

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 – NIRE 31300040127

BOARD OF DIRECTORS

SUMMARY OF MINUTES OF THE 627TH MEETING

Date, time and place: March 4, 2015 at 8.30 a.m. at the company's head office.

Meeting Committee: Chair: José Afonso Bicalho Beltrão da Silva;
Secretary: Anamaria Pugedo Frade Barros

Summary of proceedings:

I Conflict of interest: The board members listed below said they had no conflict of interest in the matter on the agenda of this meeting.

II The Board approved the minutes of this meeting.

III The Board authorized:

A) Provision of a surety guarantee, stated by printing on the physical Notes, for:

the Eighth Issue of Commercial Promissory Notes by Cemig D, a corporation registered with the CVM (the Brazilian Securities Commission), with head office at Belo Horizonte, Minas Gerais, at Av. Barbacena 1200, 17th floor, A1 Wing, Santo Agostinho, CEP 30190-131, registered in the CNPJ/MF under N° 06.981.180/0001-16 ('the Issue', 'the Notes' and 'the Issuer', respectively), in accordance with CVM Instruction 476/2009, as amended ('Instruction 476'), CVM Instruction 134/1990, as amended ('Instruction 134'), and other applicable regulations, having as its target public exclusively qualified investors, as defined by Article 109 of CVM Instruction 409/2004), as amended, combined with CVM Instruction 476 (Qualified Investors),

– the issue to have the following characteristics:

Issuer:	Cemig Distribuição S.A.
Lead manager:	BB Banco de Investimento S.A.
Managers:	Banco Bradesco BBI S.A. (Bradesco BBI), Itaú Unibanco S.A. (Itaú), Caixa Econômica Federal (Caixa), and HSBC Corretora de Títulos e Valores Mobiliários S.A. (HSBC), jointly with the Lead Manager.
Surety guarantee:	The Notes and all obligations arising under them will have the surety guarantee of Cemig, a corporation registered with the CVM, with head office in Belo Horizonte, Minas Gerais, at Av. Barbacena 1200, CEP 30190-131, registered in the CNPJ under N° 17.155.730/0001-64 ('the Guarantor'), to be printed on the physical Notes.

Use of proceeds:	Payment of debt, and purchase of electricity.
Volume of the Issue:	Up to one billion seven hundred million Reais.
Number of series:	The issue will have one single series.
Nominal unit value:	Five million Reais, on the Issue Date.
Quantity:	Up to three hundred and forty.
Placement procedure and regime:	The distribution shall be public, with restricted placement efforts, under the regime of firm guarantee of subscription, in the amount of up to one billion seven hundred million Reais, to be exercised only in the event of the demand for and actual financial subscription of the Notes by Qualified Investors being lower than the quantity of Notes actually offered, by the Exercise Date of the firm guarantee. The commitment of firm guarantee shall obey the terms and conditions to be defined in the document <i>Contract for Structuring, Management and Public Distribution, with Restricted Placement Efforts, under the regime of Firm Guarantee of Subscription, of Commercial Promissory Notes of the Eighth Issue by Cemig Distribuição S.A.</i>
Form:	The Notes will be issued in physical form and be held on deposit at the custodian bank, a financial institution qualified to provide services of custody of the Notes, and will be transferable by signed endorsement simply transferring ownership. For all purposes of law, ownership of the Notes will be proven by possession of the physical Note, and additionally, for those Notes held in custody by electronic means at Cetip S.A.–Mercados Organizados (‘Cetip’), ownership will be proven by the statement of account issued by Cetip in the name of the holder.
Issue Date:	Date of the actual subscription, and payment of subscription, of the Notes, as specified on the physical Notes.
Form of subscription, Subscription price:	Each Note shall be paid at sight in Brazilian currency, at the Nominal Unit Value, on the date of its effective subscription, as per procedures of Cetip.
Registry for distribution:	The Notes will be registered for distribution in the primary market exclusively through the Asset Distribution Module (<i>Módulo de Distribuição de Ativos</i> , or MDA), managed and operated by Cetip, with financial settlement of the distribution through Cetip. Together with settlement, the Notes shall be deposited, in the name of the holder, in the Electronic Custody System of Cetip.
Maturity period:	Up to three hundred and sixty calendar days from the Issue Date.
Remuneration:	The nominal unit value of the Notes will not undergo monetary updating. The Notes will pay remuneratory interest equal to a maximum of 111.70% of the daily average of the ‘over extra-grupo’ Interbank Deposit (<i>Depósitos Interfinanceiros</i> , or DI) Rate, expressed in the form of percentage per year, on the two hundred and fifty-two business days basis, calculated and published daily by Cetip in its daily bulletin available on its website (http://www.cetip.com.br). The Remuneration will be calculated on an exponential and cumulative basis, <i>pro rata temporis</i> , by business days elapsed, on the Nominal Unit Value of each Promissory Note, from the Issue Date up to the Remuneration Payment Date, according to the criteria set out in the Cetip Manual of Formulas for Notes and Bonds (‘Cetip21’) – which is available for consultation as stated above. These criteria will be printed on the physical Notes.
Bookbuilding:	A bookbuilding procedure – collection of investment intentions – may be adopted, organized by the Lead Managers, reservations not being accepted, and without any minimum or maximum lots, for decision, with the Issuer, subject to the provisions of Article 3° of CVM Instruction 476, on the following: a) the number of Notes to be issued; and/or b) the Remuneration of the Notes, subject to the Ceiling Rate.
Payment of the Remuneration:	In a single payment, on the Maturity Date, or on any Date of Early Settlement of the Notes by reason of Optional Early Redemption, or of Early Maturity of the Notes due to occurrence of one of the Default Events specified on the physical Notes.
Amortization of the nominal unit value:	In a single payment, on the maturity date, or on the date of Early Settlement of the Notes by reason of Optional Early Redemption, or of Early Maturity, of the Notes due to occurrence of one of the Default Events specified on the physical Notes;
Registry for trading:	The Notes will be registered for trading in the secondary market, through Cetip21–Securities (<i>Cetip21 – Títulos e Valores Mobiliários</i>), managed and operated by Cetip, with financial settlement of trades and electronic custody of the Notes carried out in Cetip. The Notes may

Renegotiation:	None.
Optional early redemption:	The Issuer may, in the terms of Paragraphs 2, 3 and 4 of Article 7 of CVM Instruction 134, make early redemption of the Notes in whole or in part, at its exclusive option, at any time after thirty calendar days from the Issue Date, upon payment of the Nominal Unit Value plus the Remuneration, calculated <i>pro rata temporis</i> from the Issue Date up to the date of actual redemption, in accordance with the applicable legislation, provided that it gives Cetip, the Agent for the Notes, and the holders of the Notes advance notice of five business days, by correspondence addressed to all the holders of the Notes, with a copy to the agent of the Notes, or publication of a communication addressed to the holders of the notes to be widely divulged as specified on the physical notes, without payment of any premium to the holders of the Notes. In the event of partial Optional Early Redemption, the criterion of selection by lottery shall be adopted, to be coordinated by the Agent for the Notes, and all the stages of this process, such as entry, qualification, counting and validation of the quantities of Notes to be redeemed, shall be effected outside the ambit of Cetip. Irrevocable advance consent, by subscribers in the primary market and by persons acquiring the Notes in the Secondary Market, to Optional early Redemption, shall be expressly stated on the physical Notes.
Place of payment:	For Notes held in electronic custody at Cetip: in accordance with the procedures of Cetip. For holders of the Notes that are not linked to that system: at the Issuer's head office, or in accordance with the procedures of the Mandated Bank, as applicable.
Early maturity:	The holders of the Notes may declare all the obligations arising from the Notes which they hold to be automatically due and payable, and demand immediate payment by the Issuer and/or by the Guarantor of the Nominal Unit Value of the Notes, augmented by the Remuneration and financial charges, both calculated <i>pro rata temporis</i> , from the Issue Date up to the date of actual payment, plus the other costs or charges stated on the physical Notes, in any of the following events ('Default Events'): <ol style="list-style-type: none"> a) 1) liquidation, dissolution or declaration of bankruptcy of the Issuer and/or of the Guarantor; 2) application for bankruptcy by the Issuer and/or the Guarantor; 3) application by a third party for bankruptcy of the Issuer and/or the Guarantor, not duly cured by deposit in court nor contested within the legal period; 4) proposal to any creditor or class of creditors, by the Issuer and/or the Guarantor, of a plan of out-of-court reorganization, whether or not court ratification of such plan is sought or obtained; 5) application to the Court by the Issuer and/or the Guarantor for judicial recovery, whether or not granted by the competent judge; b) non-compliance by the Issuer and/or the Guarantor, within the specified period, with any pecuniary obligation arising from the Notes; c) non-compliance by the Issuer and/or the Guarantor, as the case may be, of any non-pecuniary obligation specified on the physical notes, not cured within thirty calendar days from the date on which a written notice from the Agent of the Notes to this effect is received; d) legitimate protest proceedings on securities against the Issuer and/or the Guarantor, the value of which individually or in aggregate is more than one hundred million Reais or its equivalent in other currencies, unless the protest proceedings were lodged in error or due to bad faith of third parties, provided this is validly proven to the Agent for the Notes by the Issuer and/or by the Guarantor, as applicable, or unless suspended or cancelled or if guarantees are given in court, in any event within a maximum period of 30 (thirty) calendar days from the date of the obligation becoming due. e) early maturity of any pecuniary obligation of the Issuer and/or of the Guarantor arising from default on an obligation to pay, whether arising from contract or otherwise, any individual or aggregate amount greater than one hundred million Reais or its equivalent in other currencies;

- f) change, transfer or assignment, direct or indirect, of the stockholding control of the Issuer and/or of the Guarantor, unless this takes place by order of a court, without the prior consent of holders of Notes representing at least 75% of the Notes in Circulation;
- g) merger, liquidation, dissolution, extinction, split and/or any other form of stockholding reorganization (including absorption and/or absorption of shares) of the Issuer and/or of the Guarantor, unless it is by order of a Court or by Regulatory decision, or, further, unless it does not result in a change of the rating of the Issuer and/or the Guarantor in effect on the Issue Date;
- h) privatization of the Issuer and/or the Guarantor;
- i) any termination, for any reason, of any of the concession contracts held by the Issuer and/or by the Guarantor that represents an adverse material impact on the Issuer's and/or the Guarantor's payment capacity;
- j) if the Issuer and/or the Guarantor, as the case may be, omits to pay any debt or any other obligation owed by the Issuer and/or the Guarantor, as the case may be, under any agreement or contract to which it is party as lender or borrower, involving individually or jointly an amount of one hundred million Reais or more or its equivalent in other currencies, on the due date, without taking the legal or court measures required for non-payment;
- k) assignment, promise of assignment or any form of transfer or promise of transfer to third parties, in whole or in part, by the Issuer and/or by the Guarantor, of any of its/their obligations specified in the physical Notes, without prior written consent of holders of Notes representing at least 75% of the Notes in Circulation;
- l) if the Issuer does not use the net proceeds of the Issue strictly in accordance with the terms specified on the physical Notes;
- m) invalidity, nullity or non-enforceability of the Notes or of their guarantee;
- n) challenge of the Promissory Notes in the courts by any third party, in relation to which the Issuer and/or the Guarantor has not taken the necessary measures to contest the effects of such challenge within up to thirty calendar days from the date on which the Issuer and/or the Guarantor becomes aware of such challenge being presented to a court;
- o) in the event that any statement made by the Issuer and/or by the Guarantor in any of the documents of the Issue is false, misleading, incorrect, incomplete or insufficient;
- p) non-compliance with any court judgment against the Issuer against which there is no further appeal, the individual or aggregate amount of which is one hundred million Reais or more or its equivalent in other currencies; or
- q) transformation of the Issuer into another type of company, as specified in Articles 220 to 222 of the Corporate Law.

For the purposes of sub-item (h) above, privatization is defined as an event in which:

- a) the Guarantor, the present direct controlling stockholder of the Issuer, ceases to hold directly or indirectly the equivalent of, at least, 50% plus one share of the total voting stock of the Issuer; and/or
- b) the Government of the State of Minas Gerais, currently controlling stockholder of the Guarantor, ceases directly or indirectly to hold the equivalent of, at least, 50% plus one share of the total voting stock of the Guarantor.

Any of the events indicated in sub-items a, b, e, f, i, k and m above shall result in immediate Early Maturity of the Notes independently of any advice or notification, through the courts or otherwise, or any consultation of the holders of the Notes.

In any other Default Event, a general meeting of Note Holders shall be held within forty-eight hours from the date on which the Agent for the Notes or any of the holders of the Notes becomes aware of the event, to decide on non-declaration of Early Maturity of the Notes, which shall be decided by holders of Notes representing at least two thirds of the Notes of the Issue in circulation.

Arrears charges:

In the event of non-punctuality in the payment of any amount payable to the holders of the Notes, the debits in arrears shall be subject to: arrears interest of 1% per month; and an agreed, compensatory late fee of 2%, both being calculated on the amount due and unpaid, from the date of default until the date of actual payment, independently of advice, notification or interpolation through the courts or otherwise.

Extension of periods: If the date of maturity of an obligation coincides with a day that is not a business or banking business day at the location of the head office of the Company, the date of payment of any obligation specified in the Notes shall be deemed automatically postponed to the next business day, without any addition to the amount to be paid, except in cases where the payment is to be made through Cetip, in which case the extension will take place only when the date of the payment coincides with a Saturday, Sunday or national public holiday.

As joint debtor and principal payer of all obligations arising under this Issue, up to its final settlement, Cemig undertakes to pay the obligations assumed by the Issuer under this eighth issue of commercial promissory notes. The Surety is given by Cemig irrevocably, and will remain in effect until the full payment by the Issuer of all of its obligations stated on the printed Notes.

- B) After conclusion of the due administrative processes for exemption from tender, signature of the legal instruments necessary for making the above mentioned surety guarantee effective in such a way that the guarantee is existing, valid and efficacious whenever any obligation to be assumed by Issuer is not complied with, including:
- the *Contract for Structuring, Management and Public Distribution, with Restricted Placement Efforts, under the regime of Firm Guarantee of Subscription, of Commercial Promissory Notes of the Eighth Issue by Cemig Distribuição S.A.*;
 - Printed Promissory Notes; and
 - other documents duly examined by the legal department which do not cause further cost for the transaction.
- C) All other acts that are necessary for putting the above decisions into effect.

VI Comments: The Chair spoke on a subject of interest to the Company.

Participants:

Board members:	José Afonso Bicalho Beltrão da Silva, Mauro Borges Lemos, Allan Kardec de Melo Ferreira, Arcângelo Eustáquio Torres Queiroz, Helvécio Miranda Magalhães Junior, Marco Antônio de Rezende Teixeira, Nelson José Hubner Moreira, Guy Maria Villela Paschoal, Otávio Marques de Azevedo, Paulo Roberto Reckziegel Guedes,	José Pais Rangel, Newton Brandão Ferraz Ramos, Ricardo Wagner Righi de Toledo, Ana Sílvia Corso Matte, Antônio Dirceu Araújo Xavier, Bruno Westin Prado Soares Leal, Carlos Fernando da Silveira Vianna, Flávio Miarelli Piedade, Luiz Guilherme Piva, Wieland Silberschneider;
Secretary:	Anamaria Pugedo Frade Barros.	

Anamaria Pugedo Frade Barros