



LIGHT S.A.
CORPORATE TAXPAYERS' ID (CNPJ/MF): 03.378.521/0001-75
COMPANY REGISTRY (NIRE): 3.330.026.316-1
PUBLICLY-HELD COMPANY

EXCERPT OF THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF LIGHT S.A. ("COMPANY"), HELD ON MAY 23, 2016, DRAWN UP IN SUMMARY FORM, PURSUANT TO PARAGRAPH 1 OF ARTICLE 130 OF LAW NO. 6.404, OF DECEMBER 15, 1976, AS AMENDED ("BRAZILIAN CORPORATE LAW").

1. Date, time, and place: May 23, 2016, at 10:30 a.m., by conference call.

2. Attendance: Sitting Board members Marcelo Pedreira de Oliveira (Chairman), Sérgio Gomes Malta, Mauro Borges Lemos, Marco Antônio de Rezende Teixeira, Ricardo Reisen de Pinho; and acting alternate members Samy Kopit Moscovitch, Daniel Batista da Silva Júnior, and Eduardo Maculan Vicentini. The alternate members Eduardo Henrique Campolina Franco, and Rogério Sobreira Bezerra, as well as Cláudio Bernardo Guimarães de Moraes (Chief Financial Officer) and Paula Regina Novello Cury (Counsel) also attended the meeting but did not vote. Paula Regina Novello Cury was invited to act as secretary.

3. Agenda – Unanimous Resolutions:

3.1. The Board of Directors, as recommended by the Finance Committee, approved and instructed the board members appointed by the Company to cast an affirmative vote in the Meeting of the Board of Directors of Light Serviços de Eletricidade S.A. ("Light SESA" or "Issuer") that deliberates on the eleventh (11th) issuance of unsecured debentures of Light SESA, non-convertible into shares, with an additional guarantee, in one series consisting of seventeen thousand five hundred (17,500) Debentures, in the total amount of one hundred seventy-five million *Reais* (R\$175,000,000.00), under the public offering with restricted placement efforts, pursuant to Instruction No. 476, of January 16, 2009, as amended ("CVM," "CVM Instruction 476"), under a firm commitment underwriting regime ("Debentures", "Issuance" and "Offering", respectively). Below is a description of the Debentures and their conditions:

- (i) Number of the Issuance:** eleventh (11th) issuance of debentures of Light SESA;
- (ii) Total Amount of the Issuance:** the Issuance will total one hundred seventy-five million *Reais* (R\$175,000,000.00) ("Total Amount of the Issuance"), on the Date of Issuance, as defined below;
- (iii) Date of Issuance:** for all legal purposes, the date of the issuance of the Debentures will be June 13, 2016 ("Date of Issuance");

- (iv) **Number of Debentures:** seventeen thousand five hundred (17,500) Debentures;
- (v) **Number of Series:** the Issuance will be made in one single series;
- (vi) **Nominal Unit Value:** the nominal unit value of the Debentures will be ten thousand *Reais* (R\$10,000.00), on the Date of Issuance ("Nominal Unit Value");
- (vii) **Form and Proof of Ownership:** the Debentures will be issued in registered form, without issuance of any certificates or provisory certificates. For all purposes of the law, the ownership of the Debentures will be confirmed by a statement issued by the bookkeeping institution of the Debentures. Additionally, the ownership of the Debentures electronically held in custody at CETIP S.A. – Mercados Organizados ("CETIP") will be confirmed by a statement issued by CETIP on behalf of the debenture holders;
- (viii) **Convertibility:** the Debentures will be simple debentures, i.e., they are not convertible into shares issued by Light SESA;
- (ix) **Type:** the Debentures will be unsecured debentures, pursuant to Article 58, head provision, of the Brazilian Corporate Law, with an additional personal guarantee, pursuant to Item "xi" below (Guarantee);
- (x) **Term and Maturity:** the Debentures will mature within twenty-four (24) months from the Date of Issuance, i.e., June 13, 2018;
- (xi) **Guarantee:** in order to ensure the true, timely, and full performance of the principal and ancillary obligations to be assumed under the indenture of the Debentures by Light SESA ("Indenture"), the Company will act as guarantor on behalf of the debenture holders, represented by the trustee of the Issuance ("Trustee"). The Company, as well as its successors at any title, agrees to act as guarantor and principal payor, jointly and severally liable with Light SESA, for all amounts payable in accordance with the Indenture, until the full redemption of the Debentures, according to the terms and conditions set forth in the Indenture, pursuant to Article 397 of the Brazilian Civil Code. The Company, as Guarantor, expressly waives any and all benefit of discussion, as well as any exemption rights and powers, including those set forth in Articles 333, sole paragraph, 366, 821, 827, 830, 834, 835, 836, 837, 838, and 839 of Law No. 10.406, of January 10, 2002, as amended (Brazilian Civil Code), and Articles 130 and 794 of Law No. 13.105, of March 16, 2015, as amended (New Brazilian Code of Civil Procedure) ("Guarantee");
- (xii) **Yield of the Debentures:** the Debentures yield interest corresponding to one hundred percent (100%) of the accrued variation of the daily average rate of one-day Interfinancial Deposits – DI, "over extra-group" ("DI Rate"), expressed as a percentage per annum, on a two hundred fifty-two (252) Business Days basis, as calculated and disclosed by CETIP, in the daily newsletter available at its website (<http://www.cetip.com.br>), plus spread of four point zero five percent (4.05%), on a two hundred fifty-two (252) business days basis ("Yield"). The Yield of the Debentures will be calculated on an exponential and cumulative *pro rata temporis* basis, for the number of Business Days passed, on the Nominal Unit Value of the Debentures (or on the balance of the Nominal Unit Value of the Debentures, as

applicable) from the Date of the First Payment or the immediately previous date of payment of the Yield of the Debentures, as applicable, to the relevant date of payment. The Yield of the Debentures will be paid on a quarterly basis; the first payment will be made on September 13, 2016 and the last payment will be made on the Maturity Date;

- (xiii) **Subscription Term:** the Debentures may be subscribed at any time, as of the beginning of their distribution, according to the distribution terms set forth in the placement agreement to be entered into with the financial institution(s) that will be engaged by Light SESA to intermediate and coordinate the Offering ("Placement Agreement");
- (xiv) **Payment Form and Price:** the Debentures will be paid on demand, in Brazilian currency, upon subscription, in accordance with the CETIP's applicable procedures. The subscription price and payment of the Debentures will occur according to: (i) their Nominal Unit Value on the date of the first subscription and payment of the Debentures ("Date of the First Payment"); and (ii) their Nominal Unit Value, plus Yield, calculated on a *pro rata temporis* basis from the Date of the First Payment of the Debentures to the relevant Date of Payment;
- (xv) **Scheduled Renegotiation:** none;
- (xvi) **Scheduled Amortization of the Debentures:** the Nominal Unit Value of the Debentures will be amortized in quarterly installments, as of the Date of Issuance; the first installment under the amortization of the Nominal Unit Value will be paid on September 13, 2016, as set forth in the table below:

| Installment | Amortization Dates of the Nominal Unit Value of the Debentures | Percentage of the Nominal Unit Value to be Amortized |
|-----------------|--|--|
| 1 st | September 13, 2016 | 12.5000% |
| 2 nd | December 13, 2016 | 12.5000% |
| 3 rd | March 13, 2017 | 12.5000% |
| 4 th | June 13, 2017 | 12.5000% |
| 5 th | September 13, 2017 | 12.5000% |
| 6 th | December 13, 2017 | 12.5000% |
| 7 th | March 13, 2018 | 12.5000% |

| Installment | Amortization Dates of the Nominal Unit Value of the Debentures | Percentage of the Nominal Unit Value to be Amortized |
|-----------------|--|--|
| 8 th | June 13, 2018 | Balance of the Nominal Unit Value |

- (xvii) **Optional Acquisition:** Light SESA may, at any time, purchase Debentures in the market, in accordance with the procedures set forth by the CVM, subject to Article 13 of CVM Instruction 476/09, pursuant to Article 55, paragraph 3, of Law No. 6.404/76, (i) for an amount equal to or lower than the Nominal Unit Value, provided that such purchase is included in the management's report and financials statements of Light SESA; or (ii) for an amount higher than the Nominal Unit Value, subject to the rules issued by the CVM;
- (xviii) **Optional Early Redemption and Extraordinary Amortization:** The optional early redemption, in full or in part, as well as the optional early amortization of the Debentures will not be permitted.
- (xix) **Early Redemption Offering:** Light SESA may conduct, at any time, an optional offering for the early redemption of all Debentures, and the consequent cancelation of such Debentures, addressed to all Debenture Holders, without distinction, assuring equal conditions to all Debenture Holders for acceptance of the early redemption of the Debentures held by them ("Early Redemption Offering"). Although the Early Redemption Offering must always include all Debentures, the partial early redemption is admitted in the event any Debenture Holders do not agree with the Early Redemption Offering. The amount to be paid regarding the Debentures indicated by their respective holders who participate in the Early Redemption Offering will be equal to the Nominal Unit Value plus (a) Yield, calculated on a *pro rata temporis* basis from the Date of the First Payment, or the immediately previous date of payment of Yield, to the date of effective payment; and (b) as applicable, an early redemption premium to be offered to Debenture Holders, at the exclusive discretion of Light SESA, which premium may not be negative. The other terms and conditions of the Early Redemption Offering will be set forth in the Indenture;
- (xx) **Place of Payment:** payments in connection with the Debentures will be made (i) using the procedures adopted by CETIP, for Debentures electronically held in custody at CETIP; or (ii) in the event the Debentures are not electronically held in custody at CETIP, (a) at the headquarters of Light SESA; or (b) as applicable, according to the procedures adopted by the bank engaged to provide bookkeeping services;
- (xxi) **Late Payment Charges:** without prejudice to the Yield, in the event of late payment by Light SESA of any pecuniary obligations regarding the Debentures,

interest for late payment of one percent (1%) per month will be added to overdue and unpaid amounts, calculated on a *pro rata temporis* basis, from the date payment was due to the date of effective payment, as well as a non-compensatory fine of two percent (2%) on the amount due, irrespective of notice or court or out-of-court notification, in addition to expenses incurred with collection ("Late Payment Charges");

- (xxii) **Automatic Early Maturity:** the Trustee will automatically declare, irrespective of notice or court or out-of-court notification to Light SESA, within two (2) business days as of the acknowledgment of the events listed below, the early maturity and immediate enforcement of all obligations of Light SESA regarding the Debentures, subject to the specific cure terms set forth in the items below, and require that Light SESA pays within five (5) business days the Nominal Unit Value (or the balance of the Nominal Unit Value, as applicable), plus the Yield due by the date of effective payment, calculated on a *pro rata temporis* basis; Late Payment Charges, if any; and any other amounts due by Light SESA under the Indenture, in case of acknowledgment of any of the following events: [PTGN: we can only declare the maturity of the issuance upon our acknowledgement.]
- i) default by Light SESA and/or the Company of any pecuniary obligation set forth in the Indenture, on the relevant date of payment;
 - ii) (a) liquidation, dissolution or termination of Light SESA, the Company, and/or any of their respective subsidiaries or affiliates, except in case the liquidation, dissolution and/or termination results from a corporate transaction that is not an event of early maturity, in accordance with Items (xvii) and (xviii) of Section 7.2.1 of the Indenture; (b) adjudication of bankruptcy of Light SESA, the Company and/or any of their respective subsidiaries or affiliates; (c) voluntary bankruptcy petition filed by Light SESA, the Company and/or any of their respective subsidiaries or affiliates; (d) bankruptcy petition of Light SESA, the Company and/or any of their respective subsidiaries or affiliates filed by third parties, undefeated within the legal term through a deposit and/or answer; or (e) court-supervised or out-of-court reorganization petition of Light SESA, the Company and/or any of their respective subsidiaries or affiliates, irrespective of the granting of the relevant petition;
 - iii) change in the corporate entity of Light SESA, pursuant to Articles 220 to 222 of Law No. 6.404/76;
 - iv) change in the corporate purpose of Light SESA and/or the Company, according to which (a) Light SESA ceases to distribute and sell electricity; or (b) the Company's core business ceases to be the holding of equity interest in companies that operate in the segments of generation, distribution and/or commercialization of electricity;

- v) termination, for any reason, of the concession granted to Light SESA to explore activities regarding the distribution of electricity;
- vi) government intervention in the concession granted to Light SESA to explore activities regarding the distribution of electricity as a result of facts concerning its economic capacity;
- vii) court decision rendering the Indenture invalid, null or unenforceable;
- viii) early settlement of the Bank Credit Note ("CCB") to be issued by the Issuer on behalf of Caixa Econômica Federal, in the amount of one hundred million *Reais* (R\$100,000,000.00), whose funds will be used to pay a portion of the promissory notes of the 3rd public issuance with restricted efforts of the Issuer, and/or early maturity of the CCB, without the express prior consent of all Debenture Holders.

- (xxiii) Early Maturity upon a Meeting of Debenture Holders:** the Trustee will call a meeting of debenture holders, to be held within the minimum term set forth by law, and inform Light SESA, within two (2) business days after the acknowledgment of the events listed below, to pass a resolution on (i) any failure to declare the early maturity of all obligations of Light SESA concerning the Debentures; or (ii) any other required measures; upon acknowledgment of the following events:
- i) payment of dividends, interest on shareholders' equity or any other profit sharing set forth in the bylaws of Light SESA that were not declared by the date of execution of the Indenture, except for the payment of the minimum mandatory dividend set forth in Article 202 of Law No. 6.404/76, in case Light SESA defaults on the payment of any pecuniary obligation regarding the Debentures;
 - ii) default by Light SESA, the Company or any of their respective subsidiaries or affiliates on the payment of debts or pecuniary obligations in an individual or aggregate amount equal to or above fifty million *Reais* (R\$50,000,000.00), or the equivalent amount in other currencies, that are not paid within one (1) Business Day from the date of the relevant default;
 - iii) acceleration of any debt of Light SESA, the Company or any of their respective subsidiaries or affiliates, in an individual or aggregate amount equal to or above fifty million *Reais* (R\$50,000,000.00), or the equivalent amount in other currencies;
 - iv) protest of instruments against Light SESA, the Company or any of their respective subsidiaries or affiliates (even if acting as guarantor), in an individual or aggregate amount equal to or above fifty million *Reais* (R\$50,000,000.00), or the equivalent amount in other currencies, unless the Trustee receives a valid confirmation, within ten (10) Business Days from the date of the relevant protest, that (a) such protest was cancelled or suspended by court order; (b) bonds posted were accepted by the competent court; or (c) Light SESA, the Company and/or any

of their respective subsidiaries or affiliates validly confirms to the competent court that the protest was made in error or bad faith of third parties;

v) change or transfer of direct or indirect control of Light SESA or the Company, pursuant to Article 116 of Law No. 6.404/76, except in case (a) Debenture Holders representing at least seventy-five percent (75%) of outstanding Debentures grant their previous approval in a Meeting of Debenture Holders; (b) after the relevant change or transfer of control is announced or completed, the rating agency does not downgrade the rating attributed to Light SESA on the Date of Issuance; and (c) Companhia Energética de Minas Gerais – CEMIG neither exits the controlling block of the Company nor ceases to be an indirect controlling shareholder of Light SESA;

vi) non-compliance by Light SESA or the Company with any court decision and/or any arbitration award that is not subject to an appeal resulting in a payment obligation by Light SESA or the Company involving an individual or aggregate amount above fifty million *Reais* (R\$50,000,000.00), or the equivalent amount in other currencies;

vii) act by any government authority in order to sequesterate, expropriate, nationalize, or otherwise mandatorily acquire all or a substantial portion of the assets of Light SESA or the Company;

viii) confirmation that any representations provided by Light SESA or the Company in the Indenture are inconsistent or incorrect regarding any material aspect or false;

ix) failure by Light SESA to maintain insurance coverage for its material operating assets, according to current best practices in the relevant markets, that is not cured within ten (10) calendar days from the date of the relevant default;

x) conduction by Light SESA, the Company or any of their subsidiaries of transactions outside their corporate purposes or in disagreement with their bylaws or articles of association, subject to the rules set forth in the bylaws, applicable law and regulations;

xi) non-compliance by Light SESA with any non-pecuniary obligation set forth in the Indenture, that is not cured within ten (10) days from the receipt of the written notice about such non-compliance by Light SESA, sent directly by the Trustee;

xii) performance by Light SESA or the Company of any acts in disagreement with the Indenture or any other document related to the Issuance, especially those that may, directly or indirectly, compromise the timely and full compliance by Light SESA with any of its obligations set forth in such documents;

xiii) non-compliance by the Company for two (2) consecutive quarters or four (4) every other quarter with any of the financial ratios below, to be assessed by the

Company and monitored by the Trustee, based on the consolidated financial statements of the Company for each quarter of the calendar year, as of, including, the financial information as of and for June 30, 2016: (a) Net Debt/EBITDA ratio, which has to be equal to or below four point twenty-five hundredths (4.25) on June 30, 2016; (b) Net Debt/EBITDA ratio, which has to be equal to or below four (4) on September 30, 2016; (c) Net Debt/EBITDA ratio, which has to be equal to or below three point seventy-five hundredths (3.75) in the other quarters until the Maturity Date; and (d) EBITDA/Adjusted and Consolidated Gross Interest Expenses, which has to be equal to or above two (2.00) in all quarters in which such ratio is assessed until the Maturity Date (the financial ratios described in items (a) to (d), together, the “Financial Ratios”);

xiv) transfer by Light SESA or the Company of any obligation regarding the Debentures, unless previously authorized by Debenture Holders representing at least seventy-five percent (75%) of Outstanding Debentures;

xv) establishment of any liens on material assets of Light SESA or the Company (except to provide guarantees in judicial or administrative proceedings, ensure compliance with electricity purchase agreements executed by Light SESA, and provide guarantees in financing agreements entered into with Banco Nacional de Desenvolvimento Econômico – BNDES), which material assets are those whose individual or aggregate amount is equal to or above twenty million *Reais* (R\$20,000,000.00), or the equivalent amount in other currencies, unless previously authorized by Debenture Holders representing at least seventy-five percent (75%) of Outstanding Debentures;

xvi) decrease in the capital stock of Light SESA that is not conducted to absorb accumulated losses, unless previously authorized by Debenture Holders representing at least seventy-five percent (75%) of Outstanding Debentures;

xvii) sale by Light SESA of permanent assets representing, within a period of twelve (12) months, an individual or aggregate amount equal to or above fifty million *Reais* (R\$50,000,000.00), or the equivalent amount in other currencies, unless previously authorized by Debenture Holders representing at least seventy-five percent (75%) of Outstanding Debentures;

xviii) spin-off, consolidation, merger or merger of shares involving Light SESA, the Company or any of their respective subsidiaries, unless: (a) the transaction is previously approved by Debenture Holders representing at least seventy-five percent (75%) of Outstanding Debentures; or (b) in the event Debenture Holders that so wish are assured, for a minimum period of six (6) months from the date of publication of the minutes of the corporate acts regarding the transaction, the

redemption of the Debentures held by them upon payment of the outstanding balance of the Nominal Value, plus Yield, calculated on a *pro rata temporis* basis from the Date of the First Payment or the previous Date of Payment of Yield, as applicable, to the date of effective payment; and

xix) use of the proceeds from the Issuance for purposes other than those set forth in Item “xxiv” below.

(xxiv) Use of Proceeds: The proceeds obtained by Light SESA from the Issuance will be used to pay a portion of the principal amount of the 3rd issuance of promissory notes of Light SESA. Interest concerning the 3rd issuance of promissory notes of Light SESA will be paid with Light SESA’s own funds.

3.2. In order to ensure the true, timely, and full performance of the principal and ancillary obligations assumed under the Indenture by Light SESA, [the Board of Directors] will pass a resolution and authorize the Company to act as guarantor on behalf of the debenture holders, represented by the Trustee. The Company, as well as its successors at any title, agrees to act as guarantor and principal payor, jointly and severally liable with Light SESA, for all amounts payable in accordance with the Indenture, until the redemption of the Debentures, according to the terms and conditions set forth in the Indenture, pursuant to Article 397 of the Brazilian Civil Code. The Company expressly waives any and all benefit of discussion, as well as any exemption rights and powers, including those set forth in Articles 333, sole paragraph, 366, 821, 827, 830, 834, 835, 836, 837, 838, and 839 of Law No. 10.406, of January 10, 2002, as amended (Brazilian Civil Code), and Articles 130 and 794 of Law No. 13.105, of March 16, 2015, as amended (New Brazilian Code of Civil Procedure) (“Guarantee”).

3.3. The Board of Directors authorized the Board of Executive Officers of the Company, subject to legal provisions, to pass a resolution on and practice any and all acts required to give effect to the Guarantee, including, without limitation, the execution of the indenture of the Debentures and any other instruments related to the Guarantee provided in guarantee of the debenture holders. The Board of Directors instructed the board members appointed by the Company in the Board of Directors of Light SESA to authorize the Board of Executive Officers of SESA, subject to legal provisions, to pass a resolution on and practice any and all acts required to give effect to the Issuance and the Offering, including, but not limited to (i) the establishment of the Date of Issuance; (ii) the execution of the indenture and any other instruments related to the Debentures; and (iii) the engagement, as required, of providers of services inherent to the Debentures, including, but not limited to, the financial institution(s) that will intermediate and coordinate the Offering (“Coordinators”), legal counsel, the Trustee, the bookkeeping institution, the Settlement Bank, and the relevant CETIP system.

This is an excerpt of the minutes of the Meeting of the Board of Directors of Light S.A., held on the date hereof, drawn up in the Minutes Book

Paula Regina Novello Cury
Secretary