

# CEMIG DISTRIBUIÇÃO S.A.

LISTED COMPANY – CNPJ: 06.981.180/0001-16 – NIRE: 31300020568

## BOARD OF DIRECTORS

### SUMMARY OF MINUTES OF THE 232<sup>ND</sup> MEETING

**Date, time and place:** December 10, 2015, at 9 a.m., at the company's head office,  
Av. Barbacena, 1200 – 17th Floor, 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 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 The Board authorized:**
- A) Issue of the Company's Fourth Issue of Non-convertible Debentures,**  
under CVM Instruction 476/2009, as amended ('CVM Instruction 476' and 'the Issue', respectively), with the following characteristics:

<b>Issuer:</b>	<b>Cemig D;</b>
<b>Managers:</b>	Financial institutions that are part of Securities Distribution System.
<b>Guarantee:</b>	The debentures and all obligations arising therefrom, principal and/or accessory, present and/or future, shall have the irrevocable surety guarantee of Companhia Energética de Minas Gerais – Cemig ('Guarantor') as principal payer jointly responsible with the Issuer for all obligations arising from the Issue, principal and/or accessory, present and/or future, irrevocably, comprising the principal debt and all accessory obligations under the Debentures, including but not limited to arrears interest, contractual penalty payments and any other additions.

Fiduciary Agent:	Planner Trustee Distribuidora de Títulos e Valores Mobiliários Ltda.
Use of Proceeds:	Optional early redemption of the Commercial Promissory Notes of the Issuer's 8th Issue, and payments of other debts or strengthening of the cash position.
Volume of the Issue:	One billion six hundred and fifteen million Reais, on the Issue Date (as defined below).
Nominal Unit Value:	Ten thousand Reais, on the Issue Date.
Number of Debentures and Number of Series:	Up to one hundred sixty one thousand Debentures, to be distributed in up to two series, through the <i>communicating vessels</i> structure. The existence and quantity of Debentures to be allocated to each series of the issue will be decided in accordance with the demand from investors for the Debentures, and the issuance of the Debentures of the Second Series is conditional upon distribution of at least ten thousand Debentures of the Second Series.
Distribution, and placement regime:	Public distribution, with restricted placement efforts, in the terms of CVM Instruction 476, under the regime of firm guarantee of placement of the totality of the Debentures by the Managers, partial distribution thus being unacceptable, with a target public of professional investors as defined by Article 9A of CVM Instruction 539/2013 as amended; and in the event of need for exercise of the firm guarantee this shall be exercised by the Managers individually and not jointly, and in proportion between them, only in relation to the Debentures of the First Series.
Form:	Nominal, book-entry debentures, without issuance of deposits or certificates. For all purposes of law, ownership of the Debentures shall be proven by statement issued by the Bookkeeping Institution, and additionally, in relation to the Debentures held in custody electronically at <i>Cetip S.A. – Mercados Organizados</i> (Cetip) the statement issued by Cetip in the name of each holder of the Debentures shall serve as proof of ownership of the Debentures.
Type:	Unsecured, with additional surety guarantee.
Convertibility:	Not convertible into shares in the Issuer.
Issue Date:	December 15, 2015.
Maturity and Maturity Date:	a) The Debentures of the First Series shall have maturity at three years from the Issue Date, thus maturing on December 15, 2018 ('Maturity Date of the First Series'); and b) The Debentures of the Second Series shall have a period of maturity of five years from the Issue Date, thus maturing on December 15, 2020 ('Maturity Date of the Second Series'), subject, in both cases, to the possibility of Optional Early Redemption (as defined below), an Early Redemption Offer (as defined below), or early Maturity of the Debentures as a result of any Default Event (as defined below).
Updating of the Nominal Unit Value:	a) The Nominal Unit Value of the Debentures of the First Series will not be updated. b) The Nominal Unit Value of the Debentures or the balance of the Nominal Unit Value of the Second Series will be updated by the accumulated variation of the IPCA (Expanded National Consumer Price) index, calculated and published by the IBGE (Brazilian Geography and Statistics Institute), and the amount shall be automatically incorporated into the Nominal Unit Value or into the balance of the Nominal Unit Value of the Debentures of the Second Series, as the case may be ('Monetary Updating of the Second Series').
Remuneration:	a) Remuneratory interest shall accrue to the Nominal Unit Value of the Debentures of the First Series, at a rate corresponding to 100% of the accumulated variation resulting from the average rates for one-day Interbank Deposits – the <i>over extra grupo</i> DI rate – expressed in the form of a percentage per year, on the 252 business days basis, calculated and published daily by Cetip, in its daily bulletin on its website ( <a href="http://www.cetip.com.br">http://www.cetip.com.br</a> ) capitalized by a spread to be decided by a Bookbuilding Procedure, if carried out by the Managers, limited to 4.05% per year, on the 252 business days basis, or if a Bookbuilding procedure is not carried out by the Managers, of 4.05% per year, on the 252 business days basis ('the Remuneration of the First Series'). b) Remuneratory interest corresponding to a given percentage per year, on the 252 business days basis, equivalent to the internal rate of return on IPCA+ 2020 Treasury securities, shall apply to the updated Nominal Unit Value or to the balance of the updated Nominal Unit Value, as applicable, of the Debentures of the Second Series, if issued. This annual percentage per year shall be ascertained in accordance with the

arithmetic mean of the indicative rates published by Brazilian Association of Financial and Capital Market Entities (Anbima) on its website (<http://www.anbima.com.br>) at the close of the first, second and third business days immediately prior to the date of carrying out of the Bookbuilding Procedure, augmented exponentially by a spread limited to 3.50%, or in the event that the Bookbuilding Procedure is not carried out, prior to the date of this present Meeting of the Board of Directors, augmented exponentially by a spread of 3.50% ('the Remuneratory Interest of the Second series' – and when referred to jointly with the Monetary updating of the Second Series, referred to as 'the Remuneration of the Second Series').

The Remuneration of the First Series and/or the Remuneration of the Second Series, as applicable, shall be calculated by the method of compound capitalization, *pro rata temporis* by business days elapsed, from the Date of Paying-Up (as defined below)(or from the immediately prior date of payment of the Remuneration of the First Series and/or of the Remuneration of the Second Series, as applicable) until the day of its actual payment.

Bookbuilding Procedure:	<p>At the option of the Managers and of the Issuer, the Managers may organize a procedure of collection of investment intentions so as to decide, in common agreement with the Issuer:</p> <ol style="list-style-type: none"> <li>the number of series of the Issue;</li> <li>the quantity of Debentures of the First Series and/or of Debentures of the Second Series to be issued; and</li> <li>the final rate of the Remuneration of the First Series and/or of the Remuneratory Interest of the Second Series, as applicable.</li> </ol> <p>If there is a Bookbuilding Procedure, the Issuer shall ratify:</p> <ol style="list-style-type: none"> <li>the number of series of the Issue;</li> <li>the quantity of Debentures of the First Series and/or of Debentures of the Second Series to be issued; and</li> <li>the final rate of the Remuneration of the First Series and/or of the Remuneratory Interest of the Second Series, as the case may be, through amendment to the Private Deed of the Fourth Issue of Unsecured, Non-convertible Debentures with Additional Surety Guarantee, in up to Two Series, for Public Distribution, with Restricted Efforts, of Cemig Distribuição S.A. ('the Issue Deed'), which shall be filed with the Commercial Board (<i>Junta Comercial</i>) of the state of Minas Gerais (<i>Jucemg</i>), and registered at the Notary's Offices for Registry of Title and Documents in the locations of the head offices of the Issuer, the Guarantor and the Fiduciary Agent, without the need for further corporate approval by Issuer or Guarantor.</li> </ol>
Amortization of the Nominal Unit Value:	<ol style="list-style-type: none"> <li>The Nominal Unit Value of the Debentures of the First Series shall be amortized in two consecutive installments, at the end of the second and third years from the Issue Date, the first becoming due on December 15, 2017, in an amount equivalent to 50% of the Nominal Unit Value of the Debentures of the First Series, and the second installment of becoming due on December 15, 2018, in an amount equivalent to the balance of the Nominal Unit Value of the Debentures of the First Series.</li> <li>The Nominal Unit Value of the Debentures of the Second Series shall be amortized in two consecutive installments, at the end of the fourth and fifth years from the Issue Date, the first becoming due on December 15, 2019, in an amount equivalent to 50% of the updated Nominal Unit Value of the Debentures of the Second Series, and the second becoming due on December 15, 2020, in the amount equivalent to the updated balance of the Nominal Unit Value of the Debentures of the Second Series.</li> </ol>
Payment of the Remuneration of the First Series and the Remuneration of the Second Series:	<ol style="list-style-type: none"> <li>The Remuneration of the First Series will be paid annually, from the Issue Date, on the 15th day of December of each year, the first payment becoming due on December 15, 2016, and the last payment becoming due on the date of maturity of the First Series (or on a date of early settlement resulting from early maturity of the Debentures of the First Series due to one of the Default Events; or from Optional Early Redemption; or from the realization of an Early Redemption Offer by the Issuer).</li> <li>The Remuneration of the Second Series will be paid annually, from the Issue Date, on the 15th day of December of each year, the first payment becoming due on December 15, 2016, and the last payment becoming due on the date of maturity of the Second Series (or on a date of early settlement resulting from early maturity of the Debentures of the Second Series due to one of the Default Events; or from Optional Early Redemption; or from the realization of an Early Redemption Offer by the Issuer).</li> </ol>

Registry for distribution and trading:	<p>(a) for distribution in the primary market, through the Assets Distribution Module (MDA – <i>Módulo de Distribuição de Ativos</i>), managed and operated by Cetip, with financial settlement of the distribution through Cetip; and</p> <p>(b) for trading in the secondary market, through <i>Cetip21–Securities</i>, managed and operated by Cetip, with financial settlement of trades and electronic custody of the debentures carried out in Cetip.</p> <p>The Debentures may be traded in the regulated markets for securities only after 90 days from the date of each subscription or acquisition by investors, in accordance with Articles 13 and 15 of CVM Instruction 476, and after it is confirmed that Issuer has complied with the obligations specified in Article 17 of CVM Instruction 476, the Debentures may be traded only by qualified investors, as defined in the specific regulations.</p>
Minimum Rating:	AA-, Brazilian scale, by Fitch Ratings Brasil Ltda.; or AA by Moody’s América Latina Ltda. or Standard & Poor’s Ratings do Brasil Ltda.
Renegotiation:	None.
Optional Total Early Redemption:	<p>The Issuer may, at its exclusive option, effect optional total early redemption of the Debentures, at any moment from the 13th month (inclusive) from the Issue Date, with consequent cancellation of the Debentures redeemed (‘Optional Early Redemption’).</p> <p>The Optional Early Redemption shall take place against payment of the Nominal Unit Value or the balance of the Nominal Unit Value of the Debentures, if applicable, augmented by:</p> <p>a) The Remuneration of the First Series and/or the Remuneration of the Second Series, as applicable, calculated <i>pro rata temporis</i> from the Date of Paying-Up or from the immediately prior date of payment of the Remuneration of the First Series and/or of the Remuneration of the Second Series, as applicable, until the day of its actual payment.</p> <p>b) Arrears charges, if any, and any other amounts payable by Issuer.</p>
Optional Extraordinary Amortization:	<p>Issuer, at its exclusive option, may effect optional extraordinary amortization of the Debentures, limited to 98% of the Nominal Unit Value, at any moment from the 13th month (inclusive) from the Issue Date (‘Extraordinary Amortization’).</p> <p>The Extraordinary Amortization shall take place against payment of a percentage of the Nominal Unit Value or balance of the Nominal Unit Value of the Debentures, limited to 98%, plus:</p> <p>a) The Remuneration of the First Series and/or the Remuneration of the Second Series, as applicable, calculated <i>pro rata temporis</i> from the date of paying-up or from the immediately prior date of payment of the Remuneration of the First Series and/or of the Remuneration of the Second Series, as applicable, until the day of the actual amortization; and</p> <p>b) Arrears charges, if any, and any other amounts that may be payable by the Issuer.</p>
Early Redemption Offer:	<p>Issuer may, at its exclusive option, at any time as from 30 days after the Issue Date, make an offer for early redemption of the Debentures of the First Series and/or the Debentures of Second Series, total or partial, with consequent cancellation of the said Debentures of the First Series and/or Debentures of the Second Series redeemed, depending on what is decided by the Issuer. This offer shall be addressed to all the holders of Debentures of the respective Series, without distinction, and all the Debenture Holders of the respective Series shall have equality of conditions for accepting the early redemption of the Debentures of the First Series and/or of the Second Series that they hold, in accordance with the terms and conditions specified in the Issue Deed (‘the Early Redemption Offer’).</p>
Optional Acquisition:	<p>Issuer may, at its own exclusive option, acquire Debentures in circulation at any time. In any event the optional acquisition of the Debentures by Issuer must obey Paragraph 3 of Article 55 of Law 6404/1976, as amended (‘the Corporate Law’), and the Debentures acquired may be canceled, remain in the Issuer’s treasury, or be once again placed in the market, in accordance with the rules issued by the CVM, and this fact must be contained in Issuer’s Report of Management and Financial Statements. The Debentures acquired by Issuer for holding in Treasury, if and when placed again in the market, shall carry the right to the same Remuneration as the other Debentures in circulation.</p>

Early Maturity:

The following events shall be considered to be default events, and shall cause early maturity of the Debentures, for payment due immediately by the Issuer, of the Nominal Unit Value of the Debentures (or the balance of the Nominal Unit Value, as the case may be), plus the Remuneration of the First Series, or the Remuneration of the Second Series, as the case may be, calculated *pro rata temporis* from the date of paying-up or the immediately prior date of payment of the Remuneration of the First Series or of the Remuneration of the Second Series, as the case may be, up to the date of its actual payment, plus the other charges payable under the terms to be specified in the Issue Deed, without need for advice, notification or interpolation in the courts or otherwise (each being a 'Default Event'):

- (a) liquidation, dissolution or decree of bankruptcy of Issuer and/or Guarantor; application for bankruptcy by Issuer and/or Guarantor; application for bankruptcy of Issuer and/or Guarantor made by a third party and not duly resolved by deposit in court nor contested within the legal period; proposal by Issuer and/or Guarantor to any creditor or class of creditors of a plan for out-of-court recovery, whether or not court ratification of any such plan has been applied for; or application to the Court by Issuer and/or Guarantor for judicial recovery, whether or not granted by the competent judge.
- (b) Non-compliance, within the stated period, by Issuer and/or Guarantor, with any pecuniary obligation related to the Debentures.
- (c) Non-compliance by Issuer and/or Guarantor, as the case may be, with any non-pecuniary obligations related to the Debentures not cured within 30 calendar days from the date on which Issuer and/or Guarantor, as the case may be, become/s aware of the non-compliance (including by means of written notice sent to the Fiduciary Agent to this effect).
- (d) Legitimate protest proceedings on securities against Issuer and/or Guarantor, the value of which individually or in aggregate is more than one hundred 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 to the Fiduciary Agent by Issuer and/or by Guarantor, as applicable, or if suspended or canceled or if guarantees are given in court, in any event within a maximum period of 30 (thirty) calendar days from the date of the obligation becoming due.
- (e) Early maturity of any pecuniary obligation of the Issuer and/or of the Guarantor arising from default on an obligation, whether arising from contract or otherwise, to pay any individual or aggregate amount greater than one hundred million Reais or its equivalent in other currencies.
- (f) Change, transfer or assignment, direct or indirect, of the stockholding control of Issuer and/or Guarantor, unless this takes place by order of a court, or by requirement of Regulations, without the prior consent of holders of Debentures representing at least 75% of the Debentures in circulation.
- (g) Merger, liquidation, dissolution, extinction, split or any other form of stockholding reorganization (including absorption and/or absorption of shares) of the Issuer without the prior consent of Debenture holders meeting in a General Meeting of Debenture Holders, and/or merger, liquidation, dissolution, extinction, split or any other form of stockholding reorganization (including absorption and/or absorption of shares) of Guarantor that results in reduction of its share capital, unless it is by reason of an order of a Court or a regulatory decision, or does not cause a change in the risk rating of the Guarantor from its existing risk rating on the Issue Date.
- (h) Privatization of Issuer and/or Guarantor.
- (i) Termination, for any reason, of any concession contract held by Issuer and/or by Guarantor such as represents an adverse material effect on Issuer's and/or Guarantor's payment capacity.
- (j) If Issuer and/or Guarantor, as the case may be, omits to pay, on its due date, any debt or any other obligation owed by the Issuer and/or the Guarantor, as the case may be, under any agreement or contract to which it is party as lender or borrower, involving individually or jointly an amount of one hundred million Reais or more or its equivalent in other currencies, without taking the legal or court measures required for non-payment.
- (k) Assignment, promise of assignment, or any form of transfer or promise of transfer to third parties, in whole or in part, by the Issuer and/or by the Guarantor, of any of its/their obligations assumed under the Issue Deed, without prior written consent of holders of Debentures representing at least 75% of the Debentures in Circulation.
- (l) Invalidity, nullity or unenforceability of the Debentures, the Surety or the Issue Deed.
- (m) Use, by the Issuer, of the proceeds of the Issue for any purpose not strictly as specified in the Issue Deed.
- (n) In the event that any statement made by Issuer and/or by Guarantor in any of the documents of the Issue is false, misleading, incorrect, incomplete or insufficient.
- (o) Non-compliance with any court judgment against Issuer against which there is no further appeal, or with any definitively confirmed judgment in the administrative sphere, the individual or aggregate amount of which is one hundred million Reais or more or its equivalent in other currencies.

- (p) Transformation of Issuer into another type of company, in accordance with the terms of Articles 220 to 222 of the Corporate Law.
- (q) Challenge of the Debentures in the courts by any third party, in relation to which Issuer and/or Guarantor has not taken the necessary measures to contest the effects of said challenge within thirty calendar days from the date on which Issuer and/or Guarantor became aware, by regular service of process, of such challenge being filed with the Courts.
- (r) Making of any payment of dividends or Interest on Equity by Issuer and/or Guarantor, or any other distribution of profits specified in by-laws, if Issuer and/or Guarantor is in default with any pecuniary obligation owed to Debenture Holders under the Issue Deed, except for the payment specified in Article 202 of the Corporate Law.

For the purposes of item (h) above, privatization is defined as an event in which Guarantor, the present direct controlling stockholder of the Issuer, ceases to directly or indirectly hold the equivalent of, at least, fifty per cent plus one share of the total of the shares representing the Issuer's voting stock; and/or the Government of the State of Minas Gerais, currently controlling stockholder of the Guarantor, ceases to directly or indirectly hold the equivalent of, at least, fifty per cent plus one share of the total voting capital of the Guarantor.

If any of the Default Events specified in Sub-items (a), (b), (e), (f), (i), (k), (l), (o) or (p) above occurs, maturity of the Debentures shall immediately take place automatically, independently of advice or notification, in the courts or otherwise – though the Fiduciary Agent must immediately upon becoming aware of this send written notice to the Issuer informing it of such event and of the early maturity of the Debentures.

If any of the other Default Events occur, within the periods and procedures agreed in the respective sub-items, as applicable, the Fiduciary Agent shall within 48 hours from the date on which it becomes aware of the occurrence of any such events, call a General Meeting of Debenture Holders to decide on non-declaration of early maturity of the Debentures, obeying the convocation procedure to be specified in the Issue Deed and the specific quorum established below. The Fiduciary Agent must immediately send the Issuer a notice in writing informing it of the decisions taken in the said General Meeting. The said General Meeting may also be called by the Issuer, in the form specified in the Issue Deed.

If, in the General Meeting of Debenture Holders, holders of at least 75% of the Debentures in circulation decide that the Fiduciary Agent shall not declare early maturity of the Debentures, the Fiduciary Agent shall not declare early maturity of the Debentures.

Additionally, in the event that the General Meeting of Debenture Holders does not come into session, for lack of quorum, including at second convocation, the Fiduciary Agent shall declare immediate early maturity of all the obligations arising from the Debentures, and shall immediately send the Issuer a communication in writing informing it of such event.

In any event of early maturity of the Debentures, the Issuer undertakes to make the payments and pay the charges specified in the Issue Deed, within three Business Days from receipt, by the Issuer, of the related written communication sent by the Fiduciary Agent.

Form, payment and price of subscription:	The Debentures shall be subscribed in accordance with the procedures of the MDA and shall be paid-up at sight, in Brazilian currency, simultaneous with subscription ('the Paying-Up Date'), at the Nominal Unit Value, in accordance with the settlement rules, and procedures, applicable to Cetip.
Payment conditions:	The payments shall be made by the Issuer on the related due dates, using, as the case may be: <ul style="list-style-type: none"> <li>(a) the procedures adopted by Cetip, for the Debentures registered in Cetip; and/or</li> <li>(b) the procedures of the Bookkeeping Bank, for the Debentures that are not linked to Cetip.</li> </ul>
Extension of periods:	If the Maturity Date of the First Series and/or the Maturity Date of the Second Series coincides with a day that is not a business or banking business day at the location of payment, the date of payment of any obligation shall be deemed postponed to the next business day, without any addition to the amount to be paid, except in cases where payments are 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 declared national public holiday.
Arrears charges:	If Issuer omits to make any payments payable to the Debenture holders in the stipulated periods, the amounts shall be subject to: <ul style="list-style-type: none"> <li>(a) a contractual penalty payment, irreducible and of a non-compensatory nature, of 2% on the amount due and unpaid; and</li> <li>(b) arrears interest at the rate of one per cent per month, calculated daily from the date of default up to the date of actual payment, on the amount due and unpaid.</li> </ul>

**The Board authorized:**

Signature of the documents indispensable to the Issue, including but not limited to:

- the Contract for Management, Placement and Public Distribution, with Restricted Efforts, under the regime of Firm Guarantee, of Unsecured Non-convertible Debentures with Additional Surety Guarantee, in Up to Two Series, of the Fourth Issue by Cemig D, to be signed by Issuer, Guarantor, and the Managers; and
- the Issue Deed, and respective subsequent amendments; and

Execution by the Executive Board of all acts necessary to put the above decisions into effect.

- the Fourth Debenture Issue to take place only after consent has been obtained from the BNDES, the Minas Gerais Coordination Chamber for State-controlled Companies.

**B) Opening of Administrative Proceedings for Exemption from Tender, and contracting of:**

Banco Bradesco BBI S.A. (Lead Manager),  
Caixa Econômica Federal (CEF),  
BB-Banco de Investimento S.A.,  
Itaú Unibanco S.A.,  
HSBC Bank Brasil S.A.-Banco Múltiplo

and such other financial institutions as are indicated by the Lead Manager and approved by the Company as a result of the process of syndication, to be remunerated by fees, as Managers of the Fourth Issue of unsecured non-convertible Debentures in up to two series, for public distribution, in accordance with CVM Instruction 476/2009, and other applicable regulations, in the amount of one billion six hundred and fifteen million Reais, under the regime of firm guarantee of placement.

**IV Comment:** The Chair spoke on a subject of interest to the Company.

**The following were present:**

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Board members:	José Afonso Bicalho Beltrão da Silva, Mauro Borges Lemos, Allan Kardec de Melo Ferreira, Arcângelo Eustáquio Torres Queiroz, Guy Maria Villela Paschoal, Hélcio Miranda Magalhães Junior, José Henrique Maia, José Pais Rangel, Marco Antônio de Rezende Teixeira, Nelson José Hubner Moreira, Paulo Roberto Reckziegel Guedes, Saulo Alves Pereira Junior,	Bruno Magalhães Menicucci, Ricardo Wagner Righi de Toledo, Tarcísio Augusto Carneiro, Antônio Dirceu Araujo Xavier, Bruno Westin Prado Soares Leal, Carlos Fernando da Silveira Vianna, Flávio Miarelli Piedade, José Augusto Gomes Campos, Luiz Guilherme Piva, Marina Rosenthal Rocha, Newton Brandão Ferraz Ramos, Samy Kopit Moscovitch, Wieland Silberschneider;
Secretary:	Anamaria Pugedo Frade Barros.	

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(Signed by:) Anamaria Pugedo Frade Barros.