

COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 – NIRE 31300040127

BOARD OF DIRECTORS

SUMMARY OF MINUTES OF THE 650TH MEETING

Date, time and place: December 10, 2015, at 8.30 a.m., at
Av. Barbacena, 1200 – 21st Floor, Belo Horizonte, Minas Gerais.

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 stated that they had no conflict of interest with the matters on the agenda of the meeting.

II The Board approved the minutes of this meeting.

III The Board authorized:

(A) Provision of a surety guarantee, by statement of such guarantee printed on the physical Notes, for the

Sixth Issue of Commercial Promissory Notes by Cemig GT

(Cemig Geração e Transmissão S.A., a corporation registered with the Brazilian Securities Commission (CVM) with head office in Belo Horizonte, Minas Gerais State, Brazil at Av. Barbacena 1200, 12th floor, B1 Wing, Santo Agostinho, CEP 30190-131, registered in the CNPJ/MF under N° 06.981.176/0001-58),

in accordance with CVM Instruction 476/2009, as amended (‘Instruction 476’), CVM Instruction 566/20125 (‘Instruction 566’), and other applicable regulations, having as its target public exclusively **professional investors**, as defined by Article 9-A of CVM Instruction 539/2013, as amended, including amendment by CVM Instruction 554/2014, combined with Articles 2 and 3 of CVM Instruction 476 (‘Professional Investors’) – the issue to have the following characteristics:

Issuer:	Cemig GT.
Managers:	BB Banco de Investimento S.A. (Lead Manager), Banco Bradesco BBI S.A. and Caixa Econômica Federal.
Fiduciary Agent:	Planner Trustee DTVM Ltda.
Surety guarantee:	The promissory notes (“the Notes”) and all the obligations resulting from them will have the surety guarantee of Cemig (<i>Companhia Energética de Minas Gerais</i>), printed on each Note.
Other guarantees:	In up to one hundred and eighty calendar days from the Issue Date, conditional upon prior approval by the National Electricity Agency (<i>Agência Nacional de Energia Elétrica – Aneel</i>) and the Brazilian Development Bank (<i>Banco Nacional de Desenvolvimento Econômico e Social – BNDES</i>), arising from legal and contractual aspects, the Notes and all the obligations resulting from them shall have the following guarantee: <ul style="list-style-type: none"> – Fiduciary assignment of rights to receivables arising from activities of the Hydroelectric Plants (as defined below) (Fiduciary Assignment and Assignment jointly with Surety and Guarantees), the Issuer undertaking to replace the entirety of the Notes in up to one business day from formalization of the Fiduciary Assignment, so as to cause the constitution of the Fiduciary Assignment in favor of the Fiduciary Agent, as representative of the holders of the Notes, to be inscribed on the Notes.
Use of proceeds:	Payment of the first installment of the fee for grant of the concessions of hydroelectric plants of Lot D of Aneel Auction 12/2015 (“the Hydroelectric Plants” and “the Auction”), directly by the Issuer and/or indirectly through special-purpose companies that are wholly-owned subsidiaries of the Issuer.
Volume of the Issue:	One billion four hundred forty million Reais.
Number of Series:	The issue will have one single series only.
Nominal Unit Value:	Ten thousand Reais, on the Issue Date.
Quantity of Notes:	One hundred forty four.
Placement procedure and regime:	The distribution shall be public, with restricted placement efforts, under the regime of firm guarantee of individual, non-joint subscription by the Managers for a volume of four hundred eighty million Reais by each Manager, comprising total volume of one billion four hundred and forty million Reais, to be exercised only in the event of the demand for and actual financial subscription of the Notes by Professional Investors being lower than the quantity of Notes actually offered, by the Settlement Date. The commitment of firm guarantee by the Managers shall obey the terms and conditions to be defined in 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 Sixth Issue by Cemig Geração e Transmissão S.A.
Form:	The Notes will be issued in physical form and be held on deposit at the financial institution qualified to provide services of physical custody of the Notes (Mandated Bank and Custodian Bank), and will be transferable by signed endorsement simply transferring ownership. For all purposes of law ownership of the Notes shall be proven by possession of the related physical Note. Additionally, for those Notes deposited electronically at <i>Cetip S.A. – Mercados Organizados</i> (“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 and price of subscription:	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 deposited for distribution in the primary market exclusively through the Asset Distribution Module (<i>Módulo de Distribuição de Ativos – MDA</i>), 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 days from the Issue Date.
Remuneration:	The nominal unit value of the Notes shall not undergo monetary updating. The Notes will pay remuneratory interest equal to 120% of the accumulated variation represented by the one-day <i>over extra-grupo</i> 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”). 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 ‘Cetip21’ Manual of Formulas for Notes and Bonds (<i>Caderno de Fórmulas – Notas Comerciais e Obrigações - Cetip21</i>) – which is available for consultation as stated above. These criteria will be printed on the physical Notes.
Payment of the Remuneration:	In a single payment, on the Maturity Date, or on the Date established in the Early Redemption Offer (as defined below), or of optional early redemption, or on the date on which early maturity of the Notes takes place as a result of any of the Default Events described on the printed Notes.

Amortization of Nominal Unit Value:	In a single payment, on the Maturity Date, or on the Date established in the Early Redemption Offer (as defined below), or of optional early redemption, or on the date on which early maturity of the Notes takes place as a result of any of the Default Events described on the printed Notes.
Registry for Trading:	The Notes will be deposited for trading in the secondary market, through the <i>Cetip21–Securities</i> module, managed and operated by Cetip, with financial settlement of trades and electronic custody of the Notes carried out in Cetip. The Notes may be traded only in regulated securities markets, after 90 days from the date of each subscription or acquisition by Professional Investors, and only between Qualified Investors, in accordance with Articles 13 and 15 of CVM Instruction 476, and subject to compliance by the Issuer with the obligations stated in Article 17 of that Instruction.
Renegotiation:	None.
Early Redemption Offer:	The Issuer may, at its exclusive option and at any time from the Issue Date, upon approval by the competent bodies, make an offer for early redemption of the Notes, addressed to all holders of the Notes, without distinction, and they shall all have equal conditions to accept or not accept the offer for early redemption of the notes they hold (‘the Early Redemption Offer’). All the stages of this process of total early redemption offer shall take place outside the ambit of Cetip. The early redemption shall take place at the Nominal Unit Value, plus the remuneration, calculated <i>pro rata temporis</i> from the Issue Date up to the actual date of the redemption. The Issuer shall notify Cetip of occurrence of the early redemption with at least two business days’ prior notice of the date of the event. The other terms and conditions of the Early Redemption Offer shall be detailed on the printed Notes.
Optional early redemption:	The Issuer may, in the terms of Paragraphs 2, 3 and 4 of Article 5 of CVM Instruction 566, at its exclusive option, make early redemption of the Notes in whole or in part, at its exclusive option, at any time after one hundred eighty 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 Fiduciary Agent and the holders of the Notes advance notice of five business days, 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, in the terms of Paragraph 5 of Article 5 of CVM Instruction 566, 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. By subscribing, paying-up and/or acquiring the Notes, holders of the Notes will be giving express advance consent to unilateral optional early redemption by the Issuer.
Place of Payment:	For Notes held in electronic custody at Cetip: in accordance with the procedures of Cetip. For Notes that are not deposited electronically at Cetip: at the Issuer’s head office, or in accordance with the procedures of the Mandated and Custodian Bank.
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 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.
Early Maturity:	<p>Holders of the Notes may declare all the obligations arising from the Notes which they hold to be due and payable, and demand immediate payment by Issuer and/or by Guarantor (any payments made by Guarantor to be made outside the ambit of Cetip) of the Nominal Unit Value of the Notes, augmented by the Remuneration and the financial charges, both calculated <i>pro rata temporis</i>, from the Issue Date up to the date of actual payment, by letter delivered by hand with advice of receipt, or letter posted with advice of receipt service, addressed to the head office of Issuer and/or Guarantor, in any of the following events (‘Default Events’):</p> <ol style="list-style-type: none"> Liquidation, dissolution or declaration of bankruptcy of the Issuer and/or of the Guarantor; application for bankruptcy by Issuer and/or Guarantor; application for bankruptcy of Issuer and/or Guarantor made by a third party and not duly cured by deposit in court nor contested within the legal period; proposal by Issuer and/or Guarantor to any creditor or class of creditors of a plan for out-of-court recovery, whether or not court ratification of any such plan has been applied for; or application to the Court by Issuer and/or Guarantor for judicial recovery, whether or not granted by the competent judge. Non-compliance, by Issuer and/or by Guarantor, within the specified period, with any pecuniary obligation arising from the Notes. Early maturity of any pecuniary obligation of Issuer and/or of Guarantor arising from default on an obligation to pay any individual or aggregate amount, per legal entity, greater than one hundred million Reais or its equivalent in other currencies. Change, transfer or assignment, direct or indirect, of stockholding control of Issuer and/or of 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. Termination, for any reason, of a concession contract held by Issuer and /or by Guarantor such as represent/s an adverse material impact on the payment capacity of Issuer and/or Guarantor, except in relation to the São Simão, Jaguará or Miranda Plants. Legitimate protest of receivables against Issuer and/or against Guarantor the global value of which, individually or jointly, exceed/s one hundred million Reais or its equivalent in other currencies, unless, within a maximum of thirty calendar days from the date of maturity of the obligation becoming due, either (a) the protest has been validly proven by Issuer and/or Guarantor (as the case may be) to

- the Fiduciary Agent to have been filed in error or due to bad faith by a third party; or (b) the protest is suspended or canceled; or (c) guarantees are given in court.
- (g) Non-compliance by Issuer and/or by Guarantor, as the case may be, with any non-pecuniary obligation specified in the printed Notes, not cured within thirty calendar days from the date on which the written notice sent by the Fiduciary Agent to the Issuer is received.
 - (h) Omission by Issuer and/or Guarantor, as the case may be, to pay on the due date any debt or any other obligation issued by Issuer and/or Guarantor, as the case may be, under any agreement or contract to which it is party as borrower or Guarantor, involving an amount, individually or jointly, per legal entity, of one hundred million Reais or more or its equivalent in other currencies, or not to take the legal and/or judicial measures required for suspension of the payment.
 - (i) Privatization, merger, liquidation, dissolution, extinction, split and/or any other form of stockholding reorganization (including absorption and/or absorption of shares) by or of Issuer and/or Guarantor that results in reduction of the share capital of Issuer and/or Guarantor, unless it is by reason of an order of a Court or a regulatory order, or does not cause a change the rating of Issuer and/or Guarantor that existed on the Issue Date.
 - (k) Assignment, promise or any form of transfer or promise of transfer to third parties, in whole or in part, by Issuer and/or by Guarantor, of any of its/their obligations assumed under the Notes, without prior written consent of holders of Notes representing at least 75% of the Notes in Circulation.
 - (k) Invalidity, nullity or non-enforceability of the Notes or of their guarantee.
 - (l) The net proceeds of the Issue not being used strictly in the terms indicated in the item 'Use of Proceeds' above.
 - (m) Existence of any false, misleading, incorrect, incomplete or insufficient statement made by Issuer and/or Guarantor in any of the documents related to the Issue.
 - (n) Non-compliance with any judgment by a court or in the administrative sphere 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.
 - (o) Change of type of company, by Issuer and/or by Guarantor.
 - (p) Challenge of the Notes in the courts by any third party, in relation to which Issuer and/or Guarantor has not taken the necessary measures to contest the effects of said challenge within the legal period from the date on which Issuer and/or Guarantor becomes aware, by regular service of process, of such challenge being filed with the Courts.
 - (q) Absence of appointment of the Fiduciary Agent, within one hundred eighty days from the Issue Date, provided that the prior consent to constitution of the Fiduciary Agent has been obtained from Aneel and of the Brazilian Development Bank (BNDES).
 - (r) Payment of dividends, Interest on Equity or any other payment representing interest in the profits specified in the by-laws of Issuer, if Issuer is in default with the pecuniary obligations described in the printed Notes, except for payment of the obligatory minimum dividend under Article 202 of the Corporate Law.

For the purposes of sub-item (i) above, privatization is defined as an event in which Guarantor, present direct controlling stockholder of 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 the Government of the State of Minas Gerais, currently controlling stockholder of Guarantor, ceases directly or indirectly to hold the equivalent of, at least, 50% plus one share of the total voting stock of Guarantor.

If any of the Default Events specified in Sub-items (a), (b), (c), (d), (e), (j), (k) or (o) above takes place, maturity of the Notes shall immediately take place automatically, independently of advice or notification, in the courts or otherwise; the Fiduciary Agent must, however, immediately upon becoming aware of this, send written notice to the Issuer informing it of such event and of the early maturity of the Notes. In any of the other events indicated in the other sub-clauses above, the Fiduciary Agent must call a General Meeting of Holders of the Notes, within forty-eight hours from the date on which said Agent becomes aware of the occurrence of any of these events, to decide on non-declaration of early maturity of the Notes, which shall be decided by holders of Notes representing at least 75% of the Notes of the Issue.

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:

- (a) arrears interest calculated *pro rata temporis*, from the date of default until the date of actual payment, of 1% per month on the amount due and unpaid, independently of advice, notification or interpolation through the courts or otherwise; and
- (b) an agreed, irreducible, non-compensatory late fee of 2%, on the amount due and unpaid, independently of advice, notification or interpolation through the courts or otherwise.

As joint debtor and principal payer of all obligations arising from the Notes, up to their final settlement, Cemig undertakes to pay the obligations assumed by Issuer under the Issue.

The Surety is given by Cemig irrevocably, and shall remain in effect until full payment by Issuer of all of its obligations stated on the printed Notes.

The Board also authorized:

- After conclusion of the due administrative processes for exemption from tender, signature of all the legal instruments, and any amendments, necessary for making the above-mentioned Issue effective.
- Practice of all the acts necessary to put the above decisions into effect.
- The Issue to take place only after consent has been obtained from the BNDES, the Minas Gerais Coordination Chamber for State-controlled Companies, and after revision, by the Extraordinary General Meeting of Stockholders of Cemig, of the following targets:
 - for the Company’s consolidated indebtedness as specified in Subclause ‘a’ of Paragraph 7 of Clause 11 of the Company’s by-laws, to 2.6 or less times the Company’s Ebitda (profit before interest, taxes, depreciation and amortization);
 - for the consolidated ratio of (Net debt) / (Net debt + Stockholders’ equity), established in Subclause ‘b’ of Paragraph 7 of Clause 11 of the by-laws, to a maximum of 51%; and
 - for the consolidated amount of funds allocated to capital investment and acquisition of any assets in the business year, established in Subclause ‘d’ of Paragraph 7 of Clause 11 of the by-laws, to a limit of 62% of Cemig’s Ebitda.

(B) Provision of a surety guarantee, with waiver of all benefits of order, rights and options for exoneration of any type specified in Articles: 333, sole sub-paragraph; 366; 821; 827; 830; 834; 835; 837; 838 and 839, of Law 10406/2002, as amended; and in Articles 77 and 595 of Law 5869/1973, as amended, for the

Fourth Issue of Non-convertible Debentures by Cemig D

(Cemig Distribuição S.A.) in accordance with Securities Commission (CVM) Instruction 476/2009, as amended (‘the Issue’ and ‘CVM Instruction 476’, respectively), with the following characteristics:

Issuer:	Cemig D.
Managers:	Financial institutions that are part of Securities Distribution System.
Guarantee:	The debentures and all obligations arising therefrom, principal and/or accessory, present and/or future, shall have the irrevocable surety guarantee of Companhia Energética de Minas Gerais – Cemig (‘the Guarantor’) as principal payer jointly responsible with the Issuer for all obligations arising from the Issue, principal and/or accessory, present and/or future, irrevocably, comprising the principal debt and all accessory obligations under the Debentures, including but not limited to arrears interest, contractual penalty payments and any other additions.
Fiduciary Agent:	Planner Trustee Distribuidora de Títulos e Valores Mobiliários Ltda.
Use of proceeds:	Optional early redemption of the Commercial Promissory Notes of the Issuer’s 8th Issue, and payments of other debts or strengthening of the cash position.
Volume of the Issue:	One billion six hundred and fifteen million Reais, on the Issue Date (as defined below).
Nominal Unit Value:	One thousand Reais, on the Issue Date.
Number of Debentures and Number of Series:	Up to one hundred sixty one thousand Debentures, to be distributed in up to two series, through the ‘communicating vessels’ structure. The existence and quantity of Debentures to be allocated to each series of the issue will be decided in accordance with the demand from investors for the Debentures, and the issuance of the Debentures of the Second Series is conditional upon distribution of at least ten thousand Debentures of the Second Series.
Distribution, and placement regime:	Public distribution, with restricted placement efforts, in the terms of CVM Instruction 476, under the regime of firm guarantee of placement of the totality of the Debentures by the Managers, partial distribution thus being unacceptable, with a target public of professional investors as defined by Article 9A of CVM Instruction 539/2013 as amended; and in the event of need for exercise of the firm guarantee this shall be exercised by the Managers individually and not jointly, and in proportion between them, only in relation to the Debentures of the First Series.
Form:	Nominal, book-entry debentures, without issuance of deposits or certificates. For all purposes of law, ownership of the Debentures shall be proven by statement issued by the Bookkeeping Institution, and additionally, in relation to the Debentures held in custody electronically at Cetip S.A. – Mercados Organizados (Cetip), the statement issued by Cetip in the name of each holder of the Debentures shall serve as proof of ownership of the Debentures.
Type:	Unsecured, with additional surety guarantee.
Convertibility:	Not convertible into shares in the Issuer.

Issue Date:	December 15, 2015.
Tenor and Maturity Date:	<p>a) The Debentures of the First Series shall have maturity at three years from the Issue Date, thus maturing on December 15, 2018 ('Maturity Date of the First Series'); and</p> <p>b) The Debentures of the Second Series shall have a period of maturity of five years from the Issue Date, thus maturing on December 15, 2020 ('the Maturity Date of the Second Series'), subject, in both cases, to the possibility of Optional Early Redemption (as defined below), an Early Redemption Offer (as defined below), or early Maturity of the Debentures as a result of any Default Event (as defined below).</p>
Updating of the Nominal Unit Value:	<p>a) The Nominal Unit Value of the Debentures of the First Series will not be updated.</p> <p>b) The Nominal Unit Value of the Debentures or the balance of the Nominal Unit Value of the Second Series will be updated by the accumulated variation of the IPCA (Expanded National Consumer Price) index, calculated and published by the IBGE (Brazilian Geography and Statistics Institute), and the amount shall be automatically incorporated into the Nominal Unit Value or into the balance of the Nominal Unit Value of the Debentures of the Second Series, as the case may be ('Monetary Updating of the Second Series').</p>
Remuneration:	<p>a) Remuneratory interest shall accrue to the Nominal Unit Value of the Debentures of the First Series, at a rate corresponding to 100% of the accumulated variation resulting from the average rates for one-day Interbank Deposits – the 'over extra grupo' DI rate – expressed in the form of a percentage per year, on the 252 business days basis, calculated and published daily by Cetip, in its daily bulletin on its website (http://www.cetip.com.br), capitalized by a spread to be decided by a Bookbuilding Procedure, if carried out by the Managers, limited to 4.05% per year, on the 252 business days basis, or if a Bookbuilding procedure is not carried out by the Managers, of 4.05% per year, on the 252 business days basis ('the Remuneration of the First Series').</p> <p>b) Remuneratory interest corresponding to a given percentage per year, on the 252 business days basis, equivalent to the internal rate of return on IPCA+ 2020 Treasury securities, shall apply to the updated Nominal Unit Value or to the balance of the updated Nominal Unit Value, as applicable, of the Debentures of the Second Series. This annual percentage per year shall be ascertained in accordance with the arithmetic mean of the indicative rates published by the Brazilian Association of Financial and Capital Market Entities (Anbima) on its website (http://www.anbima.com.br) at the close of the first, second and third business days immediately prior to the date of carrying out of the Bookbuilding Procedure, augmented exponentially by a spread limited to 3.50%, or in the event that the Bookbuilding Procedure is not carried out, prior to the date of this present Meeting of the Board of Directors, augmented exponentially by a spread of 3.50% (hereinafter 'the Remuneratory Interest of the Second series' – and when referred to jointly with the Monetary updating of the Second Series, 'the Remuneration of the Second Series').</p> <p>The Remuneration of the First Series and/or the Remuneration of the Second Series, as applicable, shall be calculated by the method of compound capitalization, <i>pro rata temporis</i> by business days elapsed, from the Date of Paying-Up (as defined below), or from the immediately prior date of payment of the Remuneration of the First Series and/or of the Remuneration of the Second Series, as applicable, until the day of its actual payment.</p>
The Bookbuilding Procedure:	<p>At the option of the Managers and of the Issuer, the Managers may organize a procedure of collection of investment intentions so as to decide, in common agreement with the Issuer:</p> <p>a) the number of series of the Issue;</p> <p>b) the quantity of Debentures of the First Series and/or of Debentures of the Second Series to be issued; and</p> <p>c) the final rate of the Remuneration of the First Series and/or of the Remuneratory Interest of the Second Series, as applicable.</p> <p>If there is a Bookbuilding Procedure, the Issuer shall ratify:</p> <p>a) the number of series of the Issue;</p> <p>b) the quantity of Debentures of the First Series and/or of Debentures of the Second Series to be issued; and</p> <p>c) The final rate of the Remuneration of the First Series and/or of the Remuneratory Interest of the Second Series, as the case may be, through amendment to the Private Deed of the Fourth Issue of Unsecured, Non-convertible Debentures with Additional Surety Guarantee, in up to Two Series, for Public Distribution, with Restricted Efforts, of Cemig Distribuição S.A. (the Issue Deed), which shall be filed with the Commercial Board of Minas Gerais State (<i>Jucemg</i>) and registered in the Notaries' Offices for Titles and Documents of the jurisdictions where the head offices of the Issuer, the Guarantor and the Fiduciary Agent are located, without the need for further corporate approval by the Issuer and by the Guarantor.</p>
Amortization of the Nominal Unit Value:	<p>a) The Nominal Unit Value of the Debentures of the First Series shall be amortized in two consecutive installments, at the end of the second and third years from the Issue Date, the first becoming due on December 15, 2017, in an amount equivalent to 50% of the Nominal Unit Value of the Debentures of the First Series, and the second becoming due on December 15, 2018, in an amount equivalent to the balance of the Nominal Unit Value of the Debentures of the First Series.</p> <p>b) The Nominal Unit Value of the Debentures of the Second Series shall be amortized in two consecutive installments, at the end of the fourth and fifth years from the Issue Date, the first becoming due on December 15, 2019, in an amount equivalent to 50% of the updated Nominal Unit</p>

	Value of the Debentures of the Second Series, and the second becoming due on December 15, 2020, in the amount equivalent to the updated balance of the Nominal Unit Value of the Debentures of the Second Series.
Payment of the Remuneration of the First Series and the Remuneration of the Second Series:	<p>a) The Remuneration of the First Series will be paid annually, from the Issue Date, on the 15th day of December of each year, the first payment becoming due on December 15, 2016, and the last payment becoming due on the date of maturity of the First Series (or on a date of early settlement resulting from early maturity of the Debentures of the First Series due to one of the Default Events; or from Optional Early Redemption; or from the realization of an Early Redemption Offer by the Issuer); and</p> <p>b) The Remuneration of the Second Series will be paid annually, from the Issue Date, on the 15th day of December of each year, the first payment becoming due on December 15, 2016, and the last payment becoming due on the date of maturity of the Second Series (or on a date of early settlement resulting from early maturity of the Debentures of the First Series due to one of the Default Events; or from Optional Early Redemption; or from the realization of an Early Redemption Offer by the Issuer).</p>
Registry for distribution and trading:	<p>(a) For distribution in the primary market, through the Assets Distribution Module (<i>Módulo de Distribuição de Ativos – MDA</i>), managed and operated by Cetip, with financial settlement of the distribution through Cetip;</p> <p>(b) for trading in the secondary market, through <i>Cetip21–Securities</i>, managed and operated by Cetip, with financial settlement of trades and electronic custody of the debentures carried out in Cetip.</p> <p>The Debentures may be traded in the regulated markets for securities only after 90 days from the date of each subscription or acquisition by investors, in accordance with Articles 13 and 15 of CVM Instruction 476, and after it is confirmed that the Issuer has complied with the obligations specified in Article 17 of CVM Instruction 476, the Debentures may be traded only by qualified investors, as defined in the specific regulations</p>
Minimum Rating:	AA-, Brazilian scale, by Fitch Ratings Brasil Ltda.; or AA by Moody's América Latina Ltda. or Standard & Poor's Ratings do Brasil Ltda.
Renegotiation:	None.
Optional total early redemption:	<p>The Issuer may, at its exclusive option, effect optional total early redemption of the Debentures, at any moment from the 13th month (inclusive) from the Issue Date, with consequent cancellation of the Debentures redeemed ('Optional Early Redemption'). The Optional Early Redemption shall take place against payment of the Nominal Unit Value or the balance of the Nominal Unit Value of the Debentures, if applicable, augmented by:</p> <p>a) The Remuneration of the First Series and/or the Remuneration of the Second Series, as applicable, calculated <i>pro rata temporis</i> from the date of paying-up or from the immediately prior date of payment of the Remuneration of the First Series and/or of the Remuneration of the Second Series, as applicable, until the day of its actual payment.</p> <p>b) Arrears charges, if any, and any other amounts that may be payable by the Issuer.</p>
Optional Extraordinary Amortization:	<p>The Issuer, at its exclusive option, may effect optional extraordinary amortization of the Debentures, limited to 98% of the Nominal Unit Value, at any moment from the 13th month (inclusive) from the Issue Date ('Extraordinary Amortization'). The Extraordinary Amortization shall take place against payment of a percentage of the Nominal Unit Value or balance of the Nominal Unit Value of the Debentures, limited to 98%, plus:</p> <p>a) The Remuneration of the First Series and/or the Remuneration of the Second Series, as applicable, calculated <i>pro rata temporis</i> from the date of paying-up or from the immediately prior date of payment of the Remuneration of the First Series and/or of the Remuneration of the Second Series, as applicable, until the day of the actual amortization; and</p> <p>b) Arrears charges, if any, and any other amounts that may be payable by the Issuer.</p>
Early Redemption Offer:	The Issuer may, at its exclusive option, at any time as from 30 days after the Issue Date, make an offer for early redemption of the Debentures of the First Series and/or the Debentures of Second Series, total or partial, with consequent cancellation of the said Debentures of the First Series and/or Debentures of the Second Series redeemed, depending on what is decided by the Issuer. This offer shall be addressed to all the holders of Debentures of the respective Series, without distinction, and all the Debenture Holders of the respective Series shall have equality of conditions for accepting the early redemption of the Debentures of the First Series and/or of the Second Series that they hold, in accordance with the terms and conditions specified in the Issue Deed ('the Early Redemption Offer').
Optional Acquisition:	The Issuer may, at its own exclusive option, acquire Debentures in circulation at any time. In all cases the optional acquisition of the Debentures by the Issuer must obey Paragraph 3 of Article 55 of Law 6404/1976, as amended ('the Corporate Law'), and the Debentures acquired may be canceled, remain in the Issuer's treasury, or be once again placed in the market, in accordance with the rules issued by the CVM, and such fact must be contained in the Issuer's Report of Management and Financial Statements. The Debentures acquired by the Issuer for holding in Treasury, if and when placed again in the market, shall carry the right to the same Remuneration as the other Debentures in circulation.

Early Maturity:

The following events shall be considered to be default events, and shall cause early maturity of the Debentures, for payment due immediately by the Issuer, of the Nominal Unit Value of the Debentures (or the balance of the Nominal Unit Value, as the case may be), plus the Remuneration of the First Series, or the Remuneration of the Second Series, as the case may be, calculated *pro rata temporis* from the date of paying-up or the immediately prior date of payment of the Remuneration of the First Series or of the Remuneration of the Second Series, as the case may be, up to the date of its actual payment, plus the other charges payable under the terms to be specified in the Issue Deed, without need for advice, notification or interpolation in the courts or otherwise (each being a 'Default Event'):

- a) Liquidation, dissolution or declaration of bankruptcy of the Issuer and/or of the Guarantor; application for bankruptcy by Issuer and/or Guarantor; application for bankruptcy made by a third party against Issuer and/or Guarantor, not duly resolved by a deposit into Court and or contestation within the legal period; proposal, by Issuer and/or Guarantor, of a plan for out-of-court recovery, to any creditor or class of creditors, whether or not court homologation of such plan has been applied for or obtained; or application to the Courts by Issuer and/or by Guarantor for judicial recovery, whether or not granted by the competent judge.
- (b) Non-compliance, within the stated period, by Issuer and/or Guarantor, with any pecuniary obligation related to the Debentures.
- (c) Non-compliance by Issuer and/or Guarantor, as the case may be, with any non-pecuniary obligations related to the Debentures not cured within 30 calendar days from the date on which Issuer and/or Guarantor, as the case may be, becomes aware of the non-compliance (including by means of written notice sent to the Fiduciary Agent to this effect).
- (d) Legitimate protest proceedings on securities against Issuer and/or 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 have been lodged in error or due to bad faith of third parties, provided this is validly proven to the Fiduciary Agent by Issuer and/or by Guarantor, as applicable, or if suspended or canceled 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, whether arising from contract or otherwise, to pay 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, or by requirement of Regulations, without the prior consent of Debenture Holders representing at least 75% of the Debentures in circulation.
- (g) Merger, liquidation, dissolution, extinction, split or any other form of stockholding reorganization (including absorption and/or absorption of shares) of the Issuer without the prior consent of Debenture holders meeting in a General Meeting of Debenture Holders, and/or merger, liquidation, dissolution, extinction, split or any other form of stockholding reorganization (including absorption and/or absorption of shares) of Guarantor that results in reduction of its share capital, unless it is by reason of an order of a Court or a regulatory decision, or does not cause a change in the risk rating of the Guarantor from its existing risk rating on the Issue Date.
- (h) Privatization of Issuer and/or Guarantor.
- (i) Termination, for any reason, of any of the concession contracts held by Issuer and/or by Guarantor such as represents an adverse material impact on the Issuer's and/or the Guarantor's payment capacity.
- (j) If Issuer and/or Guarantor, as the case may be, omits to pay, on its due date, any debt or any other obligation owed by Issuer and/or 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, 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 Issuer and/or by Guarantor, of any of its/their obligations assumed under the Issue Deed, without prior written consent of holders of Debentures representing at least 75% of the Debentures in Circulation.
- (l) Invalidity, nullity or unenforceability of the Debentures, the Surety or the Issue Deed.
- (m) Use, by the Issuer, of the proceeds of the Issue for any purpose not strictly as specified in the Issue Deed.
- (n) In the event that any statement made by Issuer and/or by Guarantor in any of the documents of the Issue is false, misleading, incorrect, incomplete or insufficient.
- (o) Non-compliance with any court judgment against the Issuer against which there is no further appeal, or with any definitively confirmed judgment in the administrative sphere, the individual or aggregate amount of which is one hundred million Reais or more or its equivalent in other currencies.
- (p) Transformation of the Issuer into another type of company, in accordance with the terms of Articles 220 to 222 of the Corporate Law.
- (q) Challenge of the Debentures in the courts by any third party, in relation to which Issuer and/or Guarantor has not taken the necessary measures to contest the effects of said challenge within thirty calendar days from the date on which Issuer and/or Guarantor became aware, by regular service of process, of such challenge being filed with the Courts.

- (r) Making of any payment of dividends or Interest on Equity by Issuer and/or Guarantor, or any other distribution of profits specified in Issuer's by-laws, if Issuer is in default with any pecuniary obligation owed to Debenture Holders under the Issue Deed, except for the payment specified in Article 202 of the Corporate Law.

For the purposes of sub-item (h) above, privatization is defined as an event in which the Guarantor, the present direct controlling stockholder of the Issuer, ceases directly or indirectly to hold the equivalent of, at least, fifty per cent plus one share of the total of the shares representing the Issuer's voting stock; and/or 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, fifty per cent plus one share of the total of the shares representing the voting capital of the Guarantor.

If any of the Default Events specified in Sub-items (a), (b), (e), (f), (i), (k), (l), (o) or (p) above occurs, maturity of the Debentures shall immediately take place automatically, independently of advice or notification, in the courts or otherwise – though the Fiduciary Agent must immediately upon becoming aware of this send written notice to the Issuer informing it of such event and of the early maturity of the Debentures.

If any of the other Default Events occur, within the periods and procedures agreed in the respective sub-items, as applicable, the Fiduciary Agent shall within 48 hours from the date on which it becomes aware of the occurrence of any such events, call a General Meeting of Debenture Holders to decide on non-declaration of early maturity of the Debentures, obeying the convocation procedure to be specified in the Issue Deed and the specific quorum established below.

The Fiduciary Agent must immediately send the Issuer a notice in writing informing it of the decisions taken in the said General Meeting. The said General Meeting may also be called by the Issuer, in the form specified in the Issue Deed.

If, in the General Meeting of Debenture Holders, holders of at least 75% of the Debentures in circulation decide that the Fiduciary Agent shall not declare early maturity of the Debentures, the Fiduciary Agent shall not declare early maturity of the Debentures.

Additionally, in the event that the General Meeting of Debenture Holders does not come into session, for lack of quorum, including at second convocation, the Fiduciary Agent shall declare immediate early maturity of all the obligations arising from the Debentures, and shall immediately send the Issuer a communication in writing informing it of such event.

In any event of early maturity of the Debentures, the Issuer undertakes to make the payments and pay the charges specified in the Issue Deed, within three Business Days from receipt, by the Issuer, of the related written communication sent by the Fiduciary Agent.

Form, payment and price of subscription:	The Debentures shall be subscribed in accordance with the procedures of the MDA and shall be paid-up at sight, in Brazilian currency, simultaneous with subscription ('the Paying-Up Date'), at the Nominal Unit Value, in accordance with the settlement rules, and procedures, applicable to Cetip.
Payment conditions:	The payments shall be made by the Issuer on the related due dates, using, as the case may be: (a) the procedures adopted by Cetip, for the Debentures registered in Cetip; and/or (b) the procedures of the Bookkeeping Bank, for the Debentures that are not linked to Cetip.
Extension of periods:	If the Maturity Date of the First Series and/or the Maturity Date of the Second Series coincides with a day that is not a business or banking business day at the location of payment, the date of payment of any obligation shall be deemed 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 declared national public holiday.
Arrears charges:	If Issuer omits to make any payments payable to the Debenture holders in the stipulated periods, the amounts shall be subject to: (a) a contractual penalty payment, irreducible and of a non-compensatory nature, of 2% on the amount due and unpaid; and (b) arrears interest at the rate of one per cent per month, calculated daily from the date of default up to the date of actual payment, on the amount due and unpaid.

The Board authorized:

- Signature by the Executive Board of all the documents indispensable to the Issue, including but not limited to:
 - the Contract for Management, Placement and Public Distribution, with Restricted Efforts, under the Regime of Firm Guarantee, of Unsecured Non-convertible Debentures with Additional Surety Guarantee, in Up to Two Series, of the Fourth Issue by Cemig D – to be entered into by the Issuer, the Guarantor and the Managers; and
 - the Issue Deed, and respective subsequent amendments; and
- Execution by the Executive Board of all acts necessary to put the above decisions into effect.
 - The Fourth Debenture Issue to take place only after consent has been obtained from the BNDES, and the Minas Gerais Coordination Chamber for State-controlled Companies.

C) **Provision by Cemig of a surety guarantee, stated on the physical Promissory Notes, for the Second Issue of Commercial Promissory Notes by (“CemigTelecom”),**
(Cemig Telecomunicações S.A.) with the following characteristics:

Issuer:	Cemig Telecomunicações S.A. – CemigTelecom , a corporation registered with the CVM, with head office at Belo Horizonte, Minas Gerais, at Rua dos Inconfidentes 1051, 1a sobreloja, Funcionários, CEP 30140-120, registered in the CNPJ/MF under N° 02.983.428/0001-27;
Managers:	Itaú Unibanco S.A. (Lead Manager) and Banco BBM S.A. (Banco BBM);
Surety guarantee:	The Promissory Notes and all the obligations resulting from them shall have a surety guarantee given by Cemig and stated on the Physical Notes, given universally, irrevocably, for the principal debt and all the accessory debt under the Promissory Notes, Including the Remuneration (as defined below), arrears charges and other additions, and any cost provenly incurred by the holders of the Promissory Notes arising from actions, proceedings or other court or other measures necessary to safeguard the rights related to the Promissory Notes. Thus, Guarantor shall be liable, in the event of total or partial default by Issuer, as joint debtor and principal payer of all and any pecuniary obligation specified in the Promissory Notes assumed by Issuer, until complete payment, by Issuer, of all and any obligations arising from the issue of the Promissory Notes. Guarantor, by giving the surety guarantee in the ambit of the Issue, will agree and undertake, as the case may be: a) to call on or demand the Issuer for any amount that it is has honored under the terms of the Promissory Notes only after total compliance by Issuer and Guarantor with the obligations arising from the Promissory Notes; and b) if it receives any amount from Issuer in relation to any amount that it has honored under the terms of the Promissory Notes, before full settlement of the Promissory Notes, immediately to pass such amount through to the holders of the Promissory Notes, in the form and manner to be specified by them.
Volume of the Issue:	Up to twenty three million Reais.
Number of series:	The issue will have one single series.
Quantity:	Up to forty six.
Nominal Unit Value:	Five hundred thousand Reais, on the Issue Date.
Distribution, and placement regime:	Public distribution, with restricted efforts, in the terms of CVM Instruction 476/2009, as amended (‘CVM Instruction 476’), CVM Instruction 566/2015 (‘CVM Instruction 566’), and other applicable regulations, with payment at sight in the act of subscription in Brazilian currency, at the nominal unit value, by Professional Investors, understood to mean the investors referred to in Article 9A da CVM Instruction 539/2013, as amended (‘CVM Instruction 539’ and ‘Professional investors’, respectively), under the regime of firm guarantee of subscription, for a volume of up to twenty three million Reais, to be exercised solely and exclusively in the event that there is not demand from Professional investors, for the total amount of the Issue of Promissory Notes, up to the settlement date.
Use of proceeds:	Payment of the First Issue of Commercial Promissory Notes by CemigTelecom on its maturity date, or for replenishment of the company’s cash position resulting from payment of that debt, any remaining amounts to be applied in the Issuer’s normal course of business.
Issue Date:	Date of the actual subscription, and payment of subscription, of the Notes, as specified on the physical Notes.
Tenor and Maturity Date:	Up to three hundred and sixty calendar days from the Issue Date, except in the event of early redemption, or early maturity, of the Promissory Notes.
Updating of the Nominal Unit Value:	The nominal unit value of the Notes shall not undergo monetary updating. The Notes will pay remuneratory interest equal to 120.00% of the daily average of the <i>over extra-grupo</i> Interbank Deposit (<i>Depósitos Interfinanceiros</i> , or DI) Rate, expressed in the form of percentage per year, on the two hundred-fifty-two business days basis, calculated and published daily by CETIP S.A. – Mercados Organizados in its daily bulletin available on its website (http://www.cetip.com.br). The Remuneration will be calculated exponentially and cumulatively <i>pro rata temporis</i> by business days elapsed, On the Nominal Unit Value of each Promissory Note, from the Issue Date to the respective Maturity Date or the date of optional early redemption, or the date of occurrence of early maturity of the Promissory Notes as a result of any of the Default Events (as defined below), whichever is the earlier, according to the criteria set out in the Cetip Manual of Formulas for Notes and Bonds (‘CETIP21’), which is available for consultation on Cetip’s website, and which shall be stated on the Physical Promissory Notes.

Payment of the Remuneration:	In a single payment, on the Maturity Date, or on the Date of Optional Early Redemption, or of early maturity of the Promissory Notes occurring as a result of any of the Default Events described on the printed Notes.
Amortization of the Nominal Unit Value:	In a single payment, on the Maturity Date, or on the Date of Optional Early Redemption, or of early maturity of the Promissory Notes occurring as a result of any of the Default Events described on the printed Notes (as defined below).
Renegotiation:	None.
Optional early redemption:	The Issuer may, under Paragraphs 3, 4 and 5 of Article 5 of CVM Instruction 566, at its own exclusive option, effect total or partial early redemption of the Promissory Notes at any time, by payment of the Nominal Unit Value plus the Remuneration, calculated 'pro rata temporis' from the Issue Date up to the date of actual payment, and, as the case may be, of the arrears charges, in accordance with the legislation from time to time in force, without payment of any premium to the holders of the Notes.
Place of Payment:	(a) For Notes held in electronic custody at Cetip: in accordance with the procedures of Cetip; or (b) for holders of the Notes that are not deposited electronically with that system, at the Issuer's head office or in accordance with the procedures of the Mandated Bank, as applicable.
Extension of periods:	Dates of payment of any obligations specified in the Promissory Notes shall be considered extended until the next business day if the maturity date of the related obligation falls on a Saturday, Sunday or declared national public holiday, without any increase in the amounts payable.
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 Issuer and/or by Guarantor of the Nominal Unit Value of the totality of the Promissory Notes, augmented by the Remuneration and, as the case may be, arrears charges, both calculated <i>pro rata temporis</i> , from the Issue Date up to the date of actual payment, by letter delivered by hand with advice of receipt or letter posted with advice of receipt service, addressed to the head office of Issuer and/or Guarantor, in any of the following events ('Default Events'):
	<ul style="list-style-type: none"> (a) Decree of bankruptcy, dissolution and/or liquidation of Issuer and/or Guarantor, or application for judicial recovery or out-of-court reorganization or bankruptcy made by Issuer and/or by Guarantor or by third parties; or, further, any analogous event that characterizes a state of insolvency of the Issuer, including an agreement with creditors, in accordance with the applicable legislation. (b) Non-compliance by Issuer and/or Guarantor with any pecuniary obligation arising from the Promissory Notes; (c) Non-compliance, by Issuer and/or Guarantor, with any non-pecuniary obligation specified on the physical Notes, not cured within thirty calendar days from the date expected for compliance, except that this period shall not apply to obligations which have a specified cure period. (d) Legitimate and reiterated protest proceedings on securities against the Issuer the unpaid value of which, individually or in aggregate, is more than fifteen million Reais or its equivalent in other currencies, unless the protest proceedings have been lodged in error or due to bad faith of third parties, provided this is validly proven by the Issuer, or if suspended, canceled or validly contested in court, in any event within a maximum period of thirty calendar days from the date of the obligation becoming due. (e) Legitimate and reiterated protest proceedings on securities against the Guarantor, the unpaid value of which, individually or in aggregate, is more than fifty million Reais or its equivalent in other currencies, unless the protest proceedings have been lodged in error or due to bad faith of third parties, provided this is validly proven by Issuer and/or by Guarantor, as applicable, or if suspended, canceled or validly contested in court, in any event within a maximum period of thirty calendar days from the date of the obligation becoming due. (f) Early maturity of any pecuniary obligation of Issuer arising from default on an obligation to pay any individual or aggregate amount greater than fifteen million Reais or its equivalent in other currencies. (g) Early maturity of any pecuniary obligation of Guarantor arising from default on an obligation to pay any individual or aggregate amount greater than fifty million Reais or its equivalent in other currencies. (h) 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 Promissory Notes representing at least seventy five per cent of the Notes in Circulation. (i) Merger, liquidation, dissolution, extinction, split and/or any other form of stockholding reorganization (including absorption and/or absorption of shares) of Issuer, unless it is by order of a Court or by Regulatory decision, or, further, unless it does not result in a change of the risk rating of the Guarantor in effect on the Issue Date. (j) Merger, liquidation, dissolution, extinction, split and/or any other form of stockholding reorganization (including absorption and/or absorption of shares) of Guarantor, unless it is by order of a Court or by Regulatory decision or does not result in a change of the risk rating of the Guarantor in effect on the Issue Date. (k) Privatization of Issuer and/or Guarantor. (l) Termination, for any reason, of any of the concession contracts, licenses or authorizations held by Issuer and/or by Guarantor such as represents an adverse material impact on the payment capacity of (as applicable) Issuer and/or Guarantor.

- (m) Unjustified default by Issuer on, or absence of legal and/or court measures required for the non-payment of, any debt or any obligation to pay, any agreement to which the Issuer is a party as borrower and/or guarantor, the value of which, individually or in aggregate, is greater than fifteen million Reais or its equivalent in other currencies.
- (n) Unjustified default by Guarantor on, or absence of legal and/or court measures required for the non-payment of, any debt or any obligation to pay, any agreement to which Guarantor is a party as borrower and/or guarantor, the value of which, individually or in aggregate, is greater than fifty million Reais or its equivalent in other currencies.
- (o) Assignment, promise of assignment or any form of transfer or promise of transfer to third parties, in whole or in part, by Issuer and/or by Guarantor, of any of its/their obligations under the Promissory Notes, without prior written consent of holders of Promissory Notes representing at least 75% of the Promissory Notes.
- (p) The net proceeds of the Issue not being used, by the Issuer, strictly in the terms indicated in the item 'Use of Proceeds' above.
- (q) In the event of the printed Notes and/or the Promissory Notes being invalid, null or unenforceable.
- (r) Challenge of the Promissory Notes in the courts by any third party, in relation to which Issuer and/or 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 Issuer and/or Guarantor becomes aware of such challenge being presented to a court.

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

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

The occurrence of any Default Event indicated in subclauses 'a', 'b', 'd', 'e', 'f' or 'g' above shall result in automatic immediate early maturity of the Promissory Notes, independently of any advice or notification, through the Courts or otherwise, nor any consultation of the holders of the Promissory Notes.

In the event of occurrence of any of the other default events above, with the exception of those indicated in subclauses 'a', 'b', 'd', 'e', 'f' and 'g', any holder of Promissory Notes may, within forty eight hours of the date of becoming aware of the occurrence of said event, a general meeting of holders of the Promissory Notes to decide on non-declaration of early maturity of the Promissory Notes, which must be decided by decision of holders of Promissory Notes representing at least 60% of the Promissory Notes.

In the event that Guarantor honors the obligations of Issuer stated in the physical Notes, the payment of the amounts owed to the holders of the Promissory Notes shall take place outside the environment of Cetip.

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 at the rate of 1% per month; and a non-reducible contractual compensatory arrears penalty payment of 2%; both calculated on the amount due and unpaid, from the date of the default until the date of actual payment, independently of advice, notification or interpolation through the courts or otherwise.
Penalty payment:	In the event of non-compliance with any of the obligations specified in the printed Notes, the Issuer will be subject to a non-compensatory penalty payment of 0.20% on the Nominal unit value of the Promissory Notes, without prejudice to fees of counsel in the event of legal proceedings being taken.

The Board authorized:

- Signature, as Guarantor, of the documents that are indispensable to putting the Surety Guarantee into effect, in such a way that the Guarantee is existent, valid and effective for as long as all the obligations to be assumed by the Issuer in the ambit of the Promissory Notes are not settled in full.
- The Executive Board to carry out all acts necessary to put the above decisions into effect.

D) Injection of capital into CemigTelecom, by the Company, in cash:

in the amount of up to sixteen million six hundred sixty thousand Reais;

increasing the share capital of CemigTelecom:

to two hundred forty one million seven hundred forty one thousand eight hundred sixty five Reais and seventy one centavos; and

injection of capital by CemigTelecom, in cash, into Ativas Data Center S.A. (Ativas),

of up to sixteen million six hundred sixty thousand Reais

- on the condition that such injection is matched by the other stockholder in Ativas in the proportion of its equity interest in the share capital of that company;

increasing the share capital of Ativas,

by up to thirty four million Reais,

to a total of up to one hundred sixty seven million six hundred sixteen thousand three hundred twenty seven Reais.

IV The Board oriented the members of the Board of Directors of CemigTelecom appointed by the Company, in the meeting of the Board of Directors of CemigTelecom, and the representatives of the company in the Extraordinary General Meeting of Stockholders, to vote in favor of the increase in capital referred to in subclause D of Item III above.

V Comment: The Chair spoke on a subject of interest to the Company.

The following were present:

Board members:	José Afonso Bicalho Beltrão da Silva, Mauro Borges Lemos, Allan Kardec de Melo Ferreira, Arcângelo Eustáquio Torres Queiroz, Guy Maria Villela Paschoal, Hélcio Miranda Magalhães Junior, José Henrique Maia, José Pais Rangel, Marco Antônio de Rezende Teixeira, Nelson José Hubner Moreira, Paulo Roberto Reckziegel Guedes, Saulo Alves Pereira Junior,	Bruno Magalhães Menicucci, Ricardo Wagner Righi de Toledo, Tarcísio Augusto Carneiro, Antônio Dirceu Araujo Xavier, Bruno Westin Prado Soares Leal, Carlos Fernando da Silveira Vianna, Flávio Miarelli Piedade, José Augusto Gomes Campos, Luiz Guilherme Piva, Marina Rosenthal Rocha, Newton Brandão Ferraz Ramos, Samy Kopit Moscovitch, Wieland Silberschneider;
Secretary:	Anamaria Pugedo Frade Barros.	

(Signed by:) Anamaria Pugedo Frade Barros.