

Management's Proposal – Light S.A.

**LIGHT S.A.**

**MANAGEMENT'S PROPOSAL**

**EXTRAORDINARY SHAREHOLDERS' MEETING HELD ON AUGUST 24,  
2017**

Dear All,

The Management of Light S.A. ("Company") hereby submits to the appreciation of its shareholders the Management's Proposal regarding the item to be discussed and voted at the Extraordinary Shareholders' Meeting to be held on August 24, 2017, at 3 p.m., at the Company's headquarters at Av. Marechal Floriano, 168, Parte, 2º andar, Corredor A, Centro, Rio de Janeiro-RJ, included in the agenda, as follows ("Proposal"):

**I – Replacement of members of the Board of Directors to be elected for the remainder terms of the relevant offices, ending on the 2018 Annual Shareholders' Meeting.**

All information and documents referred to in this Proposal and set forth in Article 10 of CVM Instruction No. 481/09 are available to shareholders at the Company's headquarters and website ([ri.light.com.br](http://ri.light.com.br)) and at the website of the Brazilian Securities Commission (*Comissão de Valores Mobiliários – CVM*) ([www.cvm.gov.br](http://www.cvm.gov.br)).

Rio de Janeiro, July 25, 2017.

Management

**Item included in the Agenda of the Extraordinary Shareholder's Meeting**

**I – Replacement of members of the Board of Directors to be elected for the remainder terms of the relevant offices, ending on the 2018 Annual Shareholders' Meeting.**

As a result of the resignation of Ana Marta Horta Veloso as sitting member of the Board of Directors on June 23, 2017, according to the letter sent to the Company, the Management of Light S.A. proposes the election of Luís Fernando Paroli Santos as sitting member of the Board of Directors for the remainder term of office, i.e., until the Shareholders' Meeting that discusses and votes the financial statements for the fiscal year ended December 31, 2017.

Since Luís Fernando Paroli Santos, alternate member of the Board of Directors, is being appointed as sitting member of the Board of Directors of the Company, the Management proposes the election of Murilo de Campos Valadares as alternate member of the Board of Directors for the remainder term of office, i.e., until the Shareholders' Meeting that discusses and votes the financial statements for the fiscal year ended December 31, 2017.

As a result of the resignation of Luiz Carlos da Silva Cantídio Júnior on July 14, 2017, according to the letter sent to the Company, the Management proposes the election of André Juaçaba de Almeida, as sitting member of the Board of Directors of the Company for the remainder term of office, i.e., until the Shareholders' Meeting that discusses and votes the financial statements for the fiscal year ended December 31, 2017.

As a result of the resignation of Ricardo Abrahao Fajnzylber, alternate member of the Board of Directors, on June 23, 2017, according to the letter sent to the Company, the Management proposes the election of Yuri Fonseca Choucair Ramos as alternate member of the Board of Directors for the remainder term of office, i.e., until the Shareholders' Meeting that discusses and votes the financial statements for the fiscal year ended December 31, 2017.

Accordingly, the Board of Directors of the Company will consist of the following members, whose terms of office end on the date of the 2018 Annual Shareholders' Meeting:

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<b>Board of Directors of Light S.A.</b>	
<b>Sitting Members</b>	<b>Alternates</b>
Nelson José Hubner Moreira	Patrícia Gracindo Marques de Assis Bentes
Mauro Borges Lemos	Aline Bracks Ferreira
Marcello Lignani Siqueira	Andréa Belo Lisboa Dias
Marco Antônio de Rezende Teixeira	Rogério Sobreira Bezerra
Sergio Gomes Malta	<b>Murilo de Campos Valadares</b>
<b>Luís Fernando Paroli Santos</b>	Leonardo Tadeu Dallariva Rocha
Edson Rogério da Costa	Julio Cezar Alves de Oliveira
<b>André Juaçaba de Almeida</b>	<b>Yuri Fonseca Choucair Ramos</b>
Ricardo Reisen de Pinho	Marcio Guedes Pereira Junior
Silvio Artur Meira Starling	Pedro Cláudio Coutinho Leitão
Carlos Alberto da Cruz	Magno dos Santos Filho

*The names of the members appointed in this Extraordinary Shareholders' Meeting are highlighted in bold.*

**Annex I** hereto sets forth the information regarding items 12.5 to 12.10 of the Reference Form (*Formulário de Referência*), pursuant to Annex 24 of CVM Instruction No. 480/09, according to the instructions of Circular Letter CVM/SEP/Nº01/2017, regarding the individuals appointed as sitting members of the Board of Directors of the Company and alternates.

### **ORIGIN AND RATIONALE OF THE PROPOSAL**

The purpose of the election hereby proposed, as instructed by the controlling shareholders, is to fill in the vacancies of the Board of Directors of the Company and replace the alternate, for the remainder terms of the relevant offices, i.e., until the Annual Shareholders' Meeting that discusses and votes the financial statements for the fiscal year ended December 31, 2017.

### **LEGAL AND ECONOMIC EFFECTS OF THE PROPOSAL**

As a result of the foregoing, the only purpose of the proposed elections is to change the composition of the Board of Directors of the Company.

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With regards to economic effects, the budget will not change, as the offices to be filled in already exist and were included in the proposal of Management's compensation submitted to the approval of the Annual Shareholders' Meeting held on April 28, 2017.

Accordingly, shareholders' rights are not affected by any change and/or restriction, as the proposed election specifically provide for the change of members of the Board of Directors of the Company.

**ANNEX I – Information regarding items 12.5 TO 12.10 of the Reference Form (*Formulário de Referência*), PURSUANT TO ANNEX A OF CVM INSTRUCTION NO. 480/09:**

**12.5. Provide a table including the following information for each member of the board of directors, board of executive officers, and fiscal council:**

- a. name**
- b. birth date**
- c. profession**
- d. Individual's Taxpayers Registry (CPF) or passport number**
- e. elected position**
- f. election date**
- g. date of investiture**
- h. term of office**
- i. other positions or functions held at the issuer**
- j. if the member was elected by the controlling shareholder**
- k. if the member is an independent member and, if so, which criterion was used by the issuer to assess the independence of members**
- l. number of consecutive terms of office**

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<b>Members of the Board of Directors:</b>											
<b>a. name</b>	<b>b. birth date</b>	<b>a. profession</b>	<b>d. Individual's Taxpayers Registry (CPF)</b>	<b>e. elected position</b>	<b>f. election date</b>	<b>g. date of investiture</b>	<b>h. term of office</b>	<b>i. other offices held at the Company</b>	<b>j. appointment by controlling shareholder</b>	<b>k. independent member</b>	<b>l. number of consecutive positions held</b>
Luís Fernando Paroli Santos	November 26, 1971	Systems analyst	903.562.416-53	Sitting Member	August 24, 2017	August 24, 2017	2018 Annual Shareholders' Meeting	CEO	Yes	No	None
Murilo de Campos Valadares	March 14, 1951	Civil engineer	216.984.226-87	Alternate	August 24, 2017	August 24, 2017	2018 Annual Shareholders' Meeting	None	Yes	No	None
André Juaçaba de Almeida	September 27, 1974	Bank clerk	043.029.217-14	Sitting Member	August 24, 2017	August 24, 2017	2018 Annual Shareholders' Meeting	None	Yes	No	None
Yuri Fonseca de Choucair Ramos	August 18, 1972	Economist	704.008.146-68	Alternate	August 24, 2017	August 24, 2017	2018 Annual Shareholders' Meeting	None	Yes	No	None

### **m. information on:**

#### **i. main professional background in the past 5 years, including:**

- **name and business segment of the company**
- **position held**
- **if the company (i) is part of the economic group of the issuer or (ii) is controlled by a shareholder of the issuer holding direct or indirect equity interest of 5% or more in securities issued by the issuer of the same class or type**

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### **Sitting Members:**

#### **Luís Fernando Paroli Santos**

Mr. Luís Fernando Paroli is a systems analyst and holds an MBA in Logistics and Supply from UEMG. He currently is the Chief Executive Officer of Light S.A., Light Serviços de Eletricidade S.A., Light Energia S.A., Lightcom – Comercializadora de Energia S.A., Lajes Energia S.A., Light Soluções Ltda., Itaocara Energia Ltda., and Instituto Light. Until June 2017, he worked in the energy sector as Distribution Officer and Institutional Relations and Communications Officer (Interim) of CEMIG (as of December 2016) and, before that, as advisor to the CEO of CEMIG (2016). He also served as Administration Officer of Furnas Centrais Elétricas S.A. (2008 to 2016). Mr. Paroli was the Chief Executive Officer (2015 to 2016) and Executive Officer (2011 to 2014) of the Board of Executive Officers of Fundação COGE.

#### **André Juaçaba de Almeida**

Mr. André Juaçaba de Almeida holds a bachelor's degree in Economic Sciences from Universidade Cândido Mendes and an MBA in Corporate Law from IBMEC. He also completed a course in Economics from Strasbourg. Since March 2016, he has been the Manager Director of Banco Santander. Mr. Almeida was a managing partner at Leste Investimentos (August 2015 to March 2016) and executive officer of Goldman Sachs S.A. (May 2007 to April 2015).

### **Alternates**

#### **Murilo de Campos Valadares**

Mr. Murilo Campos Valadares holds a bachelor's degree in Civil Engineering from Universidade Federal de Minas Gerais (UFMG). In January 2015, he took office as secretary at the Secretariat of Transports and Public Works of the State of Minas Gerais (*Secretaria de Transportes e Obras Públicas do Estado de Minas Gerais*). From March 2013 to November 2014, Mr. Valadares served as secretary at the Secretariat of Urban Development of the City of Ribeirão das Neves (*Secretaria Municipal de Desenvolvimento Urbano da Prefeitura de Ribeirão das Neves*). From February 2011 to July 2012, he served as secretary at the Secretariat of Works and Infrastructure of the City of Ribeirão das Neves

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*(Secretaria Municipal de Obras e Infraestrutura da Prefeitura de Ribeirão das Neves).*

### **Yuri Fonseca de Choucair Ramos**

Mr. Yuri Fonseca de Choucair Ramos holds a bachelor's degree in Economics from PUC de Minas Gerais and an MBA in Economics Applied to Finance from FGV. Since May 2017, he has been the Manager Director – Head of the Investment Bank and Credit Markets areas of Banco Votorantim. Mr. Ramos was a partner of Thoreos Consultoria (from June 2013 to March 2017) and Manager Director of Banco Santander – Head of the Financial Sponsors area in Europe (from January 2011 to December 2012).

#### **ii. indication of all management positions held in other companies or organizations of the third sector**

Mr. Luís Fernando Paroli Santos currently is the Chief Executive Officer of Light S.A., Light Serviços de Eletricidade S.A., Light Energia S.A., Lightcom – Comercializadora de Energia S.A., Lajes Energia S.A., Light Soluções Ltda., Itaocara Energia Ltda., and Instituto Light. He is also an alternate of the Board of Directors of Light S.A.

The members of the Board of Directors do not hold management positions in organizations of the third sector.

#### **n. description of any of the following events that occurred in the past 5 years:**

**i. any criminal conviction**

**ii. any conviction in administrative proceedings of the CVM and relevant penalties**

**iii. any final judicial or administrative conviction that suspended or disqualified members for the practice of any professional or commercial activity**

The individuals appointed for the position of members of the Board of Directors, as mentioned in item 12.5 above, represent for all legal purposes that in the



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past five years they were not subject to any criminal conviction, including final decisions; any conviction or penalties in administrative proceedings before the CVM, including non-final decisions; or any judicial or administrative final decisions that suspended or disqualified them for the practice of any professional or commercial activity.

**12.6. Provide a table including the percentage of attendance to meetings of the relevant body in the last fiscal year, of any individual who served as member of the board of directors or fiscal council in the last fiscal year, after their investiture**

Mr. Luís Fernando Paroli Santos was elected alternate of the Board of Directors of Light S.A. on April 28, 2017. After this date, 9 meetings of the Board of Directors were held and he attended 3 meetings (33% attendance).

All the other individuals will serve as members of the Board of Directors for the first time.

**12.7. Provide the information mentioned in item 12.5 regarding the members of committees provided by our bylaws, as well as the members of the audit, risk, finance and compensation committees, even if these committees or structures are not provided by our bylaws:**

The members mentioned above are not members of any committee of the Company.

**12.8. Provide a table including the percentage of attendance to meetings of the relevant body in the last fiscal year, of any individual who served as member of committees provided by our bylaws, as well as of any individual who served as member of the audit, risk, finance and compensation committees, even if these committees or structures are not provided by our bylaws <sup>[1]</sup>, after their investiture**

Not applicable.

**12.9. Inform any marital relationship, steady union or kinship up to the second degree existing among:**

**a. members of management of the issuer**

None.

**b. (i) members of management of the issuer and (ii) members of management of direct or indirect subsidiaries of the issuer**

None.

**c. (i) members of management of the issuer or members of management of direct or indirect subsidiaries of the issuer and (ii) direct or indirect controlling shareholders of the issuer**

None.

**d. (i) members of management of the issuer and (ii) members of management of direct and indirect parent companies of the issuer**

None.

**12.10. Inform any relationship of subordination, provision of services or control existing in the last 3 fiscal years among members of management of the issuer and:**

**a. direct or indirect subsidiaries of the issuer, except those in which the issuer holds, directly or indirectly, 100% of the capital stock.**

None.

**b. direct or indirect parent company of the issuer**

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<sup>[1]</sup> The information provided in this item must include the audit, risk, finance and compensation committees and similar organizational structures, even if these committees or organizational structures are not provided by our bylaws, provided that they play a role in the decision-making process of administration or management bodies of the issuer as consultants or tax advisors.

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Until June 2017, Luís Fernando Paroli Santos served as Distribution Officer and Institutional Relations and Communications Officer (Interim) of CEMIG (as of December 2016) and, before that, as advisor to the CEO of CEMIG (2016).

**c. supplier, client, debtor or creditor of the issuer, its subsidiary or parent company, or subsidiaries or parent companies of any of these entities, if material**

Mr. André Juaçaba de Almeida, as previously mentioned, is the Manager Director of Banco Santander, the Company's creditor.