

COMPANHIA ENERGÉTICA DE MINAS GERAIS CEMIG

CNPJ 17.155.730/0001-64 - NIRE 31300040127

MINUTES OF THE ANNUAL AND EXTRAORDINARY GENERAL MEETINGS OF STOCKHOLDERS HELD ON MAY 12, 2017

At 11 a.m. on the twelfth day of May of the year two thousand and seventeen, at the Company's head office, Av. Barbacena 1200, Belo Horizonte, Minas Gerais, Brazil, stockholders representing more than two-thirds of the voting stock of *Companhia Energética de Minas Gerais – Cemig* met in Ordinary and Extraordinary General Meeting, on first convocation, as verified in the Stockholders' Attendance Book, where all placed their signatures and made the required statements.

The stockholder **The State of Minas Gerais** was represented by Ms. Ana Paula Muggler Rodarte, State Procurator, in accordance with the legislation. The following were also present: Members of the Audit Board: Manuel Jeremias Leite Caldas and Rafael Amorim de Amorim; Deloitte Touche Tohmatsu Auditores Independentes: represented by Mr. Marcelo Salvador, CRC-1MG 089.422/O-0, and Mr. Leonardo Júnio Vilaça, CRC MG-078933/O; and the Chief Officer for Human Relations and Resources, Ms. Maura Galuppo Botelho Martins.

Initially, Ms. Anamaria Pugedo Frade Barros, General Manager of Cemig's Corporate Executive Office, stated that there was a quorum for an Ordinary and an Extraordinary General Meeting of Stockholders. She further stated that under Clause 10 of the Company's by-laws, the stockholders present should choose the Chair of this Meeting.

Asking for the floor, the representative of the Stockholder **The State of Minas Gerais** put forward the name of the stockholder **Alexandre de Queiroz Rodrigues** to chair the Meeting. This proposal was put to debate, and to the vote, and approved unanimously, that is to say by 345,659,090 votes.

The Chair then declared the Meetings open and invited me, **Anamaria Pugedo Frade Barros**, a stockholder, to be Secretary of the meeting, asking me to read the convocation notice, published on April 12, 13 and 18 of this year, in the newspaper *Minas Gerais*, official publication of the Powers of the State, on pages 28, 25 and 134, respectively; and on April 12, 13 and 14 in the newspaper *O Tempo*, on pages 32, 30 and 30 respectively, the content of which is as follows:

“ COMPANHIA ENERGÉTICA DE MINAS GERAIS
CEMIG
 LISTED COMPANY – CNPJ 17.155.730/0001-64 – NIRE 31300040127
ORDINARY AND EXTRAORDINARY
GENERAL MEETINGS OF STOCKHOLDERS
MAY 12, 2017
CONVOCATION

Stockholders are hereby called to Ordinary and Extraordinary General Meetings of Stockholders to be held on May 12, 2017 at 11 a.m. (herein referred to as ‘AGM’ and ‘EGM’) at the Company’s head office, Av. Barbacena 1200, 21st floor, Belo Horizonte, Minas Gerais, Brazil, to decide on the following matters:

- 1 Authorization, until approval of the budget for 2018, for the Company to exceed the target for the quantity established in Subclause ‘d’ of Paragraph 7 of Clause 11 of the by-laws, namely the consolidated amount of funds allocated to capital investment and acquisition of any assets in the business year, keeping it to a maximum limit of 90% of the Company’s Ebitda (profit before interest, taxes, depreciation and amortization). (*EGM – ON Shares*)
- 2 Examination, debate and voting on the Report of Management and the Financial Statements for the year ended December 31, 2016, and the related complementary documents. (*AGM – ON Shares*)
- 3 Allocation of the Net profit for the business year 2016, in the amount of R\$ 334,334,000, and of the balance of Retained earnings in the amount of R\$ 37,258,000. (*AGM – ON Shares*)
- 4 Decision on the form and date of payment of the minimum obligatory dividends, in the amount of R\$ 203,986,000. (*AGM – ON Shares*)
- 5 Election of the sitting and substitute members of the Audit Board, as a result of completion of the period of office. (*AGM – ON and PN Shares*)
- 6 Decision on the remuneration of the Managers and the members of the Audit Board. (*AGM – ON Shares*)
- 7 Orientation of the vote(s) of the representative(s) of the Company in the Ordinary and Extraordinary General Meetings of Stockholders of Cemig Distribuição S.A., to be held, concurrently, on May 12, 2017, at 1 p.m. (*EGM – ON Shares*)
- 8 Orientation of the vote(s) of the representative(s) of the Company in the Ordinary General Meeting of Stockholders of Cemig Geração e Transmissão S.A., to be held, on May 12, 2017, at 2 p.m. (*EGM – ON Shares*)

Remote voting

Any stockholder who wishes to do so may exercise the right to vote using the remote voting system, under CVM Instruction 481/09, by sending the corresponding Remote Voting Statement (*Boletim de Voto à Distância*, or BVD), through the stockholder’s custodian institution or mandated bank, or directly to the Company.

Proxy votes

Any stockholder who wishes to be represented by proxy at the said General Meetings of Stockholders should obey the precepts of Article 126 of Law 6406 of 1976, and of the sole paragraph of Clause 9 of the Company’s by-laws, by exhibiting at the time, or depositing, preferably by May 10, 2017, proofs of ownership of the shares, issued by a depositary financial institution, and a power of attorney with specific powers, at Cemig’s Corporate Executive Office (*Superintendência da Secretaria Geral*), Av. Barbacena 1200, 19th Floor, B1 Wing, Belo Horizonte, Minas Gerais.

Belo Horizonte, April 11, 2017.

José Afonso Bicalho Beltrão da Silva –
 Chair of the Board of Directors ”

The representative of the stockholder **The State of Minas Gerais** explained that the office of the Advocate-General of the State, as formal representative of the controlling stockholder, will be present at these Meetings, in the terms of Official Letter OF.SEF.GAB.SEC n° 275/2017 and Opinion SCGOVDCSG n° 02/2017, prepared by the Central Directorate for Corporate Governance Support, and will immediately make copies of these documents available.

In compliance with CVM Instruction 481/2009, the Chair then asked the Secretary to read the spreadsheet of summary consolidated voting, recording the votes given by Remote Voting Forms, published to the Market on May 11 of this year, which will be at the disposal of stockholders for any consultation.

The Chair then, in accordance with Item 2 of the agenda, placed in debate the Report of Management and the Financial Statements for the year ended December 31, 2016, and the related complementary documents, noting that these had been widely published in the press, since they were, respectively,

- (i) placed at the disposal of all stockholders by notices inserted:
 - in *Minas Gerais*, the official publication of the Powers of the State,
 - in the editions of April 12, 13 and 18 of this year, on pages 28, 25 and 134, respectively,
 - and in the newspaper *O Tempo*, on April 12, 13 and 14, on pages 31, 30 and 30, respectively;
- (ii) published in these same media on May 5 of this year,
 - in *Minas Gerais* on pages 30 to 64, and
 - in *O Tempo* on pages 2 to 36 in the *Financial Reports* section.

The Chair put to the vote the Report of Management and the Financial Statements for the year ended December 31, 2016, and the respective complementary documents, and they were approved by majority, without any reservations: 345,294,925 votes in favor, no votes against, and 364,165 abstentions, including abstention due to legal impediment to voting.

The Chair then asked the Secretary to read the Proposal by the Board of Directors, which deals with items 1, 3, 4, 7 and 8 of the convocation, and also to read the Opinion of the Audit Board thereon. The contents of these documents are as follows:

**“ PROPOSAL
BY THE BOARD OF DIRECTORS
TO THE
ORDINARY AND EXTRAORDINARY GENERAL MEETINGS OF STOCKHOLDERS
TO BE HELD ON MAY 12, 2017, AT 11 A.M.**

Dear Stockholders:

The Board of Directors of Companhia Energética de Minas Gerais – Cemig:

Whereas –

- a) in its management of the Company and in the exercise of the right to vote in wholly-owned and other subsidiaries, affiliated companies and consortia, the Board of Directors and the Executive Board are required at all times faithfully to comply with certain targets stated in Clause 11, Paragraph 7, of the Company’s by-laws – including the following:
 - to keep the Company’s consolidated indebtedness equal to or less than 2 (two) times the Company’s Ebitda (Earnings before interest, taxes, depreciation and amortization);
 - to keep the consolidated ratio of (Net debt) / (Net debt + Stockholders’ equity) to a maximum of 40% (forty per cent); and
 - to limit the consolidated amount of funds spent on capital investment and/or the acquisition of any assets, in each business year, to the equivalent of a maximum of 40% (forty per cent) of the Company’s Ebitda (Earnings before interest, taxes, depreciation and amortization);

- b) under Clause 11, Paragraph 9, of the by-laws the said targets for indicators may be exceeded for reasons related to temporarily prevailing conditions, upon prior justification and specific approval by the Board of Directors, up to the following limits:
- Consolidated indebtedness less than or equal to 2.5 times Ebitda (profit before interest, taxes, depreciation and amortization); and
 - Consolidated (Net debt) / (Net debt + Stockholders' equity): maximum of 50%;
- c) above these limits, including the case of limitation of (Consolidated funds allocated to capital investment and acquisition of any assets) to 40% of Ebitda the targets may be exceeded upon prior justification with grounds and specific approval by a General Meeting of Stockholders;
- zd) The annual budget for 2017, which was on the agenda of the meeting of the Board of Directors held in March 2017, will cause indicators higher than the levels that can be approved by the Board of Directors, as shown:
- | Ratios – Consolidated | | 2017 |
|-----------------------|--|------|
| Capex / Ebitda | | 0.90 |
- e) Article 192 of Law 6404 of December 15, 1976 as amended, and Clauses 27 to 31 of the by-laws, make provisions for these and associated matters;
- f) the Financial Statements for 2016 present net profit of R\$ 334,334,000, and a balance of Retained earnings of R\$ 37,258,000 arising from realization of the Stockholders' Equity Valuation Reserve;
- g) it is the duty of the Board of Directors to make a proposal to the Ordinary (Annual) General Meeting for allocation of the Company's net profit;
- h) the preferred shares have preference in the event of reimbursement of capital and participate in profits on the same conditions as the common shares: and under Clause 5 of the by-laws they carry the right to a minimum annual dividend equal to the greater of: (a) 10% of their par value and (b) 3% of the portion of equity that they represent;
- i) using the above criteria, the preferred shares are entitled to a minimum dividend of R\$ 419,039,000.
- j) the dividends shall be distributed in the following order:
- a) the minimum annual dividend guaranteed to the preferred shares;
 - b) the dividend for the common shares, up to a percentage equal to that guaranteed to the preferred shares – under Clause 29 of the by-laws;
- k) by Board Spending Decision (CRCA) 086/2016, of December 22, 2016, the Company declared payment of Interest on Equity in a total of R\$ 380,000,000, using the balance of the Retained Earnings Reserve, payable to stockholders whose names were on the Nominal Share Registry on December 26, 2016.
- l) of this amount of Interest on Equity, R\$ 253,004,000 will be paid to holders of preferred shares;
- m) Sub-item III of CVM Decision 683/2012 establishes that Interest on Equity paid or credited may be imputed against the minimum obligatory dividend only at its value net of withholding income tax;
- n) as decided in CRCA 086/2015, of December 17, 2015, Cemig paid to Cemig D an Advance Against Future Capital Increase (AFAC) of R\$ 410,000,000.00 (four hundred and ten million Reais);
- o) under Article 166 of Law 6404/1976 the share capital may be increased by decision of an Extraordinary General Meeting of Stockholders that is called and held to decide on a change to the by-laws;
- p) Cemig D will hold an Extraordinary General Meeting of Stockholders to alter its share capital;
- q) it is a function of the Board of Directors to approve the declarations of vote in the General Meetings of Stockholders, and the orientations for voting in the meetings of the boards of directors, of the subsidiaries, affiliated companies and the consortia in which the Company participates, when participation in the capital of other companies or consortia is involved, and the decisions must, in any event and not only in matters relating to participation in the capital of other companies or consortia, obey the provisions of these Bylaws, the Long-term Strategic Plan and the Multi-year Strategic Implementation Plan, as specified in Subclause 'p' of Clause 7 of Cemig's by-laws;

- r) it is also a function of the Board of Directors of Cemig to authorize the exercise of the right of preference and rights under stockholders' agreements or voting agreements in wholly-owned or other subsidiaries, affiliated companies and the consortia in which the Company participates, except in the cases of the wholly-owned subsidiaries Cemig Distribuição S.A. and Cemig Geração e Transmissão S.A., for which the General Meeting of Stockholders has the competency for decision on these matters – under Subclause 'o' of Clause 17 of Cemig's by-laws; and
- s) Cemig Distribuição S.A. will hold an Ordinary (Annual) and an Extraordinary General Meeting of Stockholders, concurrently, in 2017 and Cemig Geração e Transmissão S.A. will hold its Ordinary (Annual) General Meeting of Stockholders in 2017, and both are wholly-owned subsidiaries of Companhia Energética de Minas Gerais – Cemig;

– do now propose to you as follows:

- I) Authorization, until approval of the budget for 2018, for the Company to exceed the target for the quantity established in Subclause 'd' of Paragraph 7 of Clause 11 of the by-laws, namely the consolidated amount of funds allocated to capital investment and acquisition of any assets in the business year, keeping it to a maximum limit of 90% of the Company's Ebitda (profit before interest, taxes, depreciation and amortization).
- II) Allocation of the Net profit for the business year 2016, in the amount of R\$ 334,334,000, and the balance of Retained earnings, in the amount of R\$ 37,258,000, as follows:
- R\$ 203,986,000 as minimum obligatory dividend, to be paid to the Company's stockholders, to be paid in two equal installments, by June 30 and December 30, 2017, depending on availability of cash and at the discretion of the Executive Board, to stockholders whose names are on the Company's Nominal Share registry on the date on which the Ordinary (Annual) General Meeting is held;
 - R\$ 160,538,000 to be held in Stockholders' equity in the Retained Earnings Reserve, to provide funding for the Company's consolidated planned investments in 2017, in accordance with a capital budget;
 - R\$ 7,068,000 to be held in Stockholders' equity in the Tax incentives reserve, relating to tax incentives obtained in 2016 as a result of investments made in the region of Sudene.
- Appendix I summarizes the calculation of the dividends proposed by Management, in accordance with the by-laws; Appendix II presents the capital budget for the 2017 business year.
- III) That the representatives of the Company should vote in favor of the matters on the agenda in the Ordinary and Extraordinary General Meetings of Stockholders of Cemig Distribuição S.A., to be held, concurrently, in 2017.
- IV) That the representatives of the Company should vote in favor of the matters on the agenda in the Ordinary (Annual) General Meeting of Stockholders of Cemig Geração e Transmissão S.A. to be held in 2017.

As can be seen, the objective of this proposal is to meet the legitimate interests of the stockholders and of the Company, and as a result it is the hope of the Board of Directors that it will be approved.

Belo Horizonte, April 11, 2017

José Afonso Bicalho Beltrão da Silva
 Arcângelo Eustáquio Torres Queiroz
 Daniel Alves Ferreira
 Helvécio Miranda Magalhães Junior
 José Pais Rangel
 Marcelo Gasparino da Silva

Marco Antônio Soares da Cunha Castello Branco
 Patrícia Gracindo Marques de Assis Bentes
 Antônio Dirceu Araujo Xavier
 Bruno Magalhães Menicucci
 Carolina Alvim Guedes Alcoforado
 Luiz Guilherme Piva

APPENDIX 1
TO THE PROPOSAL BY THE BOARD OF DIRECTORS TO THE
ORDINARY GENERAL MEETING OF STOCKHOLDERS TO BE HELD IN 2017
FOR ALLOCATION OF THE NET PROFIT FOR 2016

CALCULATION OF PROPOSED DIVIDENDS
COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

The calculation of the minimum dividends proposed for distribution to shareholders arising from the profit for the year is as follows:

	Holding company 2015	Holding company 2016
Calculation of Minimum Dividends required by the by-laws for the preferred shares		
Nominal value of the preferred shares	4,190,385	4,190,385
Percentage applied to the nominal value of the preferred shares	10.00%	10.00%
Amount of the dividends by the First payment criterion	419,039	419,039
Equity	12,983,698	12,930,281
Preferred shares as a percentage of Equity (net of shares held in Treasury)	66.58%	66.58%
Portion of Equity represented by the preferred shares	8,644,546	8,608,981
Percentage applied to the portion of Equity represented by the preferred shares	3.00%	3.00%
Amount of the dividends by the Second payment criterion	259,336	258,269
Minimum Dividends required by the Bylaws for the preferred shares	419,039	419,039
Calculation of the Minimum Dividend under the by-laws based on the net profit for the period:		
Calculation of Obligatory Dividend:		
Net profit for the year	2,468,500	334,334
Obligatory dividend – 50% of Net profit	1,234,250	167,167
		Holding company 2016
Calculation of dividends to be distributed		
Interest on Equity paid for the preferred shares		253,004
Additional dividends to guarantee the minimum payment for the preferred shares		
- Dividends to meet the minimum amount specified in the by-laws		166,035
- Withholding income tax on Interest on Equity paid for the preferred shares (253,004 x 15%)		37,951
		203,986
Interest on Equity paid for the preferred shares		253,004
Additional dividends to guarantee the minimum payment for the preferred shares		203,986
		456,990
Unit value of dividends – R\$		
Minimum Dividends required by the by-laws for the preferred shares		0.50
Dividends proposed – preferred shares (net of withholding tax)		0.50

**CAPITAL BUDGET
PROPOSAL OF MANAGEMENT
TO THE
ANNUAL GENERAL MEETING TO BE HELD IN 2017
APPENDIX 2**

In accordance with Clause 196 of the Corporate Law and Article 25, § 1, Sub-item IV of CVM Instruction 480, we present for analysis and subsequent approval of submission to the Ordinary General Meeting of Stockholders to be held by April 28, 2016, the proposal for the consolidated Capital Budget for the 2017 business year, in thousands of Reais.

Investments planned for 2017	
The Distribution Development Plan (PDD)	1,153,483
Electricity generation system	42,192
Electricity transmission system	38,369
Injection of capital into subsidiaries and affiliates	388,336
Infrastructure and Other	176,347
	1,798,727

(Signed:) Leonardo George de Magalhães – Controller – CR. ”

– and –

“ OPINION OF THE AUDIT BOARD

The undersigned members of the Audit Board of Companhia Energética de Minas Gerais – Cemig, in performance of their functions under the law and under the by-laws, have examined the Proposal made by the Board of Directors to the Ordinary and Extraordinary General Meetings of Stockholders to be held, concurrently, on May 12, 2017, at 11 a.m., in relation to:

Allocation of the Net profit for 2016, in the amount of R\$ 334,334,000, and of the balance of Retained earnings in the amount of R\$ 37,258,000, as follows:

- a) R\$ 203,986,000 in the form of the minimum mandatory dividend, to be paid in two equal installments by June 30 and December 30, 2017, in accordance with availability of cash and at the discretion of the Executive Board, to holders of preferred shares whose names are on the Company’s Nominal Share Registry on the date on which the Annual General Meeting is held.
- b) R\$ 160,538,000 to be held in Stockholders’ equity in the Retained earnings reserve, to provide funding for the Company’s consolidated planned investments in 2017, in accordance with a capital budget.
- c) R\$ 7,068,000 to be held in Stockholders’ equity in the Tax incentives reserve, relating to tax incentives obtained in 2016 as a result of investments made in the region of Sudene.

After carefully analyzing the said proposals and further taking into account that the applicable rules governing the matters have been complied with, it is opinion of the members of the Audit Board that they should be approved by the said General Meetings of Stockholders.

Belo Horizonte, April 11, 2017

Signed: Charles Carvalho Guedes, Edson Moura Soares, Ronaldo Dias, Manuel Jeremias Leite Caldas, Newton Brandão Ferraz Ramos, Rafael Amorim de Amorim. ”

The above proposal was put to debate, and subsequently to a vote, and was approved, with voting as follows:

Item	Votes in favor	Votes against	Abstentions
In relation to Item 1 of the Convocation:	343,339,254	559,773	1,760,063
in relation to Item 3 of the Convocation:	345,434,994	none	224,096
in relation to Item 4 of the Convocation:	345,434,994	none	224,096
in relation to item 7 of the convocation:	343,898,820	200	1,760,070
in relation to item 8 of the convocation:	343,887,575	200	1,771,315

Continuing with the agenda, the Chair stated that the period of office of the members of the Audit Board ended with this present meeting, and that a new election should thus be held for that Board, with a period of office of (one) year, that is to say, up to the Ordinary General Meeting of Stockholders to be held in 2018.

The Chair said that this election would be carried out with separate voting, in the case of candidates indicated by holders of preferred shares and by minority stockholders of common shares.

He placed the election of the sitting and substitute members of the Audit Board in debate. Asking for the floor, as holders of preferred shares, the stockholders **José Pais Rangel** and **FIA Dinâmica Energia**, proposed the following appointments to the Audit Board:

– as sitting member:

Manuel Jeremias Leite Caldas – Brazilian, married, engineer, domiciled in Rio de Janeiro, RJ, at Av. Lúcio Costa 6700/1103, Barra da Tijuca, CEP 22795-900, bearer of Identity Card 284123 issued by the Air Ministry and CPF 535866207-30;

– and as his substitute member:

Ronaldo Dias – Brazilian, married, accountant, domiciled in Rio de Janeiro, RJ, at Rua Maxwell 452/704, Vila Isabel, CEP 20541-100, bearer of Identity Card 2201087-0 issued by the Rio de Janeiro State Traffic Department (Detran), and CPF 221285307-68.

The Chair then put to debate the nominations of the stockholders **José Pais Rangel** and **FIA Dinâmica Energia**.

Mr. Daniel Mendes Barbosa, representative of the stockholders **Hagop Guerekmezian**, **Kathleen Nieto Guerekmezian**, **Karoline Guerekmezian Velloso** and **Regina Nieto Motra Guerekmezian**, registered and filed with the Meeting Committee an impugment of the candidacy of Mr. Manuel Jeremias Leite Caldas to membership of the Audit Board of Cemig, Cemig D and Cemig GT, reading, in part:

“... in view of the statement in the Attachment to the Proposal of Management presented by the Company that the said person is a candidate for election by separate voting, while not being independent, a requirement of Law 6404/76. It is probable that the candidate is not independent due to the fact, also stated in the résumé that has been made available, that he is a Member of the Investigation Committee (GIGI) of Eletrobras, a company that is a competitor of Cemig. According to information from the website of Eletrobras Mr. Manuel Jeremias Leite Caldas was contracted as a provider of services in 2015, as a result of which he has a relationship of

subordination to the management of that company, and cannot be considered as an independent candidate to stand in elections at Cemig in separate voting. Nor is it stated in his resume that he is a member of the Board of Directors of CESP, a company whose activity is electricity generation, which is also an impediment to his standing for any position in Cemig without express authorization of the stockholders of Cemig in General Meeting. It is the stockholder's opinion that the conditions of impediment applying to this candidate violate the requirement of Decree 47105 of December 16, 2016 made by the Governor of Minas Gerais State, which set rules on governance of a public company, a mixed-ownership company and its subsidiaries, referred to by Paragraph 1 of Article 1 of Federal Law 13303 of June 30, 2016. In relation to Federal Law 13303/16 there is a direct conflict between the candidate and the provision in Sub-item V of Paragraph 2 of Article 17, which in the opinion of this stockholder, ought to have, indeed, caused the candidacy to be refused by the company itself – thus the Chair of the Meeting should immediately impugn the candidacy or submit it to consideration by the stockholders present. If this requirement for impugnation is not accepted, the **stockholder** requests that this present PROTEST should be registered in the body of the minutes and attached to them in the version that is published on the website of the CVM.”

Asking for the floor, the stockholder **José Pais Rangel** stated that Mr. Manuel Jeremias Leite Caldas is no longer a member of the Investigation Committee referred to, and highlighted that this information is public.

The Chair then placed submitted the above-mentioned nominations of the stockholders **José Pais Rangel** and **FIA Dinâmica Energia** to separate voting – in which only holders of the preferred shares participated, and they were approved by majority votes, as follows:

380,799,604 votes in favor, 14,006,726 votes against, and 2,705,420 abstentions.

Asking for the floor, the representative of the stockholder **AGC Energia S.A.**, for the minority of common stockholders with the right to vote, proposed the following appointments to the Audit Board:

As sitting member:

Newton Brandão Ferraz Ramos	– Brazilian, married, accountant, domiciled in Belo Horizonte, Minas Gerais, at Av. do Contorno, 8123, Cidade Jardim, CEP 30110-937, bearer of Identity Card MG-4019574, issued by the Public Safety Department of Minas Gerais State and CPF 813975696-20;
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– and as his substitute member:

Rodrigo de Mesquita Pereira	– Brazilian, married, lawyer, domiciled in São Paulo, São Paulo State at Rua Marquês de Paranaguá 348/10th floor, Consolação, CEP 01303-905, bearer of Identity Card 8364447-7 issued by the São Paulo State Public Safety Department, and CPF 091622518-64.
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The above nominations were placed in debate, and then put to a vote – separately – and were approved by a majority of votes, as follows:

126,632,611 votes in favor, 16,025 votes against, and 224,910 abstentions.

Asking for the floor, the representative of the stockholder **The State of Minas Gerais**, as majority stockholder, put forward the following nominations for members of the Audit Board:

As sitting members:

Arthur Maia Amaral	– Brazilian, in stable union, pharmacist and biochemist, resident and domiciled in Luminárias, Minas Gerais State, at Rua Zilda Furtado Maia 109, Centro, CEP 37240-000, bearer of Identity Card No. M7021588, issued by the Public Safety Department of Minas Gerais, and CPF 031940316-51;
Edson Moura Soares	– Brazilian, divorced, philosopher and theologian, domiciled in Minduri, Minas Gerais, at Rua Homero Penha de Andrade 104, Centro, CEP 37447-000, bearer of Identity Card M7905264, issued by the Public Safety Department of Minas Gerais State, and CPF 992255496-87; and
Camila Nunes da Cunha Pereira Paulino	– Brazilian, married, public relations executive, resident and domiciled in Belo Horizonte, Minas Gerais at Rua Eugênio Murilo Rubião 185/601, Anchieta, CEP 30310-540, bearer of Identity Card MG11491274, issued by the Public Safety Department of Minas Gerais State, and CPF 053194916-89;

- and as their respective substitute members:

Marco Antônio Badaró Bianchini	– Brazilian, married, military professional, resident and domiciled in Belo Horizonte, Minas Gerais, at Rua Antônio Aleixo 358/1301, Lourdes, CEP 30180-150, bearer of identity card M3487497, issued by the Public Safety Department of Minas Gerais State, and CPF 656599886-87;
Marcos Túlio de Melo	– Brazilian, in stable union, engineer, domiciled in Belo Horizonte, Minas Gerais at Rua Joaquim da Silva Barbosa 100, Penha, CEP 31920-230, bearer of Identity Card 140262310-0, issued by the Federal Engineering and Agronomy Council (Confea), and CPF 130866186-04; and
Flávia Cristina Mendonça Faria Da Pieve	– Brazilian, married, lawyer, resident and domiciled in Belo Horizonte, Minas Gerais at Rua Fábio Couri 155/502, Torre 2, Luxemburgo, CEP 30380-560, bearer of Identity Card M8033108, issued by the Public Safety Department of Minas Gerais State, and CPF 037964286-73.

The nominations of the representative of the stockholder **The State of Minas Gerais** were put to debate, and to the vote, and approved by majority, as follows:

218,477,450 votes in favor, 49,146 votes against, and 258,948 abstentions.

The Members of the Audit Board elected declared – in advance – that they are not subject to any prohibition on exercise of commercial activity, and assumed a solemn undertaking to become aware of, obey and comply with the principles, ethical values and rules established by the Code of Professional Conduct of Companhia Energética de Minas Gerais – Cemig, and the Code of Ethical Conduct of Government Workers and Senior Administration of the State of Minas Gerais.

Continuing with the agenda, the Chair placed in debate the remuneration of the Company's Managers and members of its Audit Board.

Asking for the floor, the representative of the Stockholder **The State of Minas Gerais** asked the Chair to put the following proposal before the stockholders for consideration:

- 1 To make an annual allocation for total remuneration of Management and members of the Audit Board, comprising the Board of Directors, the Executive Board and the Audit Board, including health insurance for the Executive Officers, contracted at the same level as the Health Plan in effect for employees, and variable remuneration,

– in the amount of up to R\$ 30,000,000.00 (thirty million Reais);

the monthly remuneration of the following to be as follows:

– Chief Executive Officer: R\$ 80,000.00 (eighty thousand Reais)

– each of the other Chief Officers: R\$ 65,000.00 (sixty five thousand Reais),

and the amounts currently earned by the Chief Officers for paid leave, bonuses and other benefits to be, in consequence, adjusted in the same proportion.

- 2 To establish that the monthly remuneration of each one of the sitting members of the Board of Directors – excluding the members that are also Chief Officers, and subject to the condition relating to the payment of the *jeton* mentioned in item 4 below – shall be equivalent to 30% of the remuneration of the Chief Executive Officer for the Chair of the Board of Directors, that is to say, shall be R\$ 24,000.00 (twenty four thousand Reais), and for the other sitting members of the Board of Directors shall be 30% per cent of the average remuneration of a Chief Officer, that is to say, shall be R\$ 19,909.09 (nineteen thousand, nine hundred nine Reais and nine centavos).
- 3 To establish that the monthly remuneration of each substitute member of the Board of Directors – excluding any sitting or substitute members that hold a post of Chief Officer, and subject to the condition relating to payment of the *jeton* referred to in Item 4 below – shall be equivalent to 80% (eighty per cent) of the monthly remuneration received by a sitting member of the Board of Directors (when not serving as Chair of the Board of Directors), that is to say shall be R\$ 15,927.27 (fifteen thousand nine hundred twenty seven Reais and twenty seven centavos).
- 4 To establish that the sitting and substitute members of the Board of Directors shall receive eighty per cent of the monthly remuneration stipulated, the rest being divided into *jetons* paid to the sitting or substitute members present at meetings. If there is more than one meeting in the month, the *jeton* will be divided proportionately between the number of meetings held in the month; if there is no meeting in the month, the sitting member and the substitute member with receive the total amount of the monthly remuneration.
- 5 To establish that substitute members of the Board of Directors who take part in meetings of the Board of Directors as replacement for their sitting member – except those board members who hold positions of Chief Officer – should receive only the remuneration relating to Item 3 above, even though they are replacing Sitting Members in meetings.
- 6 To establish that the monthly remuneration of each sitting member of the Audit Board shall be equivalent to twenty per cent of the average amount earned by a Chief Officer, that is to say, shall be R\$ 13,272.73 (thirteen thousand, two hundred sixty two Reais and seventy three centavos);

and that the monthly remuneration of each substitute member of the Audit Board shall be equivalent to 80% of the monthly remuneration of a sitting member, that is to say, it shall be

R\$ 10,618.18 (ten thousand, six hundred eighteen Reais and eighteen centavos) – excluding, in both cases, benefits as specified by law.

- 7 – To establish that sitting and substitute Members of the Board of Directors and of the Audit Board who are resident in municipalities other than that of the Company’s head office shall be reimbursed such expenses on accommodation and travel (within Brazil) as are necessary for their attendance at the meetings of those Boards or for carrying out their functions or when invited by the CEO to a meeting at the Company, and shall also receive, as cost support for travel, R\$ 800 for each trip for attendance.
- 8 To establish that the fees of the members of the Executive Board, the Board of Directors and the Audit Board shall be paid on the same date as the Company adopts for its employees.
- 9 To establish that the variable remuneration of the Chief Officers and the targets and performance indicators for their calculation shall be stipulated by the Human Resources Committee of the Company’s Board of Directors.

The above proposal by the representative of the stockholder The State of Minas Gerais in relation to the Managers and members of the Audit Board was put to debate, and to the vote, and approved by a majority, as follows:

345,340,646 votes in favor, 94,308 votes against, and 224,096 abstentions.

The Chair then informed the meeting that Cemig’s publications specified by Law 6404 of December 15, 1976, as amended, would now be made in the newspaper *Minas Gerais*, the official publication of the powers of the State, and in the newspaper *O Tempo*, save that in the latter case – since the present contract will expire on April 21, 2018 – this shall be only until a decision is made, by tender, on choice of a large-circulation newspaper published in the location where the Company’s head office is situated; the foregoing being without prejudice to possible publication in other newspapers; and that Cemig will publish a Notice to Stockholders specifying the new newspaper for publications specified in that law.

The meeting being opened to the floor, since no-one else wished to speak, the Chair ordered the session suspended for the time necessary for the writing of these minutes.

The session being reopened, the Chair, after putting the said minutes to debate and to the vote and verifying that they had been approved unanimously, that is to say, by 345,659,090 votes, and signed, closed the meeting.

For the record, I, Anamaria Pugedo Frade Barros, Secretary, wrote these minutes and sign them together with all those present.