



TIM PARTICIPAÇÕES S.A.
Publicly-held Company
Corporate Taxpayer's ID (CNPJ/MF): 02.558.115/0001-21
Corporate Registry (NIRE): 33 300 276 963

NOTICE ABOUT RELATED PARTY TRANSACTIONS

TIM PARTICIPAÇÕES S.A. ("Company") (BMF&BOVESPA: TIMP3; NYSE: TSU), in compliance with CVM Instruction nº552/14, hereby informs that on December 15, 2016 it was celebrated the related party transactions as below:

Name of the Related-Party: Italtel Brasil Ltda

Transaction Date: 12/15/2016

Value Involved (Reais): 2016 - R\$ 5.092.751,80 / 2017 - R\$ 5.807.248,20

Balance Remaining (Reais): Not applicable.

Total (Reais): Not applicable.

Duration: 11/01/2016 until 12/31/2017

Loan or another type of debt: Not applicable.

Interest rate charged: Not applicable.

Contract object: Provide services, hardware and software upgrade to Policy Based Routing project. The software should provide new network functions (Volume Based Routing, Quality Based Routing: Least Cost Route) associated with projects and new opportunities for wholesale.

Warranty and insurance: Insurance company letter: Creditor: TIM Celular S.A. / Guarantor: JMalucelli Seguradora / Bailed: Italtel Brasil LTDA / Expiration - 2016: 11/01/2016 until 12/31/2016/ Guarantee value limitation – 2016: R\$ 509.275,18.

In the event of renewal, the surety bond will be renewed according to the validity and negotiated value for the year 2017.

Financial guarantee on contract: irrevocable guarantee letter, without any previous condition to its execution, of 10% of the estimated value on contract, to be signed by a first line insurance company, previously approved by the Contractor and that must remain in force throughout the contract duration.

Insurance: The Agreement provides that the contractor must maintain compulsory insurance that ensure and protect from risks inherent to the services under the contract, against any kind of damage and / or injury caused to the contractor and / or third parties, whether to order material and / or personnel and / or legal and / or financial which shall have effect until the completion and / or issuance of the Final Acceptance Agreement by the contractor, whichever occurs last. Insurance must meet the rules of Brazilian law.

Rescission or extinction: The agreement provides many dissolution possibilities, among which, assignment of rights, bankruptcy, acts that affect the reliability and morality of TIM, among others. In any termination event the hired company shall only be entitled to payment for services actually rendered, not being owed any compensation.

Nature and reason for the operation: Hiring manufacturer supplier is necessary due to the current solution be property and exclusive of the same technological domain. Furthermore, Italtel



submitted an advantageous offer for the Company, as well as great synergy with other services already provided by this supplier.

Relationship with the issuing: Company has business relationships with other companies from Telecom Italia group.

Name of the Related-Party: Italtel Brasil Ltda

Transaction Date: 12/15/2016

Value Involved (Reais): R\$ 4,647,286.45

Balance Remaining (Reais): Not applicable.

Total (Reais): Not applicable.

Duration: 01/12/2016 until 30/11/2018

Loan or another type of debt: Not applicable.

Interest rate charged: Not applicable.

Contract object: Unification of the DCN structures between the TIM, Intelig and AES Atimus acquired networks in operation in 2011, as well as the migration of the elements of their current networks to the new architecture and replacement of legacy and unsupported AES Atimus switches .

Warranty and insurance: Insurance company letter: Creditor: TIM Celular S.A. / Guarantor: JMalucelli Seguradora / Bailed: Italtel Brasil LTDA / Expiration: 01/12/2016 until 11/30/2018 / Guarantee value limitation of R\$ 464,728.69.

Financial guarantee on contract: irrevocable guarantee letter, without any previous condition to its execution, of 10% of the estimated value on contract, to be signed by a first line insurance company, previously approved by the Contractor and that must remain in force throughout the contract duration.

Insurance: The Agreement provides that the contractor must maintain compulsory insurance that ensure and protect from risks inherent to the services under the contract, against any kind of damage and / or injury caused to the contractor and / or third parties, whether to order material and / or personnel and / or legal and / or financial which shall have effect until the completion and / or issuance of the Final Acceptance Agreement by the contractor, whichever occurs last. Insurance must meet the rules of Brazilian law.

Rescission or extinction: 30 (thirty) days before to finish.

Nature and reason for the operation: This contract aims to continue the process of unification among TIM, intelig and AES Atimus networks. Italtel also presented an advantageous offer to the Company, as well as a great synergy with other services already provided.

Relationship with the issuing: Company has business relationships with other companies from Telecom Italia group.

Name of the Related-Party: Telecom Italia Sparkle S.p.A.

Transaction Date: 12/15/2016

Value Involved (Reais): R\$ 7,346,711.00

Balance Remaining (Reais): Not applicable.

Total (Reais): Not applicable.

Duration: 10/01/2016 until 03/31/2017

Loan or another type of debt: Not applicable.

Interest rate charged: Not applicable.

Contract object: Bilateral agreement of transport and traffic termination for international voice traffic on Send or Pay (with volume commitment) basis. TIM hires TIS to deliver traffic to various international destinations and TIS hires TIM to deliver traffic in Brazil.

Warranty and insurance: Not applicable.

Rescission or extinction: Not applicable.

Nature and reason for the operation: In bidding process conducted with other providers, Telecom Sparkle S.p.A. was the one with the best financial conditions.

Relationship with the issuing: Corporate - Contracts between companies belonging to the same group.

Rio de Janeiro, December, 15, 2016.

TIM Participações S.A.
Rogério Tostes
Investor Relations Officer