

**CTEEP – Companhia de Transmissão de Energia Elétrica Paulista  
A Publicly Held Company**

**CNPJ/MF 02.998.611/0001-04  
NIRE 35300170571**

**Extract from the Minutes of the 326<sup>th</sup> Meeting of the Board of Directors**

**Date, Time and Place:** Held on the December 4 (four), 2017 at 2:00 p.m. at the registered offices of CTEEP – Companhia de Transmissão de Energia Elétrica Paulista (“Company”) at Rua Casa do Ator, 1.155, ninth floor, Vila Olímpia, in the city and state of São Paulo.

**Convening:** Called by the Chairman of the Board of Directors pursuant to Law 6.404, of December 15, 1976, as amended (“Law 6404/76”) and the Company’s Corporate Bylaws.

**Attendance:** The undersigned members of the Company’s Board of Directors.

**Chair:** Fernando Augusto Rojas Pinto – Chairman. Luiz Fernando Couceiro Machado de Souza – Secretary.

**Agenda of the Day: Approval of the conditions necessary for the 6<sup>th</sup> Debentures Issue pursuant to Law 6.404/76 (Corporate Law).**

Following analysis and discussion, the Board of Directors resolved unanimously to:

1. Approve the execution of the 6<sup>th</sup> (sixth) issue by ISA CTEEP (“Company”), of simple debentures, not convertible into the Company’s shares, in a single tranche, of the unsecured type, for public distribution pursuant to CVM Instruction 476/09 (“Debentures”), with the following characteristics and conditions:
  - i. **Number of the Issue:** the Issue represents the Company’s 6<sup>th</sup> (sixth) debenture issue;
  - ii. **Total Amount of the Issue:** the total amount of the Issue shall be R\$ 350,000,000.00 (three hundred and fifty million reais) on the Date of Issue (as set forth below);
  - iii. **Date of Issue of the Debentures:** for all legal purposes and effects, the date of issue of the Debentures shall bear the date set forth in the Issue Indenture;
  - iv. **Number of Tranches:** the Issue shall be executed in a single tranche;
  - v. **Quantity of Debentures:** a total of 350,000 (three hundred and fifty thousand) Debentures shall be issued;
  - vi. **Unitary Par Value:** the Debentures shall have a unitary par value of R\$1,000.00 (one thousand reais) on the Date of Issue (“Unitary Par Value”);
  - vii. **Type, Form and Convertibility:** the Debentures shall be of the unsecured type, pursuant to Article 58, caption sentence, of Law



6.404/76, without any tangible or personal guarantee,

- or any segregation of the Company's property for guaranteeing the holders of the Debentures ("Debenture Holders"), in the event of judicial or extrajudicial execution of the Company's liabilities with respect to the Debentures and Issue Indenture and not providing any special or general privilege to the Debenture Holders. The Debentures shall be nominative and book entry, without the issue of warrants and certificates, and shall be of the simple type, that is, they shall not be convertible into the shares of the Company or any other company;
- viii. **Allocation of the Funds:** The net proceeds raised through the Restricted Offering shall be used to reinforce the Company's working capital and lengthen the maturity profile of the financial liabilities;
- ix. **Substantiation of Ownership of the Debentures:** the Company shall not issue Debenture certificates, given that for all legal purposes, ownership of the Debentures shall be substantiated through the deposit account statement for the Debentures issued by the book entry bank, to be engaged. Additionally, the statement issued by B3 S.A. - Brasil, Bolsa e Balcão ("B3") shall be recognized as proof of ownership when the Debentures are held in electronic custody with B3;
- x. **Term and Maturity Date:** the final maturity of the Debentures shall take place at the end of the term of 36 (thirty-six) months as from the Date of Issue ("Maturity Date"), except in the event of early maturity of the Debentures, the contingency for which is to be provided for in the Issue Indenture;
- xi. **Electronic Custody for Distribution and Trading:** the Debentures shall be deposited for public distribution in the primary market and trading in the secondary market through (a) the MDA - *Módulo de Distribuição de Ativos* (Asset Distribution Module), managed and operated by the CETIP UTVM Segment of B3, the distribution of the Debentures being settled financially through the CETIP UTVM Segment of B3; and (b) the CETIP21 - *Títulos e Valores Mobiliários*, managed and operated by the CETIP UTVM Segment of B3, the trading and the payment events being settled financially, and the electronic custody of the Debentures being conducted through the CETIP UTVM of B3, respectively;
- xii. **Place of Payment:** the payments entitled under the Debentures shall be made (a) using the procedures adopted by B3 for Debentures held in electronic custody at B3, as the case may be; or (b) in the event that the Debentures are not held in electronic custody at B3: (1) at the head offices of the Issuer or settling bank; or, (2) as the case may be, by the financial institution engaged for the purpose;
- xiii. **Subscription Price:** The Debentures shall be subscribed at their Unitary Par Value, on the first subscription and paying in date ("Date of the First Subscription") or, where there are subscriptions on more than one date, at their Unitary Par Value, plus Compensatory Interest (as set forth below) calculated on a *pro rata temporis* basis from the First Subscription Date until the effective date of paying in of the Debentures, such paying in eventually being made at either a



premium

or

a

discount;

- xiv. **Paying in and Method of Payment:** the Debentures shall be paid in at sight, in domestic legal tender, pursuant to the procedures adopted by B3 in the act of subscription;
- xv. **Amortization of the Unitary Par Value and Payment of Remuneration:** The Unitary Par Value shall be paid in a single installment, corresponding to the total of the Unitary Par Value, due on the Maturity Date, with the exception of payments following declaration of early maturity of the Debentures, pursuant to the terms of the Issue Indenture. Remuneration shall be paid in semi-annual installments as from the Date of Issue, the first payment to be executed on the date established in the Issue Indenture and the last payment on the Maturity Date of the Debentures, each date of payment of remuneration being denominated a "Date of Payment of Remuneration", with the exception of payments due to the declaration of early maturity of the Debentures, pursuant to the Issue Indenture. Those holders of the Debentures at the end of the business day immediately prior to the respective Date of Payment of Remuneration shall be entitled to Remuneration on the Debentures;
- xvi. **Monetary Restatement of the Unitary Par Value:** the Unitary Par Value shall be restated monetarily;
- xvii. **Remunerative Interest:** Remunerative interest shall be applicable to the Unitary Par Value corresponding to 105.65% (one hundred and five decimal point sixty-five percent) of the accumulated variation of the average daily rates of the DI - Interbank Deposits for one day, "over extra group", denominated in annual percentage form on the basis of a year of 252 (two hundred and fifty-two) business days calculated and published by the B3's CETIP UTM Segment in the daily information bulletin available from its page in the internet (<http://www.cetip.com.br>) ("Remunerative Interest"). The Remunerative Interest shall apply on the Unitary Par Value as from the Date of the First Subscription or the date immediately prior to the date of Payment of Remuneration, as the case may be, and paid at the end of each period of capitalization, to be established in the Issue Indenture, calculated according to a capitalization regime on a *pro rata temporis* basis for business days, as per the formula to be enshrined in the Issue Indenture;
- xviii. **Optional Early Redemption:** At its sole discretion and at any time pursuant to the applicable legal provisions, the Company may promote the early redemption of the total Debentures, pursuant to the terms in the Issue Indenture. The Debentures may not be partially or totally amortized extraordinarily at the Company's initiative;
- xix. **Placement and Procedure for Distribution of the Debentures:** The Debentures shall be placed in a public offering with restricted placement efforts pursuant to CVM Instruction 476/09, under a firm placement commitment for all the Debentures, with the intermediation of a financial institution, a member of the securities distribution system

responsible for the distribution of the Debentures ("Lead Manager"), pursuant to the "Private Instrument of Agreement for Coordination, Placement and Distribution with Restricted Efforts for Distribution of Simple, Non-Convertible Debentures in a Single Tranche, of the Unsecured Type on a Firm Placement Commitment Basis, of the 6<sup>th</sup> (Sixth) Issue of CTEEP – Companhia de Transmissão de Energia Elétrica Paulista" ("Distribution Agreement") to be signed between the Lead Manager and the Company;

- xx. **Early Maturity:** the Debentures shall be subject to the usual market practices for early maturity, to be set forth in the Issue Indenture. Should events of default arise which are not remedied in the respective terms for such events, when so established, and in the case of non-automatic events of default, should the general meeting of debenture holders, convened for this purpose, declare early maturity of the Debentures, the Fiduciary Agent shall declare all liabilities under the Debentures and the Issue Indenture as matured and demand payment by the Company, within the term set forth in the Issue Indenture, of the Unitary Par Value, plus accrued Remunerative Interest, calculated on a *pro rata temporis* basis from the First Subscription Date, and late interest charges and other charges provided for in the Issue Indenture, if the case may be, applicable up to the date of their effective payment, pursuant to the respective timeframe for remedy;
- xxi. **Late Payment Charges:** In the event of late payment of any value due to the Debenture Holders relative to any obligation due under the Issue Indenture, irrespective of notice, notification or judicial or extrajudicial summons and without loss of Remuneration, calculated on a *pro rata temporis* basis from date of default to date of effect payment applied on any overdue amount, shall be collected (i) a late, non-compensatory penalty fee of 2% (two percent) on the restated amount due and not paid; and (ii) late interest payment of 1% (one percent) per month, calculated on a *pro rata temporis* basis as from the date of default (inclusive) until the date of effective payment (exclusive), applied on the restated amount due and not paid;

2. Authorize the members of the Executive Board of the Company and its other legal representatives to practice all and any act necessary for the execution of the Issue as decided above, including but not only: (a) to sign the Issue Indenture, the Distribution Agreement and its eventual amendments in accordance with the conditions decided in this meeting and others which the officers may deem as necessary; (b) to negotiate all other terms and conditions which may be applicable to the Issue and the Offering, including the engagement of the Debentures' distribution and trading systems in the primary and secondary markets and, among others, of the following service providers: (1) the Lead Manager and other financial institutions, members of the securities distribution system to be responsible for the structuring, coordination and

intermediation of the distribution of the Debentures; (2) legal advisors; (3) settlement and book entry bank; (4) fiduciary agent; (5) risk rating agency; and (6) eventual other institutions including, without limitation, the market maker, establishing for them the respective fees; and (c) to practice all acts necessary for effecting the decisions enshrined herein, to define and approve the content of the Issue and the Offering documents and to sign the documents necessary for their execution, including, among others, the publication and the registration of the documents of a corporate nature with the appropriate entities and the taking of the necessary measures with B3, the CVM or any other entities or autarchies with which it is necessary to adopt any measures for the implementation of the Issue and the Offering; and

3. Ratify all the acts already practiced by the Company's Executive Board and its other legal representatives related to the Issue and the Offering.

**CONCLUSION:** With no further matters on the agenda, the meeting was declared concluded with the drafting of these minutes, which having been read and found to be in conformity, were signed by the Secretary and by the Directors present, Bernardo Vargas Gibsone, Fernando Augusto Rojas Pinto, César Augusto Ramírez Rojas, Carlos Alberto Rodriguez Lopez, Gustavo Carlos Marin Garat, Henry Medina Gonzalez, Wilson Pinto Ferreira Júnior and Samuel Elias de Souza.

I certify that the above decisions were extracted from the minutes drafted to the Minutes Register of the Company's Board of the Directors Meetings

Luiz Fernando Couceiro Machado de Souza  
Secretary