

INTERNAL REGULATIONS OF THE FISCAL COUNCIL OF NEOENERGIA S.A.

Chapter I

INTRODUCTION

Article 1 - These Regulations seek to gather and establish the basic principles that must govern, guide and organize the necessary operational procedures for the functioning of the Fiscal Council of the Neoenergia.

Chapter II

MISSION

Article 2 - The main mission of the Fiscal Council is to oversee the acts of the Company's management bodies, observing the means set forth in the Brazilian Corporate Law and the provisions of the Bylaws.

Article 3 - The Fiscal Council members shall perform their duties in the Company's exclusive interest, subjecting the acts of the management bodies to critical appreciation, to verify the compliance with legal and statutory duties by the administrators.

Article 4 – The Fiscal Council also has the task of informing the management bodies and the General Meeting of matters within its competence, and the representative(s) of the Fiscal Council in the Meeting must respond to information requests made by the shareholders.

Article 5 – The aspects related to the good practices of corporate governance, ethical values and respect to the community in which it operates must guide the actions, making sure that there is no conflict between their interests and those of the Company.

Chapter III

DECISIONS

Article 6 - The Fiscal Council is subject only to the General Meetings.

Article 7 - The members of the Fiscal Council shall be independent of each other in the performance of their duties.

Article 8 - The duty of the Fiscal Council member shall not be assigned and shall be exercised in person.

Article 9 - The resolutions of the Audit Board shall be taken by a majority.

Chapter IV

COMPOSITION

Article 10 - The Fiscal Council shall be composed of 3 (three) or 5 (five) sitting members and an equal number of alternates.

Article 11 - The members of the Audit Board shall elect a Chairman by a majority.

Article 12 - The alternate Fiscal Board members shall replace the sitting members in the impediments, in the formal resignation, in the temporary or permanent absences.

Article 13 – A Fiscal Board member who is unable to attend previously scheduled meetings shall inform the Company and other Board Members of the reason for non-attendance by sending mail or e-mail.

Chapter V

MANDATE

Article 14 - The members of the Fiscal Council and their alternates shall hold their positions until the first Annual General Meeting to be held after their election.

Article 15 - The members of the Fiscal Council shall be elected by the General Meeting and shall have a term of office of 1 (one) year, re-election being allowed.

Article 16 - In the event of a vacancy, absence or impediment of a sitting member, the Chairman, or in his absence, any of the other members, shall call the respective alternate to complement the mandate of the absent member.

Chapter VI

REMUNERATION

Article 17 - The remuneration of the members of the Fiscal Council, when they are in office, shall comply with article 162 paragraph 3 of Law 6,404.

Article 18 - Alternate members, when called to participate in the meeting in substitution of the sitting member, shall receive the full amount of the remuneration due to the sitting member, and in this event, the sitting member shall not be entitled to the remuneration related to this period.

Chapter VII

COMPETENCES AND DUTIES

Article 19 – The duties of the Fiscal Council are set forth in article 163 of the Corporation Law and in the Company's Bylaws.

Chapter VIII

MEETINGS

Article 20 - The meetings of the Fiscal Council shall be held at the Company's headquarters or at another place, provided that, in the latter case, there is the consent of the majority of its sitting members or alternate members, while replacing the sitting member.

Article 21 - The Fiscal Council shall ordinarily meet to: (i) give its opinion on the annual report of the management and the respective financial statements; and (ii) to analyze the balance sheet and other financial statements prepared quarterly by the company, and extraordinarily in case of need. The Annual Calendar shall be approved by the members of the Fiscal Council at the first meeting that occurs after its election, and shall determine the dates of the meetings.

Article 22 - In the event of proven urgency, an extraordinary meeting may be convened in a different manner and within a different term, and a call notice to all is required.

Article 23 – The meetings of the Fiscal Council shall be preceded by an Agenda, which shall be sent in writing, at least 2 (two) business days prior to the date scheduled for the Meeting to each Member, accompanied, where necessary, by information material on the topics to be discussed.

Article 24 - At each meeting Minutes will be drawn up, with date, place, the names of the Fiscal Members and decisions:

- I** - The minutes of the meeting shall be object of formal reading and approval, and shall be signed by all present.
- II** - Divergent votes must be registered and justified.
- III** - Minutes should be clearly written and record all discussions and decisions made, preferably being signed after the end of each meeting.
- IV** - All Minutes must be recorded in the Book of Minutes and Opinions of the Fiscal Council, which must be authenticated by the Trade Register.

Chapter IX

SECRETARY AND COUNCIL ADVICE

Article 26 – The Audit Committee shall elect by a majority a secretary, who shall:

- I** – organize, under the guidance of the Chairman, the agenda of the matters to be dealt with at each meeting, providing the necessary documents for the assessment of the items set forth;
- II** – convene the meetings and to send to the members, on a timely basis, the agenda and documentation;
- III** – advise the meetings, distributing the material discussed, noting the debates and the deliberations and elaborating the respective minutes, a copy of which will be given to each director after signed;
- IV** – issue and receive the pertinent documentation to the Council;
- V** – prepare the files to be signed by the Chairman and other members of the Council;

- VI** – arrange, if necessary, the registration of the minutes of the Council meeting at the Board of Trade;

Chapter X

GENERAL PROVISIONS

Article 27 - Disclose information considered sensitive and/or confidential by the Board is forbidden.

Article 28 - These Regulations may only be amended by majority vote of their members.

Article 29 - The rules contained in these Regulations shall reflect those contained in the Company's Bylaws and may not be in conflict with the provisions contained in the Corporation Law.

Rio de Janeiro, XXXXX XXX, 2017