



Related-Party Transaction – 03/18

Notice about Related-Party Transactions

Companhia Paranaense de Energia - COPEL, a company that generates, transmits, distributes and sells power, with shares listed on the B3 (CPLE3, CPLE5, CPLE6), NYSE (ELPVY, ELP) and LATIBEX (XCOP), pursuant to CVM Instruction 480 of December 7, 2009, hereby announces to its shareholders and to the market in general the following related-party transaction:

Names of Related Parties	Copel Geração e Transmissão S.A. and Banco Nacional de Desenvolvimento Econômico e Social - BNDES.
Relationship with the Company	Copel Geração e Transmissão S.A, a private law entity established in the form of a corporation, having as sole shareholder Companhia Paranaense de Energia - COPEL, which has among its relevant shareholder BNDES Participações S.A. - BNDESPAR, whose controller is the Banco Nacional de Desenvolvimento Econômico e Social (BNDES).
Transaction Date	October 24, 2018.
Purpose of the Agreement	Financing Agreement signed between the Banco Nacional de Desenvolvimento Econômico e Social (BNDES) and Copel Geração e Transmissão S.A, with the purpose of implementing the BAIXO IGUAÇU Hydroelectric Power Plant (enterprise in which Copel GeT has 30% stake, through the Consórcio Empreendedor Baixo Iguaçu – CEBI), located at the Iguaçu River, in the municipality of Capanema and Capitão Leônidas Marques, in the State of Paraná, with an installed capacity of 350.20 MW, as well as its associated transmission system.
Main Terms and Conditions	Total financing amount R\$ 194,000,000.00. Paid by the variation of the Long-Term Interest Rate (TJLP), plus 1.94% p.y. Amortization in 192 monthly and successive installments, with 1st maturity on 07/15/2019 and last on 07/15/2035.
Information about the participation of the counterparty, its partners or management in the Company's decision – making process about the	Technical negotiations were developed between BNDES and Copel Geração e Transmissão S.A, respecting parameters and technical and financial



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<p>transaction or negotiation of the transaction as representatives of the Company, describing such participation</p>	<p>criteria, established by the bank for the financial support in the implementation of infrastructure projects, according to the Energy Auction Announcements promoted by ANEEL.</p> <p>The conclusion of the agreement was approved at a meeting of the Company's Board of Directors, held on September 25, 2018.</p>
<p>Detailed justification of why the issuer's management considers that the transaction is conducted on an arm's length basis or envisages appropriate compensatory payment:</p>	<p>In order to optimize its projects and in line with internal policies, the Company conducts quotations and seeks the best financing conditions offered by financial institutions.</p> <p>BNDES is one of the largest development banks in the world and currently, is the Federal Government's main instrument for long-term financing and investment in all segments of the Brazilian economy.</p> <p>Being a public company and not a commercial bank, BNDES encourages innovation and development. It offers financing in infrastructure and makes available its conditions prior to the realization of the auction, independent, therefore, of the winner, which in itself already demonstrates that the transaction is conducted on an arm's length basis.</p> <p>In this way, taking into account the criteria and assumptions set forth in the aforementioned Auctions, the Company's management considers that the transaction has observed commutative conditions and provides for adequate compensatory payment, given that BNDES offered the same criteria offered to the other agents of the market to carry out the operation.</p>

Curitiba, November 1, 2018.

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