

COMPANHIA DE SANEAMENTO BASICO DO ESTADO DE SAO PAULO-SABESP

Form 6-K

July 06, 2018

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**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, DC 20549**

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**FORM 6-K**

**REPORT OF FOREIGN ISSUER**  
**PURSUANT TO RULE 13a-16 OR 15d-16 OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

**For July, 2018**  
**(Commission File No. 1-31317)**

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**Companhia de Saneamento Básico do Estado de São Paulo - SABESP**  
*(Exact name of registrant as specified in its charter)*

**Basic Sanitation Company of the State of Sao Paulo - SABESP**  
*(Translation of Registrant's name into English)*

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**Rua Costa Carvalho, 300**  
**São Paulo, S.P., 05429-900**  
**Federative Republic of Brazil**  
*(Address of Registrant's principal executive offices)*

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Indicate by check mark whether the registrant files or will file  
annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(1) .

Indicate by check mark if the registrant is submitting the Form 6-K  
in paper as permitted by Regulation S-T Rule 101(b)(7) .

Indicate by check mark whether the registrant by furnishing the  
information contained in this Form is also thereby furnishing the  
information to the Commission pursuant to Rule 12g3-2(b) under  
the Securities Exchange Act of 1934.

Yes  No

If "Yes" is marked, indicated below the file number assigned to the  
registrant in connection with Rule 12g3-2(b):

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Companhia de Saneamento Básico do Estado de São Paulo

Board of Directors

**COMPANHIA DE SANEAMENTO BÁSICO DO ESTADO DE SÃO PAULO - SABESP**

Corporate Taxpayer's ID (CNPJ) No. 43.776.517/0001-80

State Registry (NIRE) 35.3000.1683-1

**EXCERPT OF THE MINUTES OF THE EIGHT-HUNDRED AND SIXTY-FIFTH MEETING OF  
THE  
BOARD OF DIRECTORS**

On June 21, 2018, at 9 a.m., convened by the Chairman of the Board of Directors, Mario Engler Pinto Junior, ordinarily, as provided for in the head provision and Paragraph Six of Article 13 of the Bylaws, at the meeting room at the headquarter of the Company, located at Rua Costa Carvalho n° 300, São Paulo, the undernamed and undersigned members of the Board of Directors of Companhia de Saneamento Básico do Estado de São Paulo – SABESP gathered together.

Opening the meeting, the Chairman of the Board, Mario Engler, justified the absence of the Board Member Reinaldo Guerreiro. (...)

After, the Chairman of the Board, Dr. Mario Engler, gave the word to the Chief Financial Officer and Investor Relations Officer, Rui de Britto Álvares Affonso, and to the Head of Capital Markets and Investor Relations, Mario Azevedo de Arruda Sampaio, who started to present **item 5** of the agenda, “**Approval of the general conditions for the 23rd issue of debentures, in an amount of up to R\$750 millions**” (*time20'*), based on the Resolution 00159/2018 of the Executive Board, of June 13, 2018, in the FI Internal Notice 35/2018, of June 6, 2018, and in the power point presentation, documents filed in the electronic folder of meetings.(...). After the matter was discussed and voted on, the Board of Directors **unanimously approved**, based on Items XIX and XXII of Article 14 of the Bylaws, the **General Conditions Applicable to the 23rd Issue of simple Debentures, not convertible into shares, unsecured, in up to three (3) series, for public distribution (23rd Issue), as set forth in CVM Instruction No. 476, of January 16, 2009, as amended**, under the following terms detailed:

1. Amount of the issue: up to seven hundred and fifty million reais (R\$750 million), with a minimum of five hundred million reais (R\$500 million).
  2. Number of Series: up to three (3) series.
  3. Guarantee: no guarantees, collateral or personal.
  4. Type, Method, Convertibility and Issue of Certificates: the debentures will be issued with the possibility of goodwill or negative goodwill, registered, book-entry, simple and not convertible into shares, without the issue of safeguards or certificates.
  5. Type: unsecured.
  6. Number of Debentures: up to seven hundred and fifty thousand (750,000) Debentures will be issued.
  7. Amortization Term:
    - a. 1<sup>st</sup> series: term of three (3) years, with 100% (one hundred per cent) amortization of the Unit Par Value on the due maturity date.
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Companhia de Saneamento Básico do Estado de São Paulo

Board of Directors

- b. 2<sup>nd</sup> series: a term of five (5) years, with 50.00% (fifty per cent) of the Unit Par Value in the 4<sup>th</sup> year after the issue date and amortization of the balance of the Unit Par Value on the due maturity date.
  - c. 3<sup>rd</sup> series: a term of seven (7) years, with 50.00% (fifty per cent) of the Unit Par Value in the 6<sup>th</sup> year after the issue date and amortization of the balance of the Unit Par Value on the due maturity date.
8. Remuneration: The maximum rates of compensation for the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> series will be:
- a. 1<sup>st</sup> series: DI Rate + 0.50% p.a.
  - b. 2<sup>nd</sup> series: DI Rate + 0.75% p.a.
  - c. 3<sup>rd</sup> series: compensation of NTN20 2024 + 0.90% p.a.

The final rates will be established after the conclusion of the Bookbuilding procedure.

9. Distribution: the Debentures will be distributed through a public offer with restricted efforts, pursuant to CVM Instruction 476.

10. Placement System:

- (i) firm guarantee, for R\$500 million, for the 1<sup>st</sup> and 2<sup>nd</sup> series.
- (ii) best efforts, for R\$250 million, for any of the series.

11. Frequency of payment of the compensation: 1<sup>st</sup> and 2<sup>nd</sup> series half-yearly and 3<sup>rd</sup> series annually.

12. Use of proceeds: refinancing the financial commitments due in 2018 and reinforcing the cash.

13. Financial Covenants:

- a. Net Debt/Adjusted EBITDA  $\leq$  3.50.
- b. Adjusted EBITDA/Financial Expenses  $\geq$  1,5.

14. Early Redemption:

a. 1<sup>st</sup> series: will be allowed, partially or in full, at any time, as of the 18<sup>th</sup> (eighteenth) month (including this date) after the issue date, with partial redemption premium of 0.20% p.a. on the debt balance on the actual date of the early redemption.

b. 2<sup>nd</sup> and 3<sup>rd</sup> series: will not be allowed.

15. Unit Par Value: One thousand reais (R\$1,000.00).

16. Inflation Adjustment of the Unit Par Value: There will be no inflation adjustment of the Unit Par Value.

17. Allocation: The allocation between the series will be carried out through the "Communicating Vessels" system and will be established after the Bookbuilding procedure.

18. Means of Subscription and Payment: The Debentures will be subscribed and paid, in the primary market, for their Unit Par Value. ("First Payment Date" and "Payment Price"). If the Debentures are not subscribed and paid in full on the First Payment Date due to operational reasons, the Payment Price of the Debentures paid after the First Payment Date will be the Unit Par Value, plus the due compensation.

19. Other Characteristics: The other characteristics of the debentures and the issue will be described in the deed and in other due documents.

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Companhia de Saneamento Básico do Estado de São Paulo

Board of Directors

In addition, the Board of Directors authorizes the members of the Company's Executive Board, subject to legal and statutory provisions, to carry out any and all measures related to the 23<sup>rd</sup> Issue, including negotiating the other terms and conditions of the documents related to the issue.

(...)

The minutes, once approved, will be signed by the Members of the Board of Directors: Mario Engler Pinto Junior, Ernesto Rubens Gelbcke, Francisco Luiz Sibut Gomide, Francisco Vidal Luna, Jerônimo Antunes, Karla Bertocco Trindade, Luís Eduardo Alves de Assis, Lucas Navarro Prado and Rogério Ceron de Oliveira.

This is a free English translation of the original minutes drawn up in the Book of Minutes of the Meetings of the Company's Board of Directors.

São Paulo, June 21, 2018.

**Mario Engler Pinto Junior**  
Chairman of the Board of Directors

**Marialve de Sousa Martins**  
Secretary of the Board of Directors

Companhia de Saneamento Básico do Estado de São Paulo

Board of Directors

# **COMPANHIA DE SANEAMENTO BÁSICO DO ESTADO DE SÃO PAULO - SABESP**

Corporate Taxpayer's ID

(CNPJ/MF) No.

43.776.517/0001-80

Company Registry (NIRE)

No. 35.3000.1683-1

## **EXCERPT OF THE MINUTES OF THE EIGHT-HUNDRED AND SIXTY-FIFTH MEETING OF THE BOARD OF DIRECTORS**

On June 21, 2018, at 9 a.m., convened by the Chairman of the Board of Directors, Mario Engler Pinto Junior, ordinarily, as provided for in the head provision and Paragraph Six of Article 13 of the Bylaws, at the meeting room at the headquarter of the Company, located at Rua Costa Carvalho n° 300, São Paulo, the undernamed and undersigned members of the Board of Directors of Companhia de Saneamento Básico do Estado de São Paulo – SABESP gathered together.

Opening the meeting, the Chairman of the Board, Mario Engler, justified the absence of the Board Member Reinaldo Guerreiro. (...)

(...)

After, the word was granted to the Head of Integrated Planning, Dante Ragazzi Pauli, who was accompanied by the Head of Capital Markets and Investor Relations, Mario Azevedo de Arruda Sampaio, by the Head of Risk and Compliance Management, Michael Breslin, and by the Management Analyst of the Superintendency of Capital Markets and Investor Relations, Priscila Costa da Silva, who presented **item 7** of the agenda, “**Annual letter of corporate governance and public policies signed by the Board of Directors, pursuant to Item I of Article 8 of Federal Law 13.303/2016 and Item XIV of Article 14 of the Bylaws**” (*time: 20*), based on the Executive Board’s Resolution 0157/2018, of June 13, 2018, in the Internal Notice PI 024/2018, of June 12, 2018, in the document entitled Annual Letter of Public Policies and Corporate Governance and in the power point presentation, documents filed in the electronic folder of the meeting. (...). The matter was discussed and then voted on, according to Item I of Article 8 of Federal Law 13.303/2016 and Item XIV of Article 14 of the Bylaws, the **Annual Letter of Corporate Governance and Public Policies signed by the Board of Directors was unanimously approved.**

(...)

The minutes, once approved, will be signed by the Members of the Board of Directors: Mario Engler Pinto Junior, Ernesto Rubens Gelbcke, Francisco Luiz Sibut Gomide, Francisco Vidal Luna, Jerônimo Antunes, Karla Bertocco Trindade, Lucas Navarro Prado, Luís Eduardo Alves de Assis and Rogério Ceron de Oliveira.

This is a free English translation of the original minutes drawn up in the Book of Minutes of the Meetings of the Company’s Board of Directors.

São Paulo, June 29, 2018.

**Mario Engler Pinto  
Junior**

**Marialve de**



# Sousa Martins

Chairman of the Board of Directors

Secretary of the Board of Directors

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Companhia de Saneamento Básico do Estado de São Paulo

Board of Directors

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Opening the meeting, the Chairman of the Board, Mario Engler, justified the absence of the Board Member Reinaldo Guerreiro. (...)

(...)

Continuing the works, the Chairman of the Board of Directors granted the word to the Coordinator of the Ethics and Conduct Committee and Lawyer of the Superintendency of Risk and Compliance Management, Regina Helena Piccolo Cardia, and to the Head of Corporate Risk and Compliance Management, Michael Breslin, who were accompanied by the Manager of the Institutional Department of Legal Advice, Elizabeth Melek Tavares, presented **item 8** of the agenda, “**Approval of the Code of Conduct and Integrity of Sabesp, according to Item I of Article 18 of Federal Law 13.303/16.**” (*Time20* '), which was carried out based FROM->TO, comparing the current Code of Conduct and the drafting proposal for the Code of Conduct and Integrity with the reasonings and in the power point presentation, documents filed in the electronic folder of this meeting. (...) The matter was discussed and then voted on, according to Item XXXIII of Article 14 of the Bylaws and Item I of Article 18 of Federal Law 13.303/16, the **Code of Conduct and Integrity of Sabesp was unanimously approved.**

(...)

The minutes, once approved, will be signed by the Members of the Board of Directors: Mario Engler Pinto Junior, Ernesto Rubens Gelbcke, Francisco Luiz Sibut Gomide, Francisco Vidal Luna, Jerônimo Antunes, Karla Bertocco Trindade, Lucas Navarro Prado, Luís Eduardo Alves de Assis and Rogério Ceron de Oliveira.

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São Paulo, June 29, 2018.

Mario Engler Pinto Junior

Marialve de Sousa Martins

Chairman of the Board of Directors

Secretary of the Board of Directors

Companhia de Saneamento Básico do Estado de São Paulo

Board of Directors

## **COMPANHIA DE SANEAMENTO BÁSICO DO ESTADO DE SÃO PAULO - SABESP**

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Opening the meeting, the Chairman of the Board, Mario Engler, justified the absence of the Board Member Reinaldo Guerreiro. (...)

(...)

After, the Chairman of the Board of Directors moved to the resolution of **item 3** of the agenda, "**Election of the members of the Audit Committee, pursuant to the Bylaws**" (*time: 20'*), according to Item XL of Article 14 of the Bylaws, based on the curricula presented, the following were appointed for the position of members of the Audit Committee: **Ernesto Rubens Gelbcke**, Board Member, as financial specialist and Coordinator of the Committee, and **Lucas Navarro Prado** and **Luís Eduardo Alves de Assis**, Board Members, as Members of the aforementioned Committee. The three appointed: (i) were elected as Independent Board Members at the Ordinary Shareholders' Meeting of April 27, 2018 and meet the independence criteria of Law 13.303/2016 and the Regulation of Novo Mercado; (ii) have signed a statement that they comply with the independence requirements of the Sarbanes-Oxley Act and the Securities and Exchange Act of 1934, and of Article 31-C of CVM Instruction 308/1999 and amendments; and (iii) meet the minimum requirements established in Paragraph 1 of Article 25 of Law 13.303/2016. The Board Member Ernesto Rubens Gelbcke has proven experience in internationally-accepted accounting matters, analysis, preparation and evaluation of financial statements and knowledge of internal controls and policies for disclosing information to the market, meeting the criteria of Article 26, Paragraph 3 of the Bylaws, of Article 22-V (b) of the Regulation of Novo Mercado and Paragraph 2 of Article 25 of Law 13.303/2016, and the curriculum vitae of Mr. Gelbcke will be held at the headquarters of Sabesp for a minimum term of five (5) years, counted from the last day of its term of office as member of the Audit Committee, pursuant to Paragraph 3 of Article 25 of Law 13.303/2016. After discussing the matter, pursuant to Item XL of Article 14 and Articles 26 and 27 of the Bylaws, the following **structure of the Audit Committee was approved by a majority vote, with the abstention of the members of the Board of Directors appointed to join the Audit Committee: Ernesto Rubens Gelbcke (financial specialist and Coordinator of the Committee), Lucas Navarro Prado (member of the Committee) and Luís Eduardo Alves de Assis (member of the Committee).**

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(...)

Companhia de Saneamento Básico do Estado de São Paulo

Board of Directors

The minutes, once approved, will be signed by the Members of the Board of Directors: Mario Engler Pinto Junior, Ernesto Rubens Gelbcke, Francisco Luiz Sibut Gomide, Francisco Vidal Luna, Jerônimo Antunes, Karla Bertocco Trindade, Lucas Navarro Prado, Luís Eduardo Alves de Assis and Rogério Ceron de Oliveira.

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São Paulo, June 29, 2018.

**Mario Engler Pinto Junior**

Chairman of the Board of Directors

**Marialve de Sousa Martins**

Secretary of the Board of Directors

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Companhia de Saneamento Básico do Estado de São Paulo

Board of Directors

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Opening the meeting, the Chairman of the Board, Mario Engler, justified the absence of the Board Member Reinaldo Guerreiro. (...)

(...)

After, the Chairman of the Board moved to **item 11** of the agenda, “**Institutional policy for disclosure of material acts and facts and trading of securities issued by Sabesp, according to items a) and b) of Item VII of Article 14 of the Bylaws**” (*time: 20’*), again granting the word to the Chief Financial Officer and Investor Relations Officer, Rui de Britto Álvares Affonso, and Head of Capital Markets and Investor Relations, Mario Azevedo de Arruda Sampaio, who were accompanied by the Head of Integrated Planning, Dante Ragazzi Pauli, by the Head of Risk and Compliance Management, Michael Breslin, by the Advisor to the Economic and Financial Board and Investor Relations Board, Celina Y. Ozawa, and the Analyst of Capital Markets and Investor Relations Superintendency, Priscila Costa da Silva, who presented the matter based on the Executive Board’s Resolution 0155/2018, of June 13, 2018, Internal Notice PI 023/2018, of June 07, 2018, the draft of the Institutional Policy PI0022-v.3 and its attachments, and in the power point presentation, documents filed in the electronic folder of the meeting. (...). The matter was discussed and then voted on, pursuant to items (a) and (b) of Item VII of Article 14 of the Bylaws, the “**Institutional Policy for the Disclosure of Material Acts and Facts and Trading of Securities issued by Sabesp**” was **unanimously approved**.

(...)

The minutes, once approved, will be signed by the Members of the Board of Directors: Mario Engler Pinto Junior, Ernesto Rubens Gelbcke, Francisco Luiz Sibut Gomide, Francisco Vidal Luna, Jerônimo Antunes, Karla Bertocco Trindade, Lucas Navarro Prado, Luís Eduardo Alves de Assis and Rogério Ceron de Oliveira.

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São Paulo, June 29, 2018.

**Mario Engler Pinto  
Junior  
Sousa Martins**

Chairman of the Board of Directors

**Marialve de**

Secretary of the Board of Directors



Companhia de Saneamento Básico do Estado de São Paulo

Board of Directors

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Opening the meeting, the Chairman of the Board, Mario Engler, justified the absence of the Board Member Reinaldo Guerreiro. (...)

(...)

After, the Chairman of the Board of Directors granted the word to the Head of Risk and Compliance Management, Michael Bresilin, who was accompanied by the Head of Capital Markets and Investor Relations, Mario Azevedo de Arruda Sampaio, by the Head of Integrated Planning, Dante Ragazzi Pauli, by the Advisor of the Economic and Financial Board and of the Investor Relations Board, Celina Y. Ozawa, and the Management Analyst of Capital Markets and Investor Relations Superintendency, Priscila Costa da Silva, presented **item 10** of the agenda, **“Institutional policy for transactions with related parties, according to Item VIII of Article 14 of the Bylaws”** (*time: 15*), based on the Executive Board’s Resolution 0156/2018, of June 13, 2018, in the Internal Notice PI 022/2018, of June 07, 2018, in the draft of the Institutional Policy PI0032-v.1 and its attachments, and in the power point presentation, documents filed in the electronic folder of the meeting. (...). The matter was discussed and then voted on, according to Item VIII of Article 14 of the Bylaws, the **“Institutional Policy for Transactions with Related Parties”** was unanimously approved **reducing from R\$70 million to R\$20 million the amount for approval by the Board of Directors, considering that: (i) in case of a transaction with Related Parties under the jurisdiction of approval of the Board of Directors the matter shall be previously evaluated by the Audit Committee, followed by the legal opinion of the compliance area; and (ii) the procedure of transaction with Related Parties must be assessed by the Audit Committee.**

(...)

The minutes, once approved, will be signed by the Members of the Board of Directors: Mario Engler Pinto Junior, Ernesto Rubens Gelbcke, Francisco Luiz Sibut Gomide, Francisco Vidal Luna, Jerônimo Antunes, Karla Bertocco Trindade, Luís Eduardo Alves de Assis, Lucas Navarro Prado and Rogério Ceron de Oliveira.

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São Paulo, June 29, 2018.

**Mario Engler Pinto Junior**  
**Marialve de Sousa Martins**

Chairman of the Board of Directors

Secretary of the Board of Directors



