

# CEMIG DISTRIBUIÇÃO S.A.

LISTED COMPANY – CNPJ 17.155.730/0001-64 – NIRE 31300040127

## BOARD OF DIRECTORS

### SUMMARY OF MINUTES OF THE 260<sup>TH</sup> MEETING

**Date, time and place:** March 24, 2017, at 11 a.m. at the company's head office,  
Av. Barbacena 1200, 19th Floor, B1 Wing, 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 said they had no conflict of interest in the matter on the agenda of this meeting, except for the Board member Arcângelo Eustáquio Torres Queiroz, who stated conflict of interest in relation to:

– the 2017 PDVP Programmed Voluntary Retirement Plan.

He withdrew from the meeting room at the time of discussion and voting on this matter, returning to proceed with the meeting after the vote on the matter had been taken.

#### **II The Board approved:**

- a) The Budget for 2017.
- b) The PDVP Programmed Voluntary Retirement Plan for 2017.
- c) The proposal by the board member Marco Antônio Soares da Cunha Castello Branco that the members of the Board of Directors should authorize their Chair to call an Extraordinary General Meeting of Stockholders to be held on May 12, 2017 at 1 p.m., to decide on the capital increase referred to below.
- d) The minutes of this meeting.

- III The Board authorized** opening of an Administrative Tender Proceeding for, and contracting of, External Auditing services, for thirty six months, able to be extended up to a limit of sixty months; and in the event of the tender being frustrated due to no bid being made within the estimated price, authorization also for opening of a further Administrative Tender Proceeding.
- IV The Board canceled** and replaced Board Spending Decisions (CRCAs) 058/2016 and 005/2017, which deal with prior versions of the 2017 budget.
- V Increase in share capital: The Board submitted** a proposal to the Extraordinary General Meeting of Stockholders for:

Authorization, verification and approval of an increase in the share capital, without issuance of new shares, through absorption of the funds of the Advance Against Future Capital Increase (AFAC),

by: four hundred ten million Reais,  
from two billion three hundred sixty one million nine hundred ninety seven thousand seven hundred eighty seven Reais sixty four centavos,  
represented by two billion three hundred fifty nine million one hundred thirteen thousand four hundred fifty two nominal common shares without par value,  
to two billion seven hundred seventy one million nine hundred ninety seven thousand seven hundred eighty seven Reais sixty four centavos,  
represented by two billion three hundred fifty nine million one hundred thirteen thousand four hundred fifty two nominal common shares without par value;

and consequent alteration of the head paragraph of Clause 5 of the by-laws, to the following:

*“Clause 5: The Company’s share capital is R\$ 2,771,997,787.64 (two billion seven hundred seventy one million nine hundred ninety seven thousand seven hundred eighty seven Reais sixty four centavos) represented by 2,359,113,452 (two billion three hundred fifty nine million one hundred thirteen thousand four hundred fifty two nominal common shares without par value.”.*

**VI Withdrawn from the agenda:**

The following matters were withdrawn from the agenda:

- a) Signature of an amendment to contract for leasing of the Aureliano Chaves Building with Forluz (Fundação Forluminas de Seguridade Social), for inclusion of a clause of liability for payment of ordinary condominium expenses and release of additional funds Material, Outsourced Services and Others for costs of operation and maintenance, condominium expenses and implementation of infrastructure.
- b) Signature of a Private Instrument of Assumption of Debt, with Forluz for solution of the deficit.
- c) Redrafting of the by-laws of the Company, to alter the duties of the Deputy Chief Executive Officer and of the Chief Officer for Institutional Relations and Communication.

**VII Abstention:**

The Board member Patrícia Gracindo Marques de Assis Bentes abstained from voting on Item V, above.

**VIII Comments:** The following spoke on matters of interest to the Company:

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**The Chair;**

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**Board members:** Aloísio Macário Ferreira de Souza, Helvécio Miranda Magalhães Junior;

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**Executive Officer:** Bernardo Afonso Salomão de Alvarenga;

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**Secretary:** Anamaria Pugedo Frade Barros.

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**The following were present:**

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**Board members:** José Afonso Bicalho Beltrão da Silva, Saulo Alves Pereira Junior,  
Arcângelo Eustáquio Torres Queiroz, Bruno Magalhães Menicucci,  
Daniel Alves Ferreira, Luiz Guilherme Piva,  
Helvécio Miranda Magalhães Junior, Samy Kopit Moscovitch,  
José Pais Rangel, Aloísio Macário Ferreira de Souza,  
Marcelo Gasparino da Silva, Antônio Dirceu Araújo Xavier,  
Marco Antônio de Rezende Teixeira, Carlos Fernando da Silveira Vianna,  
Marco Antônio Soares da Cunha Castello Branco, Carolina Alvim Guedes Alcoforado,  
Nelson José Hubner Moreira, Franklin Moreira Gonçalves,  
Patrícia Gracindo Marques de Assis Bentes, Ricardo Wagner Righi de Toledo,  
Paulo Roberto Reckziegel Guedes, Tarcísio Augusto Carneiro,  
Wieland Silberschneider;

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**Audit Board member:** Marcos Túlio de Melo;

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**Executive Officers:** Bernardo Afonso Salomão de Alvarenga, José de Araújo Lins Neto,  
Adézio de Almeida Lima, Luís Fernando Paroli Santos,  
César Vaz de Melo Fernandes, Maura Galuppo Botelho Martins,  
Dimas Costa, Raul Lycurgo Leite;

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**Secretary:** Anamaria Pugedo Frade Barros.

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(Signed) Anamaria Pugedo Frade Barros.