

CEMIG DISTRIBUIÇÃO S.A.
LISTED COMPANY – CNPJ 06.981.180/0001-16 – NIRE 31300020568

BOARD OF DIRECTORS

**SUMMARY OF MINUTES
OF
THE 272ND MEETING**

Date, time and place: October 20, 2017, at 11 a.m., at the Company's head office, with participation also by telephone conference call.

Meeting Committee: Chairs: José Afonso Bicalho Beltrão da Silva, José Pais Rangel;
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, with the exception of the Board members:

José Afonso Bicalho Beltrão da Silva, Bernardo Afonso Salomão de Alvarenga, Arcângelo Eustáquio Torres Queiroz, Marco Antônio Soares da Cunha Castello Branco, Agostinho Faria Cardoso, Franklin Moreira Gonçalves, Luiz Guilherme Piva, Ricardo Wagner Righi de Toledo	Marco Antônio de Rezende Teixeira, Antônio Dirceu Araújo Xavier, Helvécio Miranda Magalhães Junior, Nelson José Hubner Moreira, Antônio Carlos de Andrada Tovar, Geber Soares de Oliveira, Otávio Silva Camargo, and Wieland Silberschneider,
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who stated themselves to have conflict of interest in relation to the item:

Adherence to the Tax Credits Regularization Plan (PRCT).

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

II The Board approved the following proposal:

- a) Mr. César Vaz de Melo Fernandes: no longer to be Chief Officer for Business Development, Adézio de Almeida Lima: no longer to serve as Chief Institutional Relations and Communication Officer on an interim basis together with his duties as Chief Finance and Investor Relations Officer; and

Election as Chief Business Development Officer, to serve the rest of the present period of office, i.e. until the first meeting of the Board of Directors after the Annual General Meeting of 2019, of:

Mr. José Maria Rabelo Brazilian, married, lawyer, resident and domiciled in Brasília, DF at SQN 214, Bloco C, apto. 207, Asa Norte, CEP 70873-030, bearer of Identity Card 851287-SSPMG and CPF 232814566-34;

and, as Chief Institutional Relations and Communication Officer, of:

Thiago de Azevedo Camargo. – Brazilian, married, lawyer, resident and domiciled in Belo Horizonte, Minas Gerais, at Rua Monte Sião 72/901, Serra, CEP 30170-081, bearer of Identity Card M-6082258-SSPMG, and CPF 000001386-22.

- b) The minutes of this meeting.

III The Board authorized:

a) the Company to accept the terms of the Minas Gerais State Tax Credits Regularization Plan (PRCT), for settlement of ICMS Value Added Tax, and cancellation of Proposal for Decision No. 017A/2017 made by the Executive Board to the Board of Directors, which related to the same matter before the period for accepting the terms of the PRCT was extended.

b) Signature, with

Banco do Brasil, Caixa Econômica Federal, Itaú Unibanco and Banco Bradesco,

of an agreement with the basic terms of the transactions that will orient the formatting of the debt instruments for re-profiling of the debt of Cemig D, as follows:

Object:	Bilateral transaction and participation of Banco do Brasil in the 4th Debenture Issue (R\$ 755 million); bilateral transaction and participation of Caixa Econômica Federal in the 4th Debenture Issue (up to R\$ 1.237 billion); participation of Bradesco in the 4th Debenture Issue (R\$ 610 million); and participation of Itaú Unibanco in the 4th Debenture Issue (R\$ 210 million).
Instruments:	Amendments to the existing bilateral contracts with Banco do Brasil and Caixa Econômica Federal and, in the case of the 4th Debenture Issue of Cemig D, a new issue of debentures or modification of the present deed based on the holding of a General Meeting of Debenture Holders.
Amortization of principal:	In six monthly installments comprising: 6.75% in 2019 (as from July), twelve monthly installments of 1.13%, resulting in an aggregate 13.50%, in 2020, twelve monthly installments of 2.25%, resulting in an aggregate 27%, in 2021, six monthly installments of 2.25%, resulting in an aggregate 11.25% (up to June 2022), and a final payment 'bullet', of 41.50% in June 2022.
Payment of interest:	Monthly, with no grace period, at 140% of the variation given by the CDI.
Fee:	1.4%, of which 0.7% paid at the moment of re-profiling of the debt and calculated on its total, and 0.7% paid in January 2019, calculated on the balance of the re-profiled debt at December 2018.
Guarantees:	1) Banco do Brasil and Caixa Econômica Federal maintain their present guarantee in the CCBs (Bank Credit Notes); the additional receivables that will be the subject of fiduciary assignment (in the estimated amount of R\$ 400 million/month) will be shared between the creditors of the debts that are the subject of re-profiling of the 4th Debenture Issue and Caixa Econômica Federal (in the 60% portion of the debtor balance of its Bank Credit Notes, which currently do not have an asset guarantee), in proportion to their debtor balances, in such a way that all the debts referred to have at least 100% of the obligations (including principal, interest and fees/charges) covered (guaranteed) by the flow of receivables; – the guarantee clause to be suspensive of the assignment of the consequent rights arising in the event of administrative intervention, or of the public administration opening proceedings for expiry of the concession as from issuance of the related notification.
	2) Surety guarantee from Companhia Energética de Minas Gerais – Cemig.
'Cash sweep':	35% of the proceeds from the sale of assets of Cemig shall be allocated for injection into Cemig D and payment of its re-profiled debt, with deduction only of such amount as is allocated to the payment of the Light Put Option, as applicable.
Financial covenants:	Liquidity/cash flow indices to be decided for each company at the time of implementation of the re-profiling of the debt.
Other conditions:	Minimum capitalization, by Cemig, of R\$ 2.2 billion, into Cemig D, by December 2018; Restriction on dividend payments beyond the mandatory legal minimum under the by-laws.

IV Voting: The matter in subclause ‘a’ of item III above was approved by the Board members present at the discussion and voting of the subject, with the exception of the Board member

Marcelo Gasparino da Silva, who voted against it;
and the substitute member Daniel Alves Ferreira.

The matter in subclause ‘b’ of Item III was approved with the following exceptions:

Marcelo Gasparino da Silva, who abstained; and
Patricia Gracindo Marques de Assis Bentes who voted against.

V The Chair informed the meeting that the Executive Board is now as follows:

Chief Executive Officer and interim CEO:	Bernardo Afonso Salomão de Alvarenga;
Chief Trading Officer:	Dimas Costa;
Chief Business Development Officer:	José Maria Rabelo;
Interim Chief Distribution and Sales Officer;	Ronaldo Gomes de Abreu;
Chief Finance and Investor Relations Officer:	Adézio de Almeida Lima;
Chief Corporate Management Officer:	José de Araújo Lins Neto;
Chief Counsel:	Luciano de Araújo Ferraz;
Chief Officer for Human Relations and Resources:	Maura Galuppo Botelho Martins;
Chief Institutional Relations and Communication Officer:	Thiago de Azevedo Camargo;
Director without portfolio:	Franklin Moreira Gonçalves;

V The Chief Officers elected declared – in advance – that they are not subject to any prohibition on exercise of commercial activity, that they do not occupy any post in a company which could be considered to be a competitor of the Company, and that they do not have nor represent any interest conflicting with that of Cemig D; and made a solemn commitment to become aware of, obey and comply with the principles, ethical values and rules established by the Code of Professional Conduct of Cemig and the Code of Ethical Conduct of Government Workers and Senior Administration of the State of Minas Gerais.

VII Comments: The following spoke on subjects of interest to the Company:

The Chair;	
Board member:	Patricia Gracindo Marques de Assis Bentes;
Chief Officer:	Adézio de Almeida Lima;

The following were present:

Board members:	José Afonso Bicalho Beltrão da Silva, Marco Antônio de Rezende Teixeira, Antônio Dirceu Araújo Xavier, Arcângelo Eustáquio Torres Queiroz, Helvécio Miranda Magalhães Junior, José Pais Rangel, Marcelo Gasparino da Silva, Marco Antônio Soares da Cunha Castello Branco, Nelson José Hubner Moreira, Patrícia Gracindo Marques de Assis Bentes,	Daniel Alves Ferreira, Agostinho Faria Cardoso, Aloísio Macário Ferreira de Souza, Antônio Carlos de Andrada Tovar, Geber Soares de Oliveira, José João Abdalla Filho, Luiz Guilherme Piva, Otávio Silva Camargo, Ricardo Wagner Righi de Toledo, Wieland Silberschneider;
Board members and Chief Officers:	Bernardo Afonso Salomão de Alvarenga,	Franklin Moreira Gonçalves;
Chief Officers :	Adézio de Almeida Lima, Dimas Costa, José de Araújo Lins Neto,	Luciano de Araújo Ferraz, Maura Galuppo Botelho Martins, Ronaldo Gomes de Abreu;
Secretary:	Anamaria Pugedo Frade Barros.	

Signed by: Anamaria Pugedo Frade Barros.