COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG

LISTED COMPANY

CNPJ 17.155.730/0001-64 – NIRE 31300040127

BOARD OF DIRECTORS

SUMMARY OF MINUTES
OF THE
524TH MEETING

Date, time and place: December 6, 2011 at 9.00 a.m. at the company's head office, Av. Barbacena 1200, 21st Floor, Belo Horizonte, Minas Gerais, Brazil.

Meeting Committee: Chair: Dorothea Fonseca Furquim Werneck; Secretary: Anamaria Pugedo Frade Barros

Summary of proceedings:

I **The Chair asked** the Board Members present whether any of them had **conflict of interest** in relation to the matters on the agenda of this meeting, and all stated there was no such conflict of interest.

II **The Chair reported** that Business Development Committee had examined the matters on the agenda, and had recommended approval of them.

III **The Board approved** the minutes of this meeting.

IV **The Board authorized**:

1 a) Opening of Administrative Proceedings for Exemption from Tender, and **contracting** of BB-Banco de Investimento S.A., Banco Bradesco-BBI S.A., Banco BTG Pactual S.A., Banco Itaú BBA S.A., HSBC Corretora de Títulos e Valores Mobiliários S.A. and Banco Votorantim S.A. **as managers** of **Cemig's 4th issue of commercial promissory notes**, under the regime of firm subscription guarantee, with restricted placement efforts as per Instruction 476/2009 of the CVM (the Brazilian Securities Commission) (CVM Instruction 476/2009).

b) Contracting of a mandated bank and custodian for the 4th issue of promissory notes.

c) Registry of the issue for distribution in the primary market and for trading in the secondary market on the Cetip Organized Markets.

d) Payment of all the costs inherent to and indispensable for carrying out the issue.

2 a) **The fourth issue of commercial promissory notes by Cemig** ("the Promissory Notes", and "the Issuer", respectively) for public distribution, with restricted placement efforts, as per CVM

Instruction 476/2009, as amended, CVM Instruction 134, of November 1, 1990, as amended, and other applicable regulations, having as target public qualified investors, as defined in Article 109 of CVM Instruction 409/2004, as amended, taken with Article 4 of CVM Instruction 476 (Qualified Investors), with the following characteristics:

Issuer:	**COMPANHIA ENERGÉTICA DE MINAS GERAIS – CEMIG**
Lead Manager:	BB Banco de Investimento S.A.
Managers:	Banco Bradesco BBI S.A., Banco BTG Pactual S.A., Banco Itaú BBA S.A., HSBC Corretora de Títulos e Valores Mobiliários S.A. and Banco Votorantim S.A., and other financial institutions indicated by the Lead Manager by common agreement with the Managers and approved by the Issuer as a result of any process of syndication.
Use of proceeds:	Acquisition of assets and replenishment of the Company's cash position as a result of investments made.
Volume of the issue:	Up to six billion five hundred million Reais.
Number of series:	Single series.
Nominal unit value:	Ten million Reais, on the date of issue.
Quantity of Promissory Notes:	Up to six hundred and fifty.
Placement procedure and regime:	Public distribution, with restricted placement efforts, on an organized over-the-counter market administered and operated by Cetip S.A. – Organized Markets, under the regime of firm guarantee of subscription by the Lead Manager and the Managers.
Form:	The Notes will be issued in nominal and physical form and be held on deposit at the Mandated Bank, a financial institution qualified to provide custody services, and will be transferable by signed endorsement simply transferring ownership. For all legal purposes the ownership of the promissory notes will be proven by the respective physical Note. Additionally, for the promissory notes held in custody electronically by Cetip, the ownership of the promissory notes will be proven by the statement of account position issued by Cetip in the name of the holder.
Date of issue:	Date of the actual subscription and paying up of the Promissory Notes, to be decided.
Subscription price:	The issue shall be subscribed at the nominal unit value. Procedure for subscription and paying-up: Subscription and paying up of the Promissory Notes shall take place in accordance with the procedures adopted by Cetip through the Distribution Module Securities Distribution System (*SDT – Módulo de Distribuição*). The Promissory Notes shall be paid at sight at the moment of subscription, in Brazilian currency, in accordance with the settlement rules applicable to Cetip, within the period of placement and public distribution of the Promissory Notes, in accordance with the Contract for Structuring, Management and Public Distribution with Restricted Placement Efforts under the Regime of Firm Guarantee of Subscription of Cemig's 4th Issue of Commercial Promissory Notes.
Period and maturity:	The Notes shall have tenor of three hundred and sixty days from their date of issue, and all shall have the same maturity date.
Remuneration:	The nominal unit value of the Promissory Notes will not undergo monetary updating. The Promissory Notes shall carry the right to remuneratory interest corresponding to 106.00% of the average rate for one-day interbank deposits – the *over extra-grupo* category of the DI Rate – expressed in the form of percentage per year, on the two hundred and fifty business days basis, calculated and published daily by Cetip in the daily bulletin on its internet site (http://www.cetip.com.br). The Remuneration shall be calculated exponentially and cumulatively "pro rata tempore" by business days elapsed, on the nominal unit value of each Promissory Note from the date of issue to its maturity date, or the date of any early redemption

due to any of the default events as defined in the "List of Formulas for Commercial Promissory Notes and Bonds – Cetip 21", available for consultation on the site referred to above, which shall be included in the physical Promissory Notes.

The Lead Manager and the Managers may, at their exclusive option, effect the issue by a bookbuilding procedure (collection of investment intentions), subject to the rate of 106.00% of the DI Rate.

Payment of the remuneration: The remuneration shall be paid in a single installment, on the maturity date or on the date of early redemption of the Promissory Notes, or on the date of early maturity resulting from the occurrence of one of the default events described on the physical Promissory Notes.

Amortization of the nominal unit value: Amortization shall be in a single installment, on the maturity date or on any date of early redemption of the Promissory Notes, or on any date of early maturity resulting from the occurrence of one of the default events described on the physical Promissory Notes.

Placement and trading: The Notes shall be registered for distribution in the primary market and for trading in the secondary market, subject to the requirements and procedures specified in CVM Instruction 476, in the SDT Modular Distribution System, and in Cetip 21 – Securities (*CETIP21 – Títulos e Valores Mobiliários*), both administered and operated by Cetip, and financial settlement of the distribution and trading transactions, and electronic custody of the Promissory Notes, shall be carried out by Cetip.

Guarantee: The Notes shall not have any type of guarantee or surety.

Renegotiation: None.

Optional early redemption: The issuer may make early redemption of the Promissory Notes, at any time from 30 calendar days after the respective date of issue, in whole or in part, on payment of the nominal unit value plus the remuneration , calculated from the date of issue until the date of effective redemption, in accordance with the legislation, giving Cetip and the holders of the promissory notes five business days' advance notice, without payment of any premium to the holders of the Promissory Notes. In the event of partial early redemption, this shall be put into effect by drawing of lots, in accordance with Paragraph 4 of Article 7 of CVM Instruction 134, as amended. At the time of subscription and paying-up of the Promissory Note or its acquisition in a secondary market, the owner shall grant express irrevocable consent in advance to early unilateral redemption of the promissory note by the Company, in the terms of CVM Instruction 134.

Place of payment: The payments shall be made in accordance with the procedures of Cetip, for the Promissory Notes registered in CETIP21, or, for the holders of Promissory Notes that are not linked to that system, at the Issuer's head office in accordance with the procedures of the mandated 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 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: The holders of the Promissory Notes may declare all the obligations arising from the Promissory Notes which they hold to be automatically due and payable, and demand immediate payment by the Issuer of the Nominal Unit Value of the Promissory Notes, augmented by the Remuneration and the charges, calculated *pro rata temporis*, from the Issue Date, by letter delivered with advice of receipt or letter posted with advice of receipt addressed to the head office of the Issuer, in any of the following default events:

(i) declaration of bankruptcy, dissolution and/or liquidation of the Issuer or application for Judicial Recovery or out-of-Court reorganization of the Issuer of an application for bankruptcy made by the Issuer, or any analogous event that characterizes a state of insolvency of the Issuer, in accordance with the applicable legislation;

(ii) legitimate and reiterated protest proceedings on securities against the Issuer, the unpaid value of which, individually or in aggregate, is more than R$ 50,000,000.00 (fifty million Reais) 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 cancelled or if validly contested in court, in any event, within a maximum period of 30 (thirty) calendar days from the date of the obligation becoming due.

(iii) early maturity of any pecuniary obligation of the Company arising from default on an obligation to pay any individual or aggregate amount greater than fifty million Reais or its equivalent in other currencies.

(iv) change, transfer or assignment, direct or indirect, of the stockholding control of the Issuer (and/or of the Guarantor, as the case may be), unless this takes place by order of a court, without the prior consent of holders of Promissory Notes representing at least 75% of the Promissory Notes in Circulation.

(v) absorption of the Issuer by another company, or split or merger of the Issuer, unless this takes place by order of a court.

(vi) privatization of the Issuer;

(vii) termination, for any reason, of any of the concession contracts held by the Issuer such as represent an adverse material impact on the Issuer’s payment capacity; or,

(viii) default unjustified by the Issuer, or absence of legal and/or court measures required for the non-payment of any debt or any obligation to pay, under any agreement to which it/they are a party as borrower or Guarantor, the value of which, individually or in aggregate, is greater than R$ 50,000,000.00 (fifty million Reais) or its equivalent in other currencies.

For the purposes of sub-item (vi) above, privatization is defined as an event in which the present direct controlling stockholder of the Issuer, the State of Minas Gerais, directly or indirectly ceases to hold the equivalent of, at least, 50% (fifty percent) plus one share of the total of the shares representing the Issuer’s voting stock. Occurrence of any of the events specified in sub-items (i) and (iii) above shall result in immediate early maturity of the promissory notes, independently of advice or notice, through the Courts or otherwise, and of any consultation with their holders. In any of the other events indicated above, a General Meeting of holders of the promissory notes must be held, within 48 (forty-eight) hours from the date on which any of the holders of the promissory notes becomes aware of the event, to decide on non-declaration of early maturity of the Promissory Notes, which shall be decided by holders of the promissory notes representing at least 2/3 (two-thirds) of the promissory notes of the issue in circulation.

In the event of early maturity of the promissory notes, the Issuer undertakes to pay all the amounts owed and comply with all the other obligations set out on the physical Promissory Notes, in any event within up to three business days from receipt by the Issuer of written communication about the occurrence of one of the default events.

b) Execution of the documents that are indispensable to the said issue after conclusion of the due procedure of tender and/or exemption from tender, such as: 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 Issuer’s 4th Issue; the physical Promissory Notes; the mandated bank contract; and such other documents as are necessary for carrying out of the present issue, once duly examined by the legal department and provided that they do not cause cost for the transaction.

c) Carrying out of all the acts necessary for putting into effect the decisions here referred to;

3 a) **Provision of a guarantee by Cemig** for **Cemig D's 4th issue of commercial promissory notes** ("the Promissory Notes", and "the Issuer", respectively) for public distribution, with restricted placement efforts, as per CVM Instruction 476/2009, as amended, CVM Instruction 134/1990, as amended, and other applicable regulations, having a target public exclusively of qualified investors, as defined in Article 109 of CVM Instruction 409/2004, as amended, taken with Article 4 of CVM Instruction 476 ("Qualified Investors"), with the following characteristics:

ISSUER: CEMIG DISTRIBUIÇÃO S.A. – CEMIG D.

Lead Manager: BB Banco de Investimento S.A.

Managers: Banco Bradesco BBI S.A., Banco BTG Pactual S.A., Banco Itaú BBA S.A., and other financial institutions indicated by the Lead Manager by common agreement with the Managers and approved by the Issuer as a result of any process of syndication.

Guarantee: The Promissory notes and all obligations resulting from them shall have the corporate guarantee of Cemig through its surety stated on the physical promissory notes.

Use of proceeds: Replenishment of working capital.

Volume of the issue: One hundred million Reais.

Number of series: Single series.

Nominal unit value: Twelve million five hundred thousand Reais, on the date of issue.

Quantity of Promissory Notes: Eight.

Placement procedure and regime: Public distribution, with restricted placement efforts, on an organized over-the-counter market administered and operated by Cetip S.A. – Organized Markets, under the regime of firm guarantee of subscription by the Lead Manager and the Managers.

Form: The Notes will be issued in nominal and physical form and be held on deposit at the Mandated Bank, a financial institution qualified to provide custody services, and will be transferable by signed endorsement simply transferring ownership. For all legal purposes the ownership of the promissory notes will be proven by the respective physical Note. Additionally, for the promissory notes held in custody electronically in Cetip, the ownership of the promissory notes will be proven by the statement of account position issued by Cetip in the name of the holder.

Date of issue: Date of the actual subscription and paying up of the Promissory Notes, to be decided.

Subscription price: The issue shall be subscribed at the nominal unit value.

Procedure for subscription and paying-up: Subscription and paying up of the Promissory Notes shall take place in accordance with the procedures adopted by Cetip through the Distribution Module Securities Distribution System (*SDT – Módulo de Distribuição*). The Promissory Notes will be paid up at sight simultaneously with subscription, in Brazilian currency, in accordance with the rules for settlement applicable to Cetip.

Period and maturity: They shall have tenor of up to three hundred and sixty calendar days from the date of issue.

Remuneration: The nominal unit value of the Promissory Notes will not undergo monetary updating. The Promissory Notes shall carry the right to remuneratory interest corresponding to 106.00% of the average rate for one-day interbank deposits – the *over extra-grupo* category of the DI Rate –expressed in the form of percentage per year, on the two hundred and fifty business days basis, calculated and published daily by Cetip in the daily bulletin on its internet site (http://www.cetip.com.br). The Remuneration shall be calculated exponentially and cumulatively "pro rata tempore" by business days elapsed, on the nominal unit value of each Promissory Note from the date of issue to its maturity date, or the date of any early redemption due to any of the default events as defined in the "List of Formulas for Commercial Promissory Notes and Bonds – Cetip 21", available for consultation on the site referred to above, which shall be included in the physical Promissory Notes.

Payment of the remuneration: The remuneration shall be paid in a single installment, on the maturity date or on the date of early redemption of the Promissory Notes, or on the date of early maturity resulting from the occurrence of one of the default events described on the physical Promissory Notes.

Amortization of the nominal unit value: Amortization shall be in a single installment, on the maturity date or on the date of early redemption of the Promissory Notes, or on any date of early maturity resulting from the occurrence of one of the default events described on the physical Promissory Notes.

Placement and trading: The Notes shall be registered for distribution in the primary market and for trading in the secondary market, subject to the requirements and procedures specified in CVM Instruction 476, in the SDT Modular Distribution System, and in Cetip 21 – Securities (*CETIP21 – Títulos e Valores Mobiliários*), both administered and operated by Cetip, and financial settlement of the distribution and trading transactions, and electronic custody of the Promissory Notes, shall be carried out by Cetip.

Renegotiation: None.

Optional early redemption: The issuer may make early redemption of the Promissory Notes, at any time later than 30 calendar days from the date of issue, in whole or in part, on payment of the nominal unit value plus the remuneration, calculated from the date of issue until the date of effective redemption, in accordance with the legislation, giving Cetip and the holders of the promissory notes five business days' advance notice, without payment of any premium to the holders of the Promissory Notes.

In the event of partial early redemption, this shall be put into effect by drawing of lots, in accordance with Paragraph 4 of Article 7 of CVM Instruction 134, as amended. At the time of subscription and paying-up of the Promissory Note or its acquisition in a secondary market, the owner shall grant express irrevocable consent in advance to early unilateral redemption of the promissory note by the Company, in the terms of CVM Instruction 134.

Place of payment: The payments shall be made in accordance with the procedures of Cetip, for the Promissory Notes registered in CETIP21, or, for the holders of Promissory Notes that are not linked to that system, at the Issuer's head office in accordance with the procedures of the mandated 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 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: The holders of the Promissory Notes may declare all the obligations arising from the Promissory Notes which they hold to be automatically due and payable, and demand immediate payment by the Issuer of the Nominal Unit Value of the Promissory Notes, augmented by the Remuneration and the charges, calculated pro rata temporis, from the Issue Date, by letter delivered with advice of receipt or letter posted with advice of receipt addressed to the head office of the Issuer, in any of the following events:

(i) decree of bankruptcy, or dissolution and/or liquidation of the Issuer and/or the Guarantor, or application for judicial recovery or out-of-court reorganization or bankruptcy formulated by the Issuer and/or by the Guarantor; or, further, any analogous event that characterizes a state of insolvency, including an agreement with creditors, in accordance with the applicable legislation;

(ii) legitimate and reiterated protest proceedings on securities against the Issuer and/or against the Guarantor, the unpaid value of which, individually or in aggregate, is more than R$ 50,000,000.00 (fifty million Reais) 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 and/or by the Guarantor (as applicable), or if cancelled or if validly contested in court, in any event, within a maximum period of 30 (thirty) calendar days from the date of the obligation becoming due;

(iii) early maturity of any pecuniary obligation of the Issuer and/or of the Guarantor arising from default on an obligation to pay any individual or aggregate amount greater than R$ 50,000.000.00 (fifty million Reais) or its equivalent in other currencies;

(iv) 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 75% of the Promissory Notes in Circulation.

(v) absorption of the Issuer and/or of the Guarantor by another company, or split or merger of the Issuer and/or of the Guarantor, unless this takes place by order of a court;

(vi) termination, for any reason, of any of the concession contracts held by the Issuer and /or by the Guarantor such as represents an adverse material impact on the Issuer's and/or the Guarantor's payment capacity; or

(viii) default unjustified by the Issuer and/or by the Guarantor, or absence of legal and/or court measures required for the non-payment of any debt or any obligation to pay, under any agreement to which it/they are a party as borrower or Guarantor, the value of which, individually or in aggregate, is greater than R$ 50,000,000.00 (fifty million Reais) or its equivalent in other currencies.

For the purposes of sub-item (vi) 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, 50% (fifty percent) plus one share of the total of the shares representing the Issuer's voting stock; and/or (ii) 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, 50% (fifty per cent) plus one share of the total of the shares representing the voting capital of the Guarantor. Occurrence of any of the events specified in sub-items (i) and (iii) above shall result in immediate early maturity of the promissory notes, independently of advice or notice, through the Courts or otherwise, and of any consultation with their holders.

In any of the other events indicated above, a General Meeting of holders of the promissory notes must be held, within 48 (forty-eight) hours from the date on which any of the holders of the promissory notes becomes aware of the event, to decide on non-declaration of early maturity of the Promissory Notes, which shall be decided by holders of the promissory notes representing at least 2/3 (two-thirds) of the promissory notes of the issue in circulation.

Cemig undertakes the commitment as guarantor and principal payer of all the obligations arising from this issue, until their final settlement. The guarantee is given by Cemig irrevocably, and shall remain in effect until total compliance, by the Issuer, with all of its obligations set out in the physical Promissory Notes.

b) Signing of the documents necessary for making the above mentioned guarantee effective, in such a way that the guarantee is existing, valid and efficacious for as long any obligation to be assumed by the issuer is not complied with, including: 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 Issuer's 4th Issue; the physical Promissory Notes; and other contracts necessary for carrying out of the present issue, once duly examined by the legal department and provided that they do not cause cost for the transaction.

c) Carrying out of all the acts necessary for putting into effect the decisions here stated.

4 a) **Provision of a guarantee by Cemig for Cemig GT's 4th issue of commercial promissory notes** ("the Promissory Notes", and "the Issuer", respectively) for public distribution, with restricted placement efforts, as per CVM Instruction 476/2009, as amended, CVM Instruction 134/1990, as amended, and other applicable regulations, having a target public exclusively of qualified investors, as defined in Article 109 of CVM Instruction 409/2004, as amended, taken with Article 4 of CVM Instruction 476 ("Qualified Investors"), with the following characteristics:

ISSUER: CEMIG GERAÇÃO E TRANSMISSÃO S.A. – CEMIG GT

Lead Manager: HSBC Corretora de Títulos e Valores Mobiliários S.A.

Managers: Banco BTG Pactual S.A. and Banco do Nordeste do Brasil S.A., and other financial institutions indicated by the Lead Manager by common agreement with the Managers and approved by the Issuer as a result of any process of syndication.

Guarantor: The Promissory notes and all the obligations resulting from them shall have the corporate guarantee of Cemig through its surety stated on the physical promissory notes.

Use of proceeds: Payment of part of the debt corresponding to the first series of the Issuer's second issue of non-convertible debentures, becoming due on January 15, 2012;

Volume of the issue: One billion Reais.

Number of series: Single series.

Nominal unit value: Ten million Reais, on the date of issue.

Quantity of Promissory Notes: One hundred.

Placement procedure and regime: Public distribution, with restricted placement efforts, on an organized over-the-counter market administered and operated by Cetip S.A. – Organized Markets, under the regime of firm guarantee of subscription by the Managers, not given jointly, for the total volume of the issue, to be exercised solely in the event of demand for the Promissory Notes from Qualified Investors not exceeding the limit established for the issue by the date specified in the related placement contract for subscription and paying up of the Promissory Notes. The commitment of firm guarantee is valid for one hundred and eighty calendar days from the date of the proposal, this period being extendable at the exclusive option of the Managers.

Form: The Notes will be issued in nominal and physical form and be held on deposit at the Mandated Bank, a financial institution qualified to provide custody services, and will be transferable by signed endorsement simply transferring ownership. For all legal purposes the ownership of the promissory notes will be proven by the respective physical Note. Additionally, for the promissory notes held in custody electronically in CETIP, the ownership of the promissory notes will be proven by the statement of account position issued by Cetip in the name of the holder.

Date of issue: Date of the actual subscription and paying up of the Promissory Notes, to be decided.

Subscription price: The issue shall be subscribed at the nominal unit value.

Procedure for subscription and paying-up: Subscription of the Promissory Notes shall take place in accordance with the procedures adopted by Cetip through the Distribution Module Securities Distribution System (*SDT – Módulo de Distribuição*). The Promissory Notes shall be paid up at sight simultaneously with subscription, in Brazilian currency, in accordance with the rules for settlement applicable to Cetip.

Period and maturity: They shall have tenor of up to one hundred and eighty calendar days from the date of issue.

Remuneration: The nominal unit value of the Promissory Notes will not undergo monetary updating. The Promissory notes shall carry the right to remuneratory interest as follows:

(i) from the date of issue up to the sixtieth (60th) calendar day from the date of issue, exclusive, 103.00% of the average rate for one-day interbank financing – the *over extra-grupo* DI rate, expressed in the form of percentage per year, on the 250 business days basis, calculated and published daily by Cetip in its daily bulletin on its Internet site (http://www.cetip.com.br) ("the DI Rate");

(ii) from the sixtieth (60th) calendar day, inclusive, from the date of issue up to the one hundred and twentieth (120th) calendar day, exclusive, from the issue date, 104.00% of the DI Rate; and

(ii) from the one hundred and twentieth (120th) calendar day, inclusive, up to the one hundred and eightieth (180th) calendar day, exclusive, from the date of issue, 105.00% of the DI Rate. The Remuneration shall be calculated exponentially and cumulatively “pro rata tempore” by business days elapsed, on the nominal unit value of each Promissory Note from the date of issue to its maturity date, or the date of any early redemption, or of early maturity due to the occurrence of any of the default events as per the criteria defined in the “List of Formulas for Commercial Promissory Notes and Bonds – Cetip 21”, available for consultation on the site referred to above, which shall be included in the physical Promissory Notes.

Payment of the remuneration: Remuneration shall be paid on the 60th, 120th and 180th calendar days from the date of issue.

Amortization of the nominal unit value: Amortization shall be in a single installment, on the maturity date or on the date of early redemption of the Promissory Notes, or on the date of early maturity resulting from the occurrence of one of the default events described on the physical Promissory Notes.

Placement and trading: The Notes shall be registered for distribution in the primary market and for trading in the secondary market, subject to the requirements and procedures specified in CVM Instruction 476, in the *Distribution Module* Securities Distribution System (*SDT – Módulo de Distribuição*), and in Cetip 21 – Securities (Cetip 21 – Títulos e Valores Mobiliários), both administered and operated by Cetip, and financial settlement of the distribution and trading transactions, and electronic custody of the Promissory Notes, shall be carried out by Cetip.

Renegotiation: None.

Optional early redemption: The issuer may make early redemption of the Promissory Notes, at any time later than 30 calendar days from the date of issue, in whole or in part, on payment of the nominal unit value plus the remuneration, calculated from the date of issue until the date of effective redemption, in accordance with the legislation, giving Cetip and the holders of the Promissory Notes five business days’ advance notice, without payment of any premium to the holders of the Promissory Notes. In the event of partial early redemption, this shall be put into effect by drawing of lots, in accordance with Paragraph 4 of Article 7 of CVM Instruction 134, as amended. At the time of subscription and paying-up of the Promissory Note or its acquisition in a secondary market, the owner shall grant express irrevocable consent in advance to early unilateral redemption of the promissory note by the Company, in the terms of CVM Instruction 134.

Place of payment: The payments shall be made in accordance with the procedures of Cetip, for the Promissory Notes registered in CETIP21, or, for the holders of Promissory Notes that are not linked to that system, at the Issuer’s head office in accordance with the procedures of the mandated 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 Issuer, the date of payment 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: The holders of the Promissory Notes may declare all the obligations arising from the Promissory Notes which they hold to be automatically due and payable, and demand immediate payment by the Issuer of the Nominal Unit Value of the Promissory Notes, augmented by the Remuneration and the charges, calculated pro rata temporis, from the Issue Date, by letter delivered with advice of receipt or letter posted with advice of receipt addressed to the head office of the Issuer, in any of the following default events:

(i) decree of bankruptcy, or dissolution and/or liquidation of the Issuer and/or Cemig, or application for judicial recovery or out-of-court reorganization or bankruptcy formulated by the Issuer and/or by Cemig; or, further, any analogous event that characterizes a state of insolvency, including an agreement with creditors, in accordance with the applicable legislation;

(ii) legitimate and reiterated protest proceedings on securities against the Issuer and/or against Cemig, the unpaid value of which, individually or in aggregate, is more than R$ 50,000,000.00 (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 the Issuer and/or by Cemig, as applicable, or if suspended, cancelled or validly contested in court, in any event, within a maximum period of 30 (thirty) calendar days from the date of the obligation becoming due.

(iii) early maturity of any pecuniary obligation of the Issuer and/or of Cemig arising from default on an obligation to pay any individual or aggregate amount greater than R$ 50,000.000.00 (fifty million Reais) or its equivalent in other currencies;

(iv) change, transfer or assignment, direct or indirect, of the stockholding control of the Issuer and/or of Cemig, unless this takes place by order of a court, without the prior consent of holders of Promissory Notes representing at least 75% of the Promissory Notes in circulation.

(v) absorption of the Issuer and/or of Cemig by another company, split or merger of the Issuer and/or of Cemig, unless by order of a Court or by regulatory decision, or if linked to any transfer of the Issuer's stockholding control of Transmissora Aliança de Energia Elétrica S.A. – Taesa to Cemig, or if related to an asset swap transaction (stockholding optimization), or, further, if it does not cause a change in the rating of the Issuer and/or of Cemig existing on the date of the issue;

(vi) privatization of the Issuer and/or of Cemig.

(vii) termination, for any reason, of any of the concession contracts held by the Issuer and/or by Cemig such as represents an adverse material impact on the Issuer's and/or Cemig's payment capacity; or

(viii) default unjustified by the Issuer and/or by Cemig, or absence of legal and/or court measures required for the non-payment of any debt or any obligation to pay, under any agreement to which it/they are a party as borrower or Guarantor, the value of which, individually or in aggregate, is greater than R$ 50,000,000.00 (fifty million Reais) or its equivalent in other currencies.

For the purposes of sub-item (vi) above, privatization is defined as an event in which: Cemig, the present direct controlling stockholder of the Issuer, directly or indirectly ceases to hold the equivalent of, at least, 50% plus one share of the total of the shares representing the Issuer's voting stock, and/or the entity currently controlling Cemig, the State of Minas Gerais, directly or indirectly ceases to hold the equivalent of, at least, 50% plus one of the total of the shares representing the voting capital of Cemig.

Occurrence of any of the events specified in sub-items (i) and (iii) above shall result in immediate early maturity of the promissory notes, independently of advice or notice, whether through the Courts or otherwise, or any consultation with their holders.

In any of the other events indicated above, a General Meeting of holders of the promissory notes must be held, within 48 (forty-eight) hours from the date on which any of the holders of the promissory notes becomes aware of the event, to decide on non-declaration of early maturity of the Promissory Notes, which shall be decided by holders of the promissory notes representing at least 2/3 (two-thirds) of the promissory notes of the issue in circulation.

Cemig undertakes the commitment as guarantor and principal payer of the obligations arising from this issue, until their final settlement. The guarantee is given by Cemig irrevocably, and shall remain in effect until total compliance, by the Issuer, with all of its obligations set out in the physical Promissory Notes.

b) Signing of the documents necessary for making the above mentioned guarantee effective, in such a way that the guarantee is existing, valid and efficacious for as long as any obligation to be assumed by the issuer is not complied with, including:

The Contract for Management, Placement and Public Distribution, with Restricted Placement Efforts, under the regime of Firm Guarantee of Subscription, of Commercial Promissory Notes of the Issuer's 4th Issue; the physical Promissory Notes; and other contracts duly examined by the legal department and provided that they do not cause cost for the transaction.

c) Carrying out of all the acts necessary for putting into effect the decisions here stated.

The following were present:

Board members:	Dorothea Fonseca Furquim Werneck, Saulo Alves Pereira Junior, Djalma Bastos de Morais, Adriano Magalhães Chaves, Antônio Adriano Silva, Fernando Henrique Schüffner Neto, Arcângelo Eustáquio Torres Queiroz, Paulo Márcio de Oliveira Monteiro,	Eduardo Borges de Andrade, Cezar Manoel de Medeiros, Francelino Pereira dos Santos, Franklin Moreira Gonçalves, Guy Maria Villela Paschoal, Paulo Sérgio Machado Ribeiro, João Camilo Penna, Tarcísio Augusto Carneiro, Paulo Roberto Reckziegel Guedes;
Secretary:	Anamaria Pugedo Frade Barros.	