fee is uncertain. Although not free from doubt, the Issuer intends to treat the Consent Fee (including the amount of any Brazilian tax withheld thereon and any additional amounts) as a separate fee for consenting to the Proposal, which would generally be taxable to a U.S. Holder as ordinary income. Other treatments of the Consent Fee are possible. For example, it is possible that the IRS could successfully assert that the payment of the Consent Fee should be treated as a payment under the Notes, treated first as a payment of any accrued and unpaid interest on such Notes (if any), and then as a payment of principal on such Notes. Any portion of the Consent Fee treated as a payment of principal on a Note would generally reduce such U.S. Holder's tax basis in such Note and may result in ordinary income treatment of all or a portion of such amount if such U.S. Holder acquired such Note with "market discount" (generally the excess of the stated principal amount of such Note over the U.S. Holder's initial tax basis in such Note, unless the amount of such market discount is less than a statutorily defined "de minimis" amount). U.S. Holders should consult their tax advisors regarding the tax treatment of the Consent Fee.

The source of the Consent Fee is uncertain for U.S. federal income tax purposes. If the Consent Fee is treated as a separate fee and such fee is treated as U.S. source income, a U.S. Holder may not be able to claim a credit for any Brazilian income tax imposed on the Consent Fee unless such credit can be applied (subject to applicable limitations) against U.S. federal income tax due on other income that is treated as derived from foreign sources. The rules governing the foreign tax credit are complex, and U.S. Holders should consult their tax advisors regarding the availability and limitations of the foreign tax credit under their particular circumstances.

Treatment of Consenting Holders of the 2019 Notes

All interest on a note that is issued with a term of one year or less, such as the 2019 Notes deemed issued in the Deemed Exchange (the "**New 2019 Notes**"), will be treated as OID. In general, a cash basis U.S. Holder of a New 2019 Note is not required to accrue OID for U.S. federal income tax purposes unless it elects to do so. Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on a New 2019 Note on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realized on the sale or retirement of a New 2019 Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on a New 2019 Note will be required to defer deductions for interest on borrowings allocable to the New 2019 Note in an amount not exceeding the deferred income until the deferred income is realized.

If the issue price of the New 2019 Notes is in excess of their principal amount, a U.S. Holder may be able to elect to treat the excess as "amortizable bond premium", in which case the amount required to be included in the U.S. Holder's income with respect to interest on the New 2019 Note may be reduced by the amount of amortizable bond premium. U.S. Holders of New 2019 should consult their own tax advisors regarding the availability and consequences of such an election.

U.S. Holders of New 2019 Notes should consult their own tax advisors regarding the tax consequences of the Deemed Exchange and the tax consequences of holding the New 2019 Notes after the adoption of the Proposal.

Treatment of Consenting Holders of the 2021 Notes

The application of U.S. federal income tax rules to certain terms of the 2021 Notes deemed issued in the Deemed Exchange (the "**New 2021 Notes**") is not entirely clear. It is possible that certain terms of the New 2021 Notes could cause them to be classified as contingent payment debt instruments for U.S. federal income tax purposes ("**CPDIs**"). The Issuer intends to take the position, and the remainder of this discussion assumes, that the New 2021 Notes will not be treated as CPDIs. However, this treatment is not binding on the IRS, which could attempt to assert that the New 2021 Notes are CPDIs. If successful, this could adversely impact the timing, character and amount of income and gain on the New 2021 Notes.

If the issue price of the New 2021 Notes is less than their principal amount by 50 basis points or more, the New 2021 Notes will be considered to have been issued with OID for U.S. federal income tax purposes. U.S. Holders of New 2021 Notes will account for the stated interest payments according to their normal method of accounting and with any OID as it accrues in accordance with a constant yield method based on a compounding of interest. Under these rules, U.S. Holders generally will have to include in taxable income increasingly greater amounts of OID in successive accrual periods.

If the issue price of the New 2021 Notes is in excess of their principal amount, a U.S. Holder may elect to treat the excess as "amortizable bond premium," in which case the amount required to be included in the U.S. Holder's income each year with respect to interest on the New 2021 Note will be reduced by the amount of amortizable bond premium allocable (based on the New 2021 Note's yield to maturity) to that year. Any election to amortise bond premium will apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS.

U.S. Holders of New 2021 Notes should consult their own tax advisors regarding the tax consequences of the Deemed Exchange and the tax consequences of holding the New 2021 Notes after the adoption of the Proposal.

Treatment of Non-Consenting Holders

As discussed above in "*Treatment of U.S. Holders Receiving the Consent Fee—Modification of the Notes*," the modification of the Notes will be treated a Deemed Exchange if such modification is "significant" within the meaning of the applicable Regulations. Under the Regulations, the modification of the Notes is generally a significant modification if, based on all of the facts and circumstances and taking into account all modifications of the debt instrument collectively, the legal rights or obligations that are altered and the degree to which they are altered is "economically significant." However, under the Regulations, certain types of modifications are not considered to be significant modifications. The Regulations provide that a modification of a debt instrument that adds, deletes or alters customary accounting or financial covenants is not a significant modification. However, the Regulations do not define "customary accounting or financial covenants" and do not otherwise directly address the exact types of modifications of the Notes that would occur upon adoption of the Proposal. The Issuer intends to take the position that the adoption of the Proposal should not be a significant modification. U.S. Holders should note that no ruling has been sought from the IRS and there can be no assurance that the IRS will agree with the Issuer's determination that the adoption of the Proposal will not be economically significant and thus, will not constitute a Deemed Exchange.

If the adoption of the Proposal is not treated as a Deemed Exchange, a U.S. Holder that does not consent to the Proposal and does not receive the Consent Fee (a "**Non-Consenting U.S. Holder**"), will not recognize any gain or loss as a result of the adoption of the Proposal, such U.S. Holder's holding period and adjusted tax basis with respect to its Notes will not change as a result of the adoption of the Proposal and such U.S. Holder should continue to be taxed on its Notes in the same manner as has been applicable prior to the adoption of the Proposal.

If, notwithstanding the Issuer's intended treatment, the IRS successfully asserted that the adoption of the Proposal constituted a significant modification of the Notes, Non-Consenting U.S. Holders would be deemed to have received New Notes in the Deemed Exchange. The treatment to U.S. Holders will generally be the same as described above under "*Treatment of U.S. Holders Receiving the Consent Fee*," except with respect to the portion discussing the receipt of the Consent Fee itself.

Non-Consenting U.S. Holders should consult their own tax advisors regarding the possibility that the adoption of the Proposal could result in a Deemed Exchange, the tax consequences of such an exchange, and the tax consequences of holding the Notes after the adoption of the Proposal.

Information Reporting and Backup Withholding

Information returns may be filed with the IRS in connection with the receipt of the Consent Fee by a U.S. Holder unless the U.S. Holder establishes, if required, that it is exempt from the information reporting rules, for example by properly establishing that it is a corporation. If the U.S. Holder does not establish that it is exempt from these rules, the U.S. Holder may be subject to backup withholding on these payments if it fails to provide a taxpayer identification number or otherwise comply with the backup withholding rules. The amount of any backup withholding from a

payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

U.S. Holders should consult their advisors regarding any additional tax reporting or filing requirements they may have as a result of the adoption of the Proposal and the receipt of the Consent Fee and the consequences of holding the New Notes after the adoption of the Proposal. Failure to comply with certain reporting obligations could result in the imposition of substantial penalties.

Certain Brazilian Tax Considerations

The following is a general summary of the Brazilian tax considerations that may be relevant to a Holder of the Notes that is an individual, entity, trust or organization that is not resident or domiciled in Brazil for purposes of Brazilian taxation (a "**Non-Resident Holder**") with respect to the payment of the Consent Fee. The discussion is based on the tax laws and regulations of Brazil as in effect on the date hereof, which are subject to change, possibly with retroactive effect, and to differing interpretations, which may result in different tax consequences than those described below.

The information set forth below is intended to be a general discussion only and does not address all possible tax consequences relating to the payment of the Consent Fee.

HOLDERS OF THE NOTES SHOULD CONSULT THEIR OWN TAX ADVISERS AS TO THE CONSEQUENCES OF THE RECEIPT OF THE CONSENT FEE AND ANY OTHER PAYMENT IN RESPECT THEREOF.

Investors should note that, as to the discussions below, other income tax rate or treatment may be provided for in any applicable tax treaty between Brazil and the country where the Non-Resident Holder is domiciled. Investors should also note that there is no tax treaty between Brazil and the United States.

Payments of the Consent Fee Made by the Issuer

Generally, Non-Resident Holders are taxed in Brazil when their income is derived from Brazilian sources. The applicability of Brazilian taxes with respect to payments on the Notes will depend on the origin of such payments and on the domicile of the beneficiaries thereof.

Any Consent Fee paid in respect of the consent to amend and waiver certain provisions of the Notes in favour of Non-Resident Holders will be subject to the Brazilian withholding income tax payable by the Issuer at the rate of 15.0%, unless: (i) other lower rate is provided for in a tax treaty between Brazil and the country where the Non-Resident Holder is domiciled; or (ii) the Non-Resident Holder of the Notes is domiciled in a country or jurisdiction which does not impose any income tax or which imposes an income tax at a maximum effective rate lower than 20.0% or where internal legislation imposes restrictions on the disclosure of shareholding composition, securities ownership or do not allow for the identification of the effective beneficiary of the income attributed to non-residents (a "**Low or Nil Tax Jurisdiction**"), in which case the applicable rate is 25.0% (the withholding income tax rate remains 15% in the event of interest income (including interest, fees, commissions and any redemption premium) payable by the Brazilian issuer to a Non-Resident Holder in respect of debt obligations related to international debt securities previously registered with the Brazilian Central Bank, as provided for in Section 10 of Normative Instruction No. 1455, dated March 6, 2014 issued by the Brazilian Revenue Service).

The Issuer will be allowed under Brazilian tax laws to pay such additional amounts as may be necessary to ensure that the net amount of the Consent Fee to be received by the Non-Resident Holder after the assessment of withholding income tax will equal the amounts that would have been paid in the absence of such withholding.

Stamp, Transfer or Similar Taxes

Generally, there are no stamp, transfer or other similar taxes in Brazil applicable to the payment of the Consent Fee in connection with the Notes.

SOLICITATION AGENTS AND INFORMATION AND TABULATION AGENT

Solicitation Agents

Each of Banco Bradesco BBI S.A. and Merrill Lynch, Pierce, Fenner & Smith Incorporated has been appointed by the Issuer to act as a Solicitation Agent for purposes of the Proposal. The Solicitation Agents will contact Holders regarding the Proposal and will request brokers, dealers, commercial banks, trust companies and other nominees or intermediaries or clearing systems (including any Clearing System) to forward this Consent Solicitation Memorandum and related material to beneficial owners of Notes.

Banco Bradesco BBI S.A. is not a broker-dealer registered with the SEC, and therefore may not solicit consents in the United States or to U.S. persons except in compliance with applicable U.S. laws and regulations. To the extent that Banco Bradesco BBI S.A. intends to solicit such consents in the United States, it will do so only through Bradesco Securities Inc. or one or more U.S. registered broker-dealers, or otherwise as permitted by applicable law.

During the Proposal, the Solicitation Agents, the Issuer and their respective affiliates may enter into transactions relating to Notes in their ordinary course of business. Accordingly, each Solicitation Agent may hold a long or short position in the Notes or other securities of the Issuer and its consolidated subsidiaries. Either Solicitation Agent may also offer its own holdings in the Notes for sale in the Proposal or in other transactions before, during or after the Proposal. Although no final decision has been made as of the date of this Consent Solicitation Memorandum, the Issuer or its subsidiaries may from time to time purchase and hold New Notes, either as part of the initial issuance or in subsequent trades.

The Issuer and the Solicitation Agents have entered into a Consent Solicitation Agency Agreement, pursuant to which the Issuer has agreed to pay the Solicitation Agents a fee for their services as Solicitation Agents and to reimburse the Solicitation Agents for certain of their reasonable out-of-pocket expenses in connection with the Proposal. In addition, the Issuer has agreed to indemnify the Solicitation Agents against certain liabilities.

For the purposes of settling on the Settlement Date, the Consent Fee payable to consenting Holders will be calculated by the Issuer in consultation with the Solicitation Agents and the Information and Tabulation Agent. Such calculation will, absent manifest error, be conclusive and binding on the Issuer and the Holders.

Each Solicitation Agent and its respective affiliates are full service financial institutions engaged in various activities, including securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. In particular, the Solicitation Agents and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Issuer and its affiliates, for which they received or will receive customary fees and expenses. The Solicitation Agents or their affiliates may hedge their credit exposure to the Issuer or its affiliates consistent with their respective customary risk management policies, including hedging such exposure by either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of Notes. The Solicitation Agents and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

Any Holder or beneficial owner that has questions concerning the terms of the Proposal may contact the Solicitation Agents at the addresses and telephone numbers set forth on the back cover page of this Consent Solicitation Memorandum.

The Solicitation Agents may contact Holders regarding this Consent Solicitation Memorandum and may request brokers, dealers, custodian banks, depositories, trust companies and other nominees to forward this Consent Solicitation Memorandum and related materials to beneficial owners of Notes. None of the Solicitation Agents assumes any responsibility for the accuracy or completeness of the information concerning the Issuer contained in this Consent Solicitation Memorandum or for any failure by the Issuer to disclose events that may have occurred and may affect the significance or accuracy of such information.

Information and Tabulation Agent

D.F. King & Co., Inc. has been retained to act as information and tabulation agent for the Proposal. The Information and Tabulation Agent will assist Holders that request assistance in connection with the Proposal and will provide Holders with additional copies of available information materials relating to the Proposal on request.

The Issuer and the Information and Tabulation Agent have entered into an engagement letter, pursuant to which the Issuer has agreed to pay the Information and Tabulation Agent a customary fee for its services and to reimburse the Information and Tabulation Agent for certain of its reasonable out-of-pocket expenses in connection with the Proposal. In addition, the Issuer has agreed to indemnify the Information and Tabulation Agent against certain liabilities.

The Information and Tabulation Agent is the agent of the Issuer and owes no duty to any Holders.

Requests for assistance delivering a Form of Sub-Proxy voting in connection with the relevant Extraordinary Resolution, or for additional copies of this Consent Solicitation Memorandum may be directed to the Information and Tabulation Agent at its address, email address and telephone number set forth on the back cover of this Consent Solicitation Memorandum. Holders may also contact their broker, dealer, custodian bank, depository, trust company or other nominee for assistance concerning this Consent Solicitation Memorandum.

All deliveries and correspondence in connection with this Consent Solicitation Memorandum should be sent or delivered to the Information and Tabulation Agent should at its address, email address or facsimile number set forth on the back cover page of this Consent Solicitation Memorandum, except for the delivery of Forms of Sub-Proxy, which should be delivered pursuant to the item “*Procedures for Participating in the Proposal—Procedures for Delivering Voting Instructions for Notes*” above. Any Holder or beneficial owner that has questions concerning consent procedures should contact the Information and Tabulation Agent at its address, email address and telephone numbers set forth on the back cover of this Consent Solicitation Memorandum.

ANNEX A - FORM OF NOTICE AND EXTRAORDINARY RESOLUTION OF 2019 NOTES

THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF HOLDERS. IF HOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK INDEPENDENT ADVICE, INCLUDING AS TO ANY LEGAL, FINANCIAL OR TAX CONSEQUENCES, IMMEDIATELY FROM THEIR OWN BROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL, TAX OR LEGAL ADVISER.



Centrais Elétricas Brasileiras S.A. – Eletrobras

(incorporated in the Federative Republic of Brazil)

NOTICE OF MEETING

of the holders of its outstanding

US\$1,000,000,000 6.875% Notes due 2019

(Unrestricted Global Note ISIN: USP22854AF31, CUSIP:
P22854AF3; Restricted Global Note ISIN: US15234QAJ76, CUSIP:
15234QAJ7)

(the "Notes")

NOTICE IS HEREBY GIVEN that a meeting (the "**Meeting**") of the holders of Notes (the "**Holders**"), which is hereby being convened by Centrais Elétricas Brasileiras S.A. – Eletrobras (the "**Issuer**"), will be held at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ, United Kingdom on March 4, 2019 for the purpose of considering and, if thought fit, passing the resolution set out below in respect of the Notes. The Meeting will commence at 10:00 a.m. (London time). Capitalised terms used but not defined in this Notice have the meanings given to them in the terms and conditions of the Notes (the "**Terms of the Notes**") set out in the Trust Deed (the "**Trust Deed**", which expression includes any such trust deed as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time so modified) dated July 30, 2009, between the Issuer and Deutsche Bank Trust Company Americas (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Holders of the Notes.

EXTRAORDINARY RESOLUTION

"**THAT** this meeting of the Holders of the US\$1,000,000,000 6.875% Notes due 2019 (the "**Notes**") of Centrais Elétricas Brasileiras S.A. – Eletrobras (the "**Issuer**") presently outstanding (as defined in the Trust Deed), constituted by a Trust Deed (the "**Trust Deed**", which expression includes any such trust deed as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time so modified) dated July 30, 2009, between the Issuer and Deutsche Bank Trust Company Americas (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Holders of Notes, by Extraordinary Resolution (as defined in the Trust Deed) hereby:

1. assents to, and sanctions, the modifications of the terms of the Notes as set out in the Trust Deed as follows:

1.1. The definition of "Permitted Security" in Condition 4(c)(iv) shall be replaced with the following:

"(i) "Permitted Security" means:

- (A) Security granted in respect of Indebtedness which is exchangeable into shares of the Issuer or any of its Material Subsidiaries, provided that Security is only granted over the shares into which such Indebtedness is exchangeable;
- (B) Security granted by the pledge or assignment of current or future accounts receivable due to the Issuer or any of its Material Subsidiaries and created to secure Indebtedness incurred, in the ordinary course of business, by the Issuer or any of its Material Subsidiaries;
- (C) Security over all or part of any property, assets (without limitation, equity interests) or revenues to secure Indebtedness incurred solely for purposes of financing the acquisition, construction or installation of any property or asset incurred concurrently with or within 365 days after the acquisition of the property or asset or completion of the construction or installation, or Security on any property, assets (including without limitation, equity interests) or revenues existing on the day of acquisition thereof;
- (D) Security granted in respect of a project and securing Indebtedness incurred in connection with the project financing of such project by the Issuer, any of the Issuer's Material Subsidiaries or any consortium or other venture in which the Issuer or any Material Subsidiary of the Issuer has any ownership or other similar interest, provided that the aggregate principal amount of Indebtedness secured by the Security will not exceed (but may be less than) (a) the purchase price or cost of the property or assets or project so acquired, constructed, improved or developed, as the case may be, or (b) shares or other ownership interest in, and any subordinated debt claims against, the project entity whose principal assets and business are constituted by such project;
- (E) Any extension, renewal or replacement, in whole or in part, of any Security described in Condition 4(c)(iv)(a), (b), (c) or (d) above, provided that (x) such extension, renewal or replacement does not extend to any property other than that originally subject to the Security being extended, renewed and replaced and (y) the principal amount of the Indebtedness secured by such Security is not increased;
- (F) Security granted in respect of Indebtedness owed to (i) the Brazilian Government, (ii) Banco Nacional de Desenvolvimento Econômico e Social – BNDES or any official developmental bank or official developmental government agency, in each case, of (x) Brazil or of any state or region thereof, or (y) any other country (or political subdivision thereof) in which the Issuer or any of its Material Subsidiaries is then operating, or (iii) any financial institutions majority or wholly

owned by the Brazilian Federal Government (including, but not limited to, Caixa Econômica Federal and Banco do Brasil);

- (G) Security securing repayment or indemnification obligations of the Issuer or any of its Material Subsidiaries to the Brazilian Government in respect of any Guarantees the Brazilian Government may provide of Indebtedness of the Issuer or any of its Material Subsidiaries to any multilateral organization or international development bank or similar agency;
- (H) Security arising by operation of law and in the ordinary course of business of the Issuer or any of its Material Subsidiaries in connection with any Indebtedness, provided that such Security does not arise by exercise of rights of the holder or beneficiary as a result of any default or omission under such Indebtedness by the Issuer or any Material Subsidiary;
- (I) Security existing on the Issue Date; or
- (J) Security in respect of Indebtedness the principal amount of which in the aggregate, together with all Security not otherwise qualifying as Permitted Security pursuant to another part of this definition, does not exceed 15.0% of the Issuer's shareholders' equity;
- (K) Security granted to Petróleo Brasileiro S.A. – Petrobras in connection with certain debt originally owed by Amazonas Distribuidora de Energia S.A., Boa Vista Energia S.A., Centrais Elétricas de Rondônia - Ceron and Companhia de Eletricidade de Acre - Eletroacre ("Distribution Companies") and assumed by the Issuer pursuant to the sale of the Distribution Companies;"

1.2 Condition 9(g) shall be replaced with the following:

"(g) *Winding-up*: an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Material Subsidiaries, or the Issuer ceases or threatens to cease to carry on all or a material part of its business or operations except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (1) on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders, or (2) in the case of a Material Subsidiary, whereby the undertaking and assets of the Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries; *provided, however*, that the Issuer may wind-up or dissolve Amazonas Distribuidora de Energia S.A.; or"

- 2. sanctions and assents to every variation, abrogation, amendment, modification or compromise of, or arrangement in respect of, the rights, preferences and privileges of the Holders appertaining to the Notes against the Issuer or against any of its property, whether or not such rights arise under the Terms of the Notes or the Trust Deed, involved in or resulting from or to be effected by the modifications referred to in paragraph 1 of this Extraordinary Resolution and their implementation;
- 3. authorises, directs, requests and empowers the Issuer and the Trustee to:
 - (a) concur in the modifications referred to in paragraph 1 of this Extraordinary Resolution and, in order to give effect to and implement such modifications, on or shortly after the passing of this Extraordinary Resolution, to execute a supplemental trust deed (the "**Supplemental Trust Deed**") in the form of the draft produced to this meeting and signed by the chairman of the meeting for the purpose of identification, with such amendments (if any) as the Issuer and the Trustee shall require; and
 - (b) concur in, and execute and do, all such other deeds, instruments, acts and things as may be necessary, desirable or expedient to carry out and give effect to this Extraordinary Resolution and the implementation of the modifications referred to in paragraph 1 of this Extraordinary Resolution;

4. discharges and exonerates the Trustee from all liability for which it may have become or may become liable under the Trust Deed or the Notes in respect of any act or omission, including, without limitation, in connection with this Extraordinary Resolution or its implementation, such modifications or the implementation of those modifications, even if it is found subsequently that there is a defect in the passing of this Extraordinary Resolution, provided that, if the Trustee fails to show the degree of care and diligence required of it as a trustee, nothing in this Extraordinary Resolution shall relieve the Trustee from or against any liability which would otherwise attach to it in respect of any negligence, default, breach of duty or breach of trust of which it may be guilty; and
5. Background

The Issuer has convened the Meeting for the purpose of enabling Holders to consider and resolve, if they think fit, to pass the Extraordinary Resolution proposed in relation to the Notes.

Holders are further given notice that the Issuer has invited Holders to approve the modifications of the Terms of the Notes (as described in paragraph 1 of the Extraordinary Resolution above) (i) to amend the negative pledge to allow for the assumption of secured debt owed to Petrobras in order to facilitate the sale of certain distribution subsidiaries of the Issuer in a manner that would not breach the negative pledge and to make certain additional changes to the negative pledge to reflect the current funding environment in Brazil and (ii) to amend the events of default to allow for the liquidation of Amazonas D in case the sale of Amazonas D does not proceed (the "**Proposal**"), as further described in the Consent Solicitation Memorandum.

General

THE TRUSTEE HAS NOT BEEN INVOLVED IN THE FORMULATION OF THE EXTRAORDINARY RESOLUTION AND THE TRUSTEE EXPRESSES NO OPINION ON THE MERITS OF THE EXTRAORDINARY RESOLUTION OR ON WHETHER HOLDERS WOULD BE ACTING IN THEIR BEST INTERESTS IN APPROVING THE EXTRAORDINARY RESOLUTION, AND NOTHING IN THIS NOTICE SHOULD BE CONSTRUED AS A RECOMMENDATION TO HOLDERS FROM THE TRUSTEE TO VOTE IN FAVOUR OF, OR AGAINST, THE EXTRAORDINARY RESOLUTION. HOLDERS SHOULD TAKE INDEPENDENT FINANCIAL, TAX AND LEGAL ADVICE ON THE MERITS AND ON THE CONSEQUENCES OF VOTING IN FAVOUR OF, OR AGAINST, THE EXTRAORDINARY RESOLUTION, INCLUDING AS TO ANY LEGAL, FINANCIAL OR TAX CONSEQUENCES, IMMEDIATELY FROM THEIR OWN BROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, OR OTHER INDEPENDENT FINANCIAL, TAX OR LEGAL ADVISER. THE TRUSTEE HAS NOT REVIEWED, NOR WILL IT BE REVIEWING, ANY DOCUMENTS RELATING TO THE PROPOSAL. ON THE BASIS OF THE INFORMATION SET OUT IN THIS NOTICE AND THE CONSENT SOLICITATION MEMORANDUM (EACH OF WHICH THE TRUSTEE RECOMMENDS TO HOLDERS TO READ CAREFULLY), THE TRUSTEE HAS AUTHORISED IT TO BE STATED THAT THE TRUSTEE HAS NO OBJECTION TO THE EXTRAORDINARY RESOLUTION BEING PUT TO HOLDERS OF THE NOTES FOR THEIR CONSIDERATION.

Holders may obtain, from the date of this Notice, a copy of the Consent Solicitation Memorandum from the Information and Tabulation Agent, the contact details for whom are set out below. A Holder will be required to produce evidence satisfactory to the Information and Tabulation Agent as to its status as a Holder and that it is a person to whom the Proposal is being made or to whom it is lawful to send the Consent Solicitation Memorandum and to make an invitation pursuant to the Proposal under applicable laws before being sent a copy of the Consent Solicitation Memorandum.

Copies of (i) this Notice and the Consent Solicitation Memorandum; (ii) the Trust Deed; and (iii) the current draft of the Supplemental Trust Deed as referred to in paragraph 3 of the Extraordinary Resolution are also available for inspection by Holders (a) on and from the date of this Notice up to and including the date of the Meeting, at the specified office of the Information and Tabulation Agent during normal business hours on any day (Saturdays, Sundays and public holidays excepted) up to and including the date of the Meeting and (b) at the Meeting and at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ, United Kingdom for 15 minutes before the Meeting. Any revised version of the draft Supplemental Trust Deed made available as described above and marked to indicate changes to the draft made available on the date of this Notice will supersede the previous draft of the Supplemental Trust Deed and Holders will be deemed to have notice of any such changes.

The attention of Holders is particularly drawn to the procedures for voting, quorum and other requirements for the passing of the Extraordinary Resolution at the Meeting or any meeting held following any adjournment of the Meeting, which are set out at "*—Voting and Quorum*" below. Having regard to such requirements, Holders are strongly urged either to attend the Meeting or to take steps to be represented at the Meeting (including by way of submitting a Form of Sub-Proxy in favour of the Proposal (all such terms as defined in the Consent Solicitation Memorandum)) as soon as possible. Holders who attend the Meeting or take steps to be represented at the Meeting other than by way of submitting Forms of Sub-Proxy in favour of the Proposal by the Expiration Deadline should note that they will not be eligible to receive the Consent Fee described above.

Voting and Quorum

*Holders who have submitted and not revoked (in the limited circumstances in which revocation is permitted) a valid Form of Sub-Proxy in respect of the Extraordinary Resolution by 5:00 p.m. (New York City time) on February 28, 2019 (the "**Expiration Deadline**"), by which they will have given instructions for the appointment of one or more representatives of the Information and Tabulation Agent by the Trustee as their proxy to vote in favour of or against (as specified in the Forms of Sub-Proxy) the Extraordinary Resolution at the Meeting (or any adjourned such Meeting), or abstain from voting (as the case may be), need take no further action to be represented at the Meeting (or any such adjourned Meeting).*

The provisions governing the convening and holding of a meeting of the Holders are set out in the Trust Deed, a copy of which is available for inspection by the Holders as referred to above.

The Holder may, by an instrument in writing in the English language (a "**form of proxy**") in the form available from the office of Deutsche Bank Trust Company Americas or Deutsche Bank Luxembourg S.A. (each a "**Transfer Agent**") executed by or on behalf of the Holder and delivered to a Transfer Agent at least 24 hours before the time fixed for the Meeting, appoint any person (a "**proxy**") to act on his behalf in connection with the Meeting. A proxy need not be a Holder. A corporation which holds a Note may deliver to a Transfer Agent at least 24 hours before the time fixed for a meeting a certified copy of a resolution of its directors or other governing body (with, if it is not in English, a certified translation into English) authorising any person to act as its representative (a "**representative**") in connection with that meeting.

A proxy so appointed shall so long as such appointment remains in force be deemed, for all purposes in connection with the Meeting, to be the Holder of the Notes to which such appointment relates and the Holder of the Notes shall be deemed for such purposes not to be the holder or owner.

The quorum required for the Extraordinary Resolution to be considered at the Meeting is two or more persons present and holding or representing a clear majority of the principal amount of the Notes for the time being outstanding.

In the event such quorum is not present within 15 minutes from the time initially fixed for the Meeting, the Meeting shall be adjourned to such date, not less than 14 nor more than 42 days later, at the same time as the original Meeting or such date, time and place as the Issuer may determine. At any such adjourned Meeting, the quorum required for the Extraordinary Resolution to be considered at the Meeting is two or more persons present and holding or representing whatever the amount of the Notes held or represented.

Holders should note the quorum requirements and should be aware that, if the Holders either present or appropriately represented at the Meeting are insufficient to form a quorum for the Extraordinary Resolution, such Extraordinary Resolution (and consequently, the relevant aspects of the Proposal) cannot be formally considered thereat.

Holders are, therefore, encouraged either to attend the Meeting in person or to arrange to be represented at the Meeting as soon as possible. Holders who attend the Meeting should present a passport as a form of identification.

On a show of hands, every person who is present in person and is a proxy shall have one vote.

Unless a poll is demanded by the chairman of the Meeting, a declaration by the chairman of the Meeting that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of, or against, such Extraordinary Resolution.

On a poll, it shall be taken in such manner and either at once or after such adjournment as the chairman of the Meeting directs. The result of the poll shall be deemed to be the resolution of the Meeting at which it was demanded as at the date it was taken.

To be passed at the Meeting, the Extraordinary Resolution requires a majority of Holders present in person or by proxy and holding or representing 75 per cent. of the principal amount of the Notes for the time being outstanding held or represented by Holders present in person or by proxy at the Meeting to vote in favour of the Extraordinary Resolution. If passed, the Extraordinary Resolution shall be binding on all Holders whether or not present at the Meeting at which it is passed and whether or not voting.

This Notice is given by the Issuer. Holders should contact the following for further information:

The Information and Tabulation Agent for the Proposal is:

D.F. King & Co, Inc.

Email: eletrobras@dfkingltd.com

Proposal Website: <https://sites.dfkingltd.com/eletrobras>

In London:

125 Wood Street
London EC2V 7AN
United Kingdom

Telephone:
+44 20 7920 9700

In New York:

48 Wall Street, 22nd Floor
New York, New York 10005
United States

Attn: Andrew Beck
Toll-Free: +1(800) 992 3086
Telephone: +1(212) 269 5550
By Facsimile: + 1(212) 709 3328
Confirmation: +1(212) 269 5552

The Solicitation Agents for the Proposal are:

**Merrill Lynch, Pierce, Fenner & Smith
Incorporated**

One Bryant Park, 8th floor
New York, New York
10036
United States

Attention:
Liability Management Group

Telephone:
+1 (888) 292-0070
(U.S. toll free) or
+1 (646) 855-8988
(collect)

Banco Bradesco BBI S.A.

Av. Brigadeiro Faria
Lima, 3064, 10th floor,
São Paulo, SP, Brasil,
01451-000

Attention:
International Fixed Income Department

Telephone:
+1 (646) 432-6643/6642

ANNEX B - FORM OF NOTICE AND EXTRAORDINARY RESOLUTION OF 2021 NOTES

THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF HOLDERS. IF HOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK INDEPENDENT ADVICE, INCLUDING AS TO ANY LEGAL, FINANCIAL OR TAX CONSEQUENCES, IMMEDIATELY FROM THEIR OWN BROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL, TAX OR LEGAL ADVISER.



Centrais Elétricas Brasileiras S.A. – Eletrobras

(incorporated in the Federative Republic of Brazil)

NOTICE OF MEETING

of the holders of its outstanding

US\$1,750,000,000 5.750% Notes due 2021

(Unrestricted Global Note ISIN: USP22854AG14, CUSIP:
P22854AG1; Restricted Global Note ISIN: US15234QAL23, CUSIP:
15234QAL2))

(the "Notes")

NOTICE IS HEREBY GIVEN that a meeting (the "**Meeting**") of the holders of Notes (the "**Holders**"), which is hereby being convened by Centrais Elétricas Brasileiras S.A. – Eletrobras (the "**Issuer**"), will be held at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ, United Kingdom on March 4, 2019 for the purpose of considering and, if thought fit, passing the resolution set out below in respect of the Notes. The Meeting will commence at 10:30 a.m. (London time). Capitalised terms used but not defined in this Notice have the meanings given to them in the terms and conditions of the Notes (the "**Terms of the Notes**") set out in the Trust Deed (the "**Trust Deed**", which expression includes any such trust deed as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time so modified) dated October 27, 2011, between the Issuer and Deutsche Bank Trust Company Americas (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Holders of the Notes.

EXTRAORDINARY RESOLUTION

"**THAT** this meeting of the Holders of the US\$1,750,000,000 5.750% Notes due 2021 (the "**Notes**") of Centrais Elétricas Brasileiras S.A. – Eletrobras (the "**Issuer**") presently outstanding (as defined in the Trust Deed), constituted by a Trust Deed (the "**Trust Deed**", which expression includes any such trust deed as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time so modified) dated October 27, 2011, between the Issuer and Deutsche Bank Trust Company Americas (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Holders of Notes, by Extraordinary Resolution (as defined in the Trust Deed) hereby:

1. assents to, and sanctions, the modifications of the terms of the Notes as set out in the Trust Deed as follows:

1.1. The definition of "Permitted Security" in Condition 4(c)(iv) shall be replaced with the following:

"(i) "Permitted Security" means:

- (A) Security granted in respect of Indebtedness which is exchangeable into shares of the Issuer or any of its Material Subsidiaries, provided that Security is only granted over the shares into which such Indebtedness is exchangeable;
- (B) Security granted by the pledge or assignment of current or future accounts receivable due to the Issuer or any of its Material Subsidiaries and created to secure Indebtedness incurred, in the ordinary course of business, by the Issuer or any of its Material Subsidiaries;
- (C) Security over all or part of any property, assets (without limitation, equity interests) or revenues to secure Indebtedness incurred solely for purposes of financing the acquisition, construction or installation of any property or asset incurred concurrently with or within 365 days after the acquisition of the property or asset or completion of the construction or installation, or Security on any property, assets (including without limitation, equity interests) or revenues existing on the day of acquisition thereof;
- (D) Security granted in respect of a project and securing Indebtedness incurred in connection with the project financing of such project by the Issuer, any of the Issuer's Material Subsidiaries or any consortium or other venture in which the Issuer or any Material Subsidiary of the Issuer has any ownership or other similar interest, provided that the aggregate principal amount of Indebtedness secured by the Security will not exceed (but may be less than) (a) the purchase price or cost of the property or assets or project so acquired, constructed, improved or developed, as the case may be, or (b) shares or other ownership interest in, and any subordinated debt claims against, the project entity whose principal assets and business are constituted by such project;
- (E) Any extension, renewal or replacement, in whole or in part, of any Security described in Condition 4(c)(iv)(a), (b), (c) or (d) above, provided that (x) such extension, renewal or replacement does not extend to any property other than that originally subject to the Security being extended, renewed and replaced and (y) the principal amount of the Indebtedness secured by such Security is not increased;
- (F) Security granted in respect of Indebtedness owed to (i) the Brazilian Government, (ii) Banco Nacional de Desenvolvimento Econômico e Social – BNDES or any official developmental bank or official developmental government agency, in each case, of (x) Brazil or of any state or region thereof, or (y) any other country (or political subdivision thereof) in which the Issuer or any of its Material

Subsidiaries is then operating, or (iii) any financial institutions majority or wholly owned by the Brazilian Federal Government (including, but not limited to, Caixa Econômica Federal and Banco do Brasil);

- (G) Security securing repayment or indemnification obligations of the Issuer or any of its Material Subsidiaries to the Brazilian Government in respect of any Guarantees the Brazilian Government may provide of Indebtedness of the Issuer or any of its Material Subsidiaries to any multilateral organization or international development bank or similar agency;
- (H) Security arising by operation of law and in the ordinary course of business of the Issuer or any of its Material Subsidiaries in connection with any Indebtedness, provided that such Security does not arise by exercise of rights of the holder or beneficiary as a result of any default or omission under such Indebtedness by the Issuer or any Material Subsidiary;
- (I) Security existing on the Issue Date; or
- (J) Security in respect of Indebtedness the principal amount of which in the aggregate, together with all Security not otherwise qualifying as Permitted Security pursuant to another part of this definition, does not exceed 15.0% of the Issuer's shareholders' equity;
- (K) Security granted to Petróleo Brasileiro S.A. – Petrobras in connection with certain debt originally owed by Amazonas Distribuidora de Energia S.A., Boa Vista Energia S.A., Centrais Elétricas de Rondônia - Ceron and Companhia de Eletricidade de Acre - Eletroacre; (“Distribution Companies”) and assumed by the Issuer pursuant to the sale of the Distribution Companies;"

1.2. The following shall be added as new Condition 6(e):

"(e) *Change of Control Put Option*: If at any time while any Note remains outstanding, there occurs a Change of Control (as defined below), and, within the Change of Control Period, a Rating Event in respect of that Change of Control occurs (such Change of Control and Rating Event not having been cured prior to the expiry of the Change of Control Period) (a “Change of Control Put Event”), each Noteholder will have the option (the “Change of Control Put Option”) (unless, prior to the giving of the Change of Control Put Event Notice (as defined below), the Issuer gives notice to redeem the Notes under Condition 6(b)) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of, all or part of its Notes, on the Optional Redemption Date (as defined below) at 101.0% of the principal amount outstanding of such Notes together with (or where purchased, together with an amount equal to) interest accrued and additional amounts to, but excluding, the Optional Redemption Date.

Where:

A “Change of Control” shall be deemed to have occurred if the Issuer ceases to be owned, directly or indirectly, as to at least 51 per cent. of its voting share capital by the Federal Government of Brazil.

A “Rating Event” shall be deemed to have occurred in respect of a Change of Control if (within the Change of Control Period) the rating immediately prior to the Change of Control Period assigned to the Notes or to the Issuer by any Rating Agency solicited by (or with the consent of) the Issuer is (x) withdrawn or (y) the then-applicable rating of the Notes or the Issuer is decreased by one or more categories by any Rating Agency; provided that any such rating decline is in whole or in part in connection with a Change of Control.

A “Rating Agency” means any of the credit rating agencies of Fitch Ratings (“Fitch”), Moody’s Investors Service (“Moody’s”) or Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. (“Standard & Poor’s”) and their respective successors to their ratings business.

“Change of Control Period” means the period beginning on the date (the “Relevant Announcement Date”) that is the earlier of (A) the first public announcement by or on behalf the Issuer or any bidder or any designated advisor, of the relevant Change of Control; and (B) the date of the earliest Potential Change of Control Announcement, and ending 90 days after the Relevant Announcement Date (such 90th day, the “Initial Longstop Date”); provided that, so long as a Rating Agency publicly announces, at any time during the period that it has placed its rating of the Issuer or the Notes under consideration for rating review either entirely or partially as a result of the relevant public announcement of the Change of Control or Potential Change of Control Announcement, the Change of Control Period shall be extended to the date which falls 60 days after the date on which such Rating Agency assigns a new rating or reaffirms the previous rating of the Issuer or the Notes.

“Potential Change of Control Announcement” means any public announcement or statement by the Issuer, any actual or potential bidder or any designated adviser thereto relating to any specific and near-term potential Change of Control (where “near-term” shall mean that such potential Change of Control is reasonably likely to occur, or is publicly stated by the Issuer, any such actual or potential bidder or any such designated adviser to be intended to occur, within 180 days of the date of such announcement of statement).

Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred, the Issuer shall give notice (a “Change of Control Put Event Notice”) to the Noteholders in accordance with Condition 16 (*Notices*) specifying the nature of the Change of Control Put Event and the circumstances giving rise to it and the procedure for exercising the Change of Control Put Option contained in this Condition 6(e).

To exercise the Change of Control Put Option, a Noteholder must transfer or cause to be transferred its Notes to be so redeemed or purchased to the account of any Paying Agent (other than the Principal Paying Agent) specified in the Change of Control Put Option Notice (as defined below) for the account of the Issuer within the period (the “Change of Control Put Period”) of 45 days after a Change of Control Put Event Notice is given together with a duly signed and completed notice of exercise in the then current form obtainable from any Paying Agent (other than the Principal Paying Agent) (a “Change of Control Put Option Notice”) and in which the Noteholder may specify a bank account to which payment is to be made under this Condition 6(e).

A Change of Control Put Option Notice once given shall be irrevocable. The Issuer shall redeem or, at the option of the Issuer procure the purchase of, the Notes in respect of which the Change of Control Put Option has been validly exercised as provided above, and subject to the transfer of such Notes to the account of the relevant Paying Agent for the account of the Issuer as described above, by the date which is the fifth Business Day following the end of the Change of Control Put Period (the “Optional Redemption Date”). Payment in respect of such Notes will be made on the Optional Redemption Date by transfer to the bank account specified in the Change of Control Put Option Notice.

For the avoidance of doubt, the Issuer shall have no responsibility for any cost or loss of whatever kind (including breakage costs) which the Noteholder may incur as a result of or in connection with such Noteholder’s exercise or purported exercise of, or otherwise in connection with, any Change of Control Put Option (whether as a result of any purchase or redemption arising therefrom or otherwise).

The Trustee is under no obligation to ascertain whether a Change of Control Put Event or Change of Control or any event which could lead to the occurrence of or could constitute a Change of Control Put Event or Change of Control has occurred and, until it shall have express written notice to the contrary, the Trustee may assume that no Change of Control Put Event or Change of Control or other such event has occurred.”

1.3. Condition 9(g) shall be replaced with the following:

"(g) *Winding-up*: an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Material Subsidiaries, or the Issuer ceases or threatens to cease to carry on all or a material part of its business or operations except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (1) on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders, or (2) in the case of a Material Subsidiary, whereby the undertaking and assets of the Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries; *provided, however*, that the Issuer may wind-up or dissolve Amazonas Distribuidora de Energia S.A.; or"

1.4 Condition 9(i): "Ownership: the Issuer ceases to be owned, directly or indirectly, as to at least 51 per cent. of the voting share capital by the Federal Government of Brazil; or" shall be deleted and any cross-references shall be adjusted accordingly.

2. sanctions and assents to every variation, abrogation, amendment, modification or compromise of, or arrangement in respect of, the rights, preferences and privileges of the Holders appertaining to the Notes against the Issuer or against any of its property, whether or not such rights arise under the Terms of the Notes or the Trust Deed, involved in or resulting from or to be effected by the modifications referred to in paragraph 1 of this Extraordinary Resolution and their implementation;
3. authorises, directs, requests and empowers the Issuer and the Trustee to:
 - (a) concur in the modifications referred to in paragraph 1 of this Extraordinary Resolution and, in order to give effect to and implement such modifications, on or shortly after the passing of this Extraordinary Resolution, to execute a supplemental trust deed (the "**Supplemental Trust Deed**") in the form of the draft produced to this meeting and signed by the chairman of the meeting for the purpose of identification, with such amendments (if any) as the Issuer and the Trustee shall require; and
 - (b) concur in, and execute and do, all such other deeds, instruments, acts and things as may be necessary, desirable or expedient to carry out and give effect to this Extraordinary Resolution and the implementation of the modifications referred to in paragraph 1 of this Extraordinary Resolution;
4. discharges and exonerates the Trustee from all liability for which it may have become or may become liable under the Trust Deed or the Notes in respect of any act or omission, including, without limitation, in connection with this Extraordinary Resolution or its implementation, such modifications or the implementation of those modifications, even if it is found subsequently that there is a defect in the passing of this Extraordinary Resolution, provided that, if the Trustee fails to show the degree of care and diligence required of it as a trustee, nothing in this Extraordinary Resolution shall relieve the Trustee from or against any liability which would otherwise attach to it in respect of any negligence, default, breach of duty or breach of trust of which it may be guilty; and
5. **Background**

The Issuer has convened the Meeting for the purpose of enabling Holders to consider and resolve, if they think fit, to pass the Extraordinary Resolution proposed in relation to the Notes.

Holders are further given notice that the Issuer has invited Holders to approve the modifications of the Terms of the Notes (as described in paragraph 1 of the Extraordinary Resolution above) (i) to amend the negative pledge to allow for the assumption of secured debt owed to Petrobras in order to facilitate the sale of certain distribution subsidiaries of the Issuer in a manner that would not breach the negative pledge and to make certain additional changes to the negative pledge to reflect the current funding environment in Brazil, (ii) to amend the events of default to allow for the liquidation of Amazonas D in case the sale of Amazonas D does not proceed and (iii) to add an offer to purchase by the Issuer in the event of a change of control (and to delete the current event of default in the event of a change of control) (the "**Proposal**"), each as further described in the Consent Solicitation Memorandum.

General

THE TRUSTEE HAS NOT BEEN INVOLVED IN THE FORMULATION OF THE EXTRAORDINARY RESOLUTION AND THE TRUSTEE EXPRESSES NO OPINION ON THE MERITS OF THE EXTRAORDINARY RESOLUTION OR ON WHETHER HOLDERS WOULD BE ACTING IN THEIR BEST INTERESTS IN APPROVING THE EXTRAORDINARY RESOLUTION, AND NOTHING IN THIS NOTICE SHOULD BE CONSTRUED AS A RECOMMENDATION TO HOLDERS FROM THE TRUSTEE TO VOTE IN FAVOUR OF, OR AGAINST, THE EXTRAORDINARY RESOLUTION. HOLDERS SHOULD TAKE INDEPENDENT FINANCIAL, TAX AND LEGAL ADVICE ON THE MERITS AND ON THE CONSEQUENCES OF VOTING IN FAVOUR OF, OR AGAINST, THE EXTRAORDINARY RESOLUTION, INCLUDING AS TO ANY LEGAL, FINANCIAL OR TAX CONSEQUENCES, IMMEDIATELY FROM THEIR OWN BROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, OR OTHER INDEPENDENT FINANCIAL, TAX OR LEGAL ADVISER. THE TRUSTEE HAS NOT REVIEWED, NOR WILL IT BE REVIEWING, ANY DOCUMENTS RELATING TO THE PROPOSAL. ON THE BASIS OF THE INFORMATION SET OUT IN THIS NOTICE AND THE CONSENT SOLICITATION MEMORANDUM (EACH OF WHICH THE TRUSTEE RECOMMENDS TO HOLDERS TO READ CAREFULLY), THE TRUSTEE HAS AUTHORISED IT TO BE STATED THAT THE TRUSTEE HAS NO OBJECTION TO THE EXTRAORDINARY RESOLUTION BEING PUT TO HOLDERS OF THE NOTES FOR THEIR CONSIDERATION.

Holders may obtain, from the date of this Notice, a copy of the Consent Solicitation Memorandum from the Information and Tabulation Agent, the contact details for whom are set out below. A Holder will be required to produce evidence satisfactory to the Information and Tabulation Agent as to its status as a Holder and that it is a person to whom the Proposal is being made or to whom it is lawful to send the Consent Solicitation Memorandum and to make an invitation pursuant to the Proposal under applicable laws before being sent a copy of the Consent Solicitation Memorandum.

Copies of (i) this Notice and the Consent Solicitation Memorandum; (ii) the Trust Deed; and (iii) the current draft of the Supplemental Trust Deed as referred to in paragraph 3 of the Extraordinary Resolution are also available for inspection by Holders (a) on and from the date of this Notice up to and including the date of the Meeting, at the specified office of the Information and Tabulation Agent during normal business hours on any day (Saturdays, Sundays and public holidays excepted) up to and including the date of the Meeting and (b) at the Meeting and at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ, United Kingdom for 15 minutes before the Meeting. Any revised version of the draft Supplemental Trust Deed made available as described above and marked to indicate changes to the draft made available on the date of this Notice will supersede the previous draft of the Supplemental Trust Deed and Holders will be deemed to have notice of any such changes.

The attention of Holders is particularly drawn to the procedures for voting, quorum and other requirements for the passing of the Extraordinary Resolution at the Meeting or any meeting held following any adjournment of the Meeting, which are set out at "*—Voting and Quorum*" below. Having regard to such requirements, Holders are strongly urged either to attend the Meeting or to take steps to be represented at the Meeting (including by way of submitting a Form of Sub-Proxy in favour of the Proposal (all such terms as defined in the Consent Solicitation Memorandum)) as soon as possible. Holders who attend the Meeting or take steps to be represented at the Meeting other than by way of submitting Forms of Sub-Proxy in favour of the Proposal by the Expiration Deadline should note that they will not be eligible to receive the Consent Fee described above.

Voting and Quorum

Holders who have submitted and not revoked (in the limited circumstances in which revocation is permitted) a valid Form of Sub-Proxy in respect of the Extraordinary Resolution by 5:00 p.m. (New York City time) on February 28, 2019 (the "Expiration Deadline"), by which they will have given instructions for the appointment of one or more representatives of the Information and Tabulation Agent by the Trustee as their proxy to vote in favour of or against (as specified in the Forms of Sub-Proxy) the Extraordinary Resolution at the Meeting (or any adjourned such Meeting), or abstain from voting (as the case may be), need take no further action to be represented at the Meeting (or any such adjourned Meeting).

The provisions governing the convening and holding of a meeting of the Holders are set out in the Trust Deed, a copy of which is available for inspection by the Holders as referred to above.

The Holder may, by an instrument in writing in the English language (a "**form of proxy**") in the form available from the office of Deutsche Bank Trust Company Americas or Deutsche Bank Luxembourg S.A. (each a "**Transfer Agent**") executed by or on behalf of the Holder and delivered to a Transfer Agent at least 24 hours before the time fixed for the Meeting, appoint any person (a "**proxy**") to act on his behalf in connection with the Meeting. A proxy need not be a Holder. A corporation which holds a Note may deliver to a Transfer Agent at least 24 hours before the time fixed for a meeting a certified copy of a resolution of its directors or other governing body (with, if it is not in English, a certified translation into English) authorising any person to act as its representative (a "**representative**") in connection with that meeting.

A proxy so appointed shall so long as such appointment remains in force be deemed, for all purposes in connection with the Meeting, to be the Holder of the Notes to which such appointment relates and the Holder of the Notes shall be deemed for such purposes not to be the holder or owner.

The quorum required for the Extraordinary Resolution to be considered at the Meeting is two or more persons present and holding or representing a clear majority of the principal amount of the Notes for the time being outstanding.

In the event such quorum is not present within 15 minutes from the time initially fixed for the Meeting, the Meeting shall be adjourned to such date, not less than 14 nor more than 42 days later, at the same time as the original Meeting or such date, time and place as the Issuer may determine. At any such adjourned Meeting, the quorum required for the Extraordinary Resolution to be considered at the Meeting is two or more persons present and holding or representing whatever the amount of the Notes held or represented.

Holders should note the quorum requirements and should be aware that, if the Holders either present or appropriately represented at the Meeting are insufficient to form a quorum for the Extraordinary Resolution, such Extraordinary Resolution (and consequently, the relevant aspects of the Proposal) cannot be formally considered thereat.

Holders are, therefore, encouraged either to attend the Meeting in person or to arrange to be represented at the Meeting as soon as possible. Holders who attend the Meeting should present a passport as a form of identification.

On a show of hands, every person who is present in person and is a proxy shall have one vote.

Unless a poll is demanded by the chairman of the Meeting, a declaration by the chairman of the Meeting that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of, or against, such Extraordinary Resolution.

On a poll, it shall be taken in such manner and either at once or after such adjournment as the chairman of the Meeting directs. The result of the poll shall be deemed to be the resolution of the Meeting at which it was demanded as at the date it was taken.

To be passed at the Meeting, the Extraordinary Resolution requires a majority of Holders present in person or by proxy and holding or representing 75 per cent. of the principal amount of the Notes for the time being outstanding held or represented by Holders present in person or by proxy at the Meeting to vote in favour of the Extraordinary Resolution. If passed, the Extraordinary Resolution shall be binding on all Holders whether or not present at the Meeting at which it is passed and whether or not voting.

This Notice is given by the Issuer. Holders should contact the following for further information:

The Information and Tabulation Agent for the Proposal is:

D.F. King & Co., Inc.

Email: eletrabras@dfkingltd.com

Proposal Website: <https://sites.dfkingltd.com/eletrabras>

In London:

125 Wood Street
London EC2V 7AN
United Kingdom

Telephone:
+44 20 7920 9700

In New York:

48 Wall Street, 22nd Floor
New York, New York 10005
United States

Attn: Andrew Beck

Toll-Free: +1 (800) 992 3086
Telephone: +1 (212) 269 5550
By Facsimile: +1 (212) 709 3328
Confirmation: +1 (212) 269 5552

The Solicitation Agents for the Proposal are:

**Merrill Lynch, Pierce, Fenner & Smith
Incorporated**

One Bryant Park, 8th floor
New York, New York
10036
United States

Attention:
Liability Management Group

Telephone:
+1 (888) 292-0070
(U.S. toll free) or
+1 (646) 855-8988
(collect)

Banco Bradesco BBI S.A.

Av. Brigadeiro Faria
Lima, 3064, 10th floor,
São Paulo, SP, Brasil,
01451-000

Attention:
International Fixed Income Department

Telephone:
+1 (646) 432-6643/6642