

CEMIG GERAÇÃO E TRANSMISSÃO S.A.
CNPJ 06.981.176/0001-58 - NIRE 31300020550

BOARD OF DIRECTORS

**SUMMARY OF MINUTES
OF THE
326TH MEETING**

Date, time and place: December 11, 2017, at 3 p.m., at the Company's head office,
– with attendance also by telephone conference call.

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 Amendments and guarantee contracts. The Board decided:**
- 1) To authorize** signature, with Companhia Energética de Minas Gerais ('Cemig') as Surety, of:
- the Sixth Amendment to Bank Credit Notes (CCBs) 330.800.383, 330.800.384, 330.800.385, 330.800.386, and 330.800.392, issued by **Cemig GT** in favor of **Banco do Brasil**, and
 - the Second Amendment to Bank Credit Note 306.401.428, issued by **Cemig GT** in favor of **Banco do Brasil**

in the total amount of approximately R\$ 741 million (the instruments jointly being referred to as 'the Agreements'), to give them the following characteristics:

Amortization of principal:	Thirty six monthly installments of 2.78%, starting in January 2019.
Payment of interest:	Monthly, with no grace period, corresponding to 140% of the variation provided by the CDI.
Fee:	1.4%, of which 0.7% paid at the moment of re-profiling of the debt and calculated on the debt re-profiled, and 0.7% paid in January 2019, calculated on the debtor balance in December 2018 of the debt re-profiled, save that from the second payment of the fee there shall be deducted the amount of the fee paid at the time of the extension of period authorized by the Board of Directors on October 16, 2017, in the amount of two million, seven hundred forty five thousand Reais; and if the amount of the fee calculated in 2019 is less than this amount, then no amount shall be returned to Cemig GT.

Guarantees:	<ul style="list-style-type: none"> – Receivables (fiduciary assignment) in the minimum amount of R\$ 150 million/month; the receivables to remain the subject of fiduciary assignment until termination of the Agreements, and subject to foreclosure until the whole amount specified in the Agreements has been repaid. – Maintenance of a reserve account corresponding to three installments (interest and principal). – Preferred shares in Companhia de Gás de Minas Gerais (‘Gasmig’), with estimated value of R\$ 300 million (up to 35% of the preferred (PN) shares); – Totality of the flow of dividends, Interest on Equity or any other share in the profits specified in the by-laws of Aliança Geração de Energia S.A. (‘Aliança Geração’) in the estimated amount of R\$ 135 million; – Totality of the flow of dividends, Interest on Equity or any other share in the profits specified in the by-laws of Transmissora Aliança de Energia Elétrica S.A. (‘Taesa’), in the estimated amount of R\$ 145 million; – Totality of the flow of dividends, Interest on Equity, or any other share in the profits specified in their by-laws, corresponding to 51% of the shares in the 7 (seven) Special-Purpose Companies (SPCs) constituted for operation of the concessions acquired in Aneel Auction 12/2015, Lot D, not linked to the 7th Debenture Issue, in the estimated amount of R\$ 200 million; and – Guarantee or surety by Cemig.
‘Cash sweep’:	<p>In the event of any sale of an asset of Cemig GT, the Company will effect early settlement or early amortization of the present transaction using a minimum of 35% of the net proceeds from such sale, with the exception of any sale of an interest owned by Cemig GT in the Santo Antônio Hydroelectric Plant Project, in which event the cash sweep shall apply to the whole of the ‘net value’ received by Cemig GT (where in this case ‘net value’ is defined as the amount of the sale, less the amount to be paid to the Melbourne and Malbec FIP investment funds (FIPs), in the event of exercise of put options granted to those funds, the value of which is up to R\$ 350 million).</p>
Additional early maturity provisions:	<p>Restrictions on contracting of new debt, without the creditor’s express prior consent, except for the purpose of payment or pre-payment of existing debts and provided that such new debts are on market terms and not more favorable to the creditor than those of this re-profiling, or when the ratio Net Debt / Ebitda, after contracting of these debts, is less than or equal to the ratios in the financial covenants.</p> <p>Restrictions on sale, transfer, assignment, or disposal of assets of Cemig GT or of Cemig, except those presented to the market as intended for disinvestment by Cemig or entities under its direct or indirect control.</p> <p>The following to be early maturity events:</p> <ul style="list-style-type: none"> – Reduction of capital for any other purpose than absorption of losses. – Non-constitution of the guarantees. – Default on any obligation specified in the guarantee agreements; – If the Guarantees Administration Contract is not signed and formalized within a specified period; and – Non-renewal, cancellation repeal or suspension of the authorizations, concessions, grants or licenses, including environmental licenses, that are significant for Cemig GT or Cemig, unless there is a Court judgment within 30 days authorizing continuation of the activities.
Financial covenants:	<p>The references to the 2017 business year are to be excluded from the financial covenants.</p>

- 2) **To authorize** fiduciary assignment (chattel mortgage) on receivables in a minimum amount of one hundred fifty million Reais per month, which must be received in a tied account, the rights of ownership to which shall be fiduciarily assigned to Banco do Brasil.

Until the end of the Agreements, the receivables that are the subject of fiduciary assignment may be the subject of foreclosure until the whole amount of the debt has been paid.

This asset given in guarantee may be strengthened or substituted if it becomes the object of lien, sequester, arrest or any other judicial, arbitration or administrative measure with similar effect, or is canceled, invalidated or contested.

In this case the assignor is obliged to strengthen the guarantee by fiduciary assignment of rights to additional receivables owned by Cemig GT of the same nature as the Receivables that are the subject of the Fiduciary Assignment, or to offer other guarantees, to be the subject of prior approval by Banco do Brasil. The fiduciary assignment of the receivables shall be effected by signature of the

- Contract for Fiduciary Assignment of Receivables from Distribution and Sale of Electricity, between Cemig GT and Banco do Brasil.

- 3) In relation to **fiduciary assignment** (chattel mortgage) of up to 35% of the PN shares in **Gasmig** held by Cemig, **to authorize** strengthening by the Company, jointly with Cemig, or substitution of the guarantee, if it becomes the object of lien, sequester, arrest or any other judicial or arbitration measure or administrative measure with similar effect or is canceled, invalidated or contested, by signature of the

- Contract for Chattel Mortgage on Shares in Companhia de Gás de Minas Gerais S.A., between Cemig GT, Cemig and Banco do Brasil S.A.

- 4) **To authorize** placing of a fiduciary charge on the totality of the flow of dividends, Interest on Equity or any other share in profits specified in the by-laws paid to Cemig by **Taesá**, by signature of the

- Contract for Chattel Mortgage on Dividends of Transmissora Aliança de Energia Elétrica S.A., by Cemig, Cemig GT and Banco do Brasil.

- 5) **To authorize** fiduciary assignment of the totality of the flow of dividends, Interest on Equity or any other share in profits specified in the by-laws paid to Cemig by Taesa, such assignment to be effected by signature of the

- Contract for Chattel Mortgage on Dividends of Transmissora Aliança de Energia Elétrica S.A., by Cemig, Cemig GT and Banco do Brasil.

- 6) **To authorize** fiduciary assignment of 51% of the flow of dividends, Interest on Equity or any other share in profits specified in the by-laws paid to Cemig GT by the seven Special-Purpose Companies (SPCs) constituted for operation of the concessions acquired in Aneel Auction 12/2015, Lot D.

This fiduciary assignment shall be effected by signature of the

- Contract for Fiduciary Assignment of Dividends of Cemig Geração Camargos S.A., Cemig Geração Itutinga S.A., Cemig Geração Leste S.A., Cemig Geração Oeste S.A., Cemig Geração Salto Grande S.A., Cemig Geração Sul S.A. and Cemig Geração Três Marias S.A.,

between Cemig GT and Banco do Brasil.

The principal conditions of the Contracts for Fiduciary Assignment of Dividends, referred to in Items 4, 5 and 6 above, are:

- a) Cemig and/or Cemig GT assume obligations for the purpose of ensuring payment of all the principal and accessory obligations assumed by the assignor arising from the Contracts, including payment of the principal of the debt, interest, fees, contractual penalty payments, fines, taxes, expenses and other legal, court or contractual expenses or charges, and reimbursement of all and any amounts that Banco do Brasil may at any time disburse by reason of the constitution, enhancement or exercise of rights, maintenance and/or foreclosure upon the fiduciary assignment now constituted, including court or other expenses incurred by Banco do Brasil in the execution of the guarantees.

The guarantee shall also include, automatically and independently of any further formality, all dividends and payments of Interest on Equity that are attributed to any new shares issued by Aliança Geração, Taesa, or the SPCs, that Cemig or Cemig GT may subscribe or acquire in the future, whether under Articles 167, 168, 169 or 170 of Law 6404/1976, or as a result of bonuses, splits or reverse splits of shares or as a result of consolidation, merger, acquisition, exchange of shares, division of shares, stockholding reorganization or by any other means, and whether or not they substitute the shares referred to.

- b) Cemig and Cemig GT undertake to receive the totality of the payments, amounts, or any funds fiduciarily assigned in guarantee, exclusively by means of deposit by electronic bank transfer into the tied current account held by Cemig or by Cemig GT with Banco do Brasil, and these funds shall be operated exclusively through the said tied account.
- c) Cemig and Cemig GT undertake to prove to Banco do Brasil that the fiduciary assignment constituted through the said Agreements has been registered in the Nominal Share Registries of Aliança Geração, Taesa and the said SPCs.

7) **To authorize** constitution of a reserve account with a balance corresponding to the value of the next three payments becoming due (during the grace period, this shall be only the interest; after the grace period, it shall be the amounts of interest plus the amounts of the principal).

8) **To ratify** all acts by the Executive Board necessary to put the above decisions into effect.

IV Approval / abstentions: The matters referred to in Item III above were approved, with the following Board Members abstaining:

Marcelo Gasparino da Silva,
and

Daniel Alves Ferreira,
Patrícia Gracindo Marques de Assis Bentes.

V Comment: The following spoke on subjects and business of interest to the Company.

The Chair;		
Board members:	José Pais Rangel,	Patrícia 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, Bernardo Afonso Salomão de Alvarenga, 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, Luiz Guilherme Piva, Otávio Silva Camargo, Ricardo Wagner Righi de Toledo, Wieland Silberschneider;
Chief Officer:	Adézio de Almeida Lima;	
Secretary:	Anamaria Pugedo Frade Barros.	

Signed by: Anamaria Pugedo Frade Barros.