



TIM PARTICIPAÇÕES S.A.
Publicly-Held Company
CNPJ/ME 02.558.115/0001-21
NIRE 33.300.276.963

MINUTES OF THE BOARD OF DIRECTORS' MEETING
HELD ON DECEMBER 19th, 2019

DATE, TIME AND PLACE: December 19th, 2019, at 11.30 a.m., at the head office of TIM Participações S.A. ("Company"), domiciled at Avenida João Cabral de Mello Neto, 850, Torre Norte, 12° floor, room 1212, Barra da Tijuca, in the city and State of Rio de Janeiro.

PRESENCE: The Board of Directors' Meeting of the Company was held at the date, time and place mentioned above, with the presence of Messrs. Nicandro Durante, Carlo Nardello, Elisabetta Romano, Flavia Maria Bittencourt, Gesner José de Oliveira Filho, Herculano Aníbal Alves and Raimondo Zizza, either in person or by means of audio or videoconference, as provided in paragraph 2nd, Article 25 of the Company's By-laws. It shall be registered (i) the partial absence of Mr. Carlo Nardello during the discussions of item **(5)** of the Agenda, between 12.10 a.m. and 12.20 a.m., and (ii) the justified absence of Messrs. Agostino Nuzzolo and Pietro Labriola.

BOARD: Mr. Nicandro Durante - Chairman; and Mr. Jaques Horn – Secretary.

AGENDA: **(1)** To acknowledge on the activities carried out by the Statutory Audit Committee; **(2)** To acknowledge on the activities carried out by the Control and Risks Committee; **(3)** To resolve on the Payment Proposal of the Interest on Shareholders' Equity ("IE") of the Company; **(4)** To acknowledge on the liability management's operations; **(5)** To resolve on the conditions of loan agreement to be executed by the subsidiary of the Company, TIM S.A.; **(6)** To resolve on the memorandum of understanding to be executed between the subsidiary of the Company, TIM S.A., and Telefônica Brasil S.A.; **(7)** To resolve on the agreement(s) for the supply of services of Radio Access Network ("RAN"); and **(8)** To resolve on the agreements for the supply of services between the subsidiary of the Company, TIM S.A., and Alaviva do Brasil Telemarketing e Informática Ltda. and AEC Centro de Contatos S.A.

RESOLUTIONS: Upon the review of the material presented and filed at the Company's head office, and based on the information provided and discussions of the subjects included on the Agenda, the Board

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Members, unanimously by those present and with the abstention of the legally restricted, decided to register the discussions as follows:

(1) Acknowledged on the activities carried out by the Statutory Audit Committee ("CAE") at its meeting held on December 19th, 2019, as per Mr. Gesner Oliveira's report, Coordinator of the CAE.

(2) Acknowledged on the absence of meetings held by the Control and Risks Committee ("CCR") since the last report made by Mr. Herculano Aníbal Alves, Chairman of the CCR.

(3) Approved based on the Section 46, paragraph 3, of the Company's By-laws, and on the favorable opinion of the Fiscal Council, the distribution of R\$247,747,058.82 (two hundred and forty-seven million, seven hundred and forty-seven thousand, fifty-eight Reais and eighty-two cents) as Interest on Shareholders' Equity ("IE"), at R\$0.102338266 (zero point one, zero, two, three, three, eight, two, six, six Reais) of gross value per share. The payment will be made by January 31st, 2020, without the application of any monetary restatement index, considering the date of January 17th, 2020 as the date for identification of shareholders entitled to receive such values. Therefore, the shares acquired after said date will be traded *ex direito* of IE distribution. The withholding of Income Tax will be of 15% (fifteen percent) on the occasion of the credit of the IE, except for the shareholders who have differentiated taxation or who are exempt from said taxation.

(4) Acknowledged on the status of the Company's financial operations and **approved** the execution of loan operation with FNE's (Fundo Constitucional de Financiamento do Nordeste) funds, to be executed between the subsidiary of the Company, TIM S.A., and Banco do Nordeste do Brasil S.A. ("BNB"), to the financing of investments in northeast region. The amount of credit of the referred agreement is up to R\$752,478,933.18 (seven hundred and fifty-two million, four hundred and seventy-eight thousand, nine hundred and thirty-three Reais and eighteen cents) with the cost of Índice Geral de Preços ao Consumidor Amplo ("IPCA") + up to 2.10% per year and term up to 8 (eight) years. As a result of the execution of this agreement, the Board of Directors also **approved**: (i) the payment of the fare of analysis the economic and financial viability of projects (Tarifa de Análise de Viabilidade Econômico-Financeira de Projetos) up to R\$500,000.00 (five hundred thousand Reais); (ii) the execution of bank guarantees by the subsidiary of the Company, TIM S.A., on behalf of BNB as a precedent condition for the operation's disbursement, to cover of 100% (one hundred percent) of any financing's residual

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balance, to be given by a bank to be defined between the Company and BNB; (iii) the creation of a liquidity fund focused on receivables equal to the amount of 5% (five percent) of the value effectively disbursed, as will be detailed in the financing agreement to be executed between the subsidiary of the Company, TIM S.A., and BNB; and (iv) the execution of swap operations' agreements, at any time, during the life of the agreement, in order to hedge the interest rate risk. All Officers and attorneys in fact of the Company and its subsidiary, TIM S.A., the last one after the resolution of the competent corporate body, are authorized to perform all acts and take all necessary and required steps, for the execution of the loan agreement and related documents to the operation herein referred.

(5) Approved (i) the execution of foreign currency loan (Law n° 4.131, of September 3rd, 1962) in the amount, in national currency, equal up to R\$800,000,000.00 (eight hundred million Reais), to be executed by the subsidiary of the Company, TIM S.A., for the term of a year and half and with the final cost, equal or lesser than 115% CDI or CDI + 0.75% per year; and (ii) the execution of the respective swap agreement, to be executed by the subsidiary of the Company, TIM S.A., in order to hedge the interest rate risk. As a result of the execution of this agreement, the Board of Directors also **approved** the execution of a guarantee by the Company related to the loan agreement and the execution of a promissory note by the subsidiary of the Company, TIM S.A., with the endorsement of the Company in the amount up to 120% (one hundred and twenty percent) of the loan agreement value. The agreements may be executed with one or more banks, up to the limit here established, and may or not occur depend on the market conditions, based on the presented and filed material. All Officers and attorneys in fact of the Company and its subsidiary, TIM S.A., the last one after the resolution of the competent corporate body, are authorized to perform all acts and take all necessary and required steps, for the execution of the loan agreement and related documents to the operation herein referred. This authorization shall be valid for the next 6 (six) months.

(6) Approved the implementation of two transfer-of-rights agreements between the subsidiary of the Company, TIM S.A., and Telefônica Brasil S.A., for sharing 2G, 3G and 4G mobile network infrastructure, following up the negotiations initiated with the signing of the Memorandum of Understanding (MOU), and communicated to the market in July 23rd, 2019. The agreements herein approved are still subject to communication and prior approval by the National Telecommunications Agency - ANATEL and the Administrative Council for Economic Defense - CADE.

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(7) Approved the execution of agreements and amendments to the acquisition of goods and services related to the Radio Access Network ("RAN"), according to the technical, financial and commercial conditions presented by Messrs. Bruno Gentil, Business Support Officer, Leonardo de Carvalho Capdeville, Chief Technology Information Officer, Marco Di Costanzo, representative of the Network Development area, and Leonardo Ketmaier, representative of the Procurement area.

(8) Approved the amendments to the agreements for the supply of services of call center between the subsidiary of the Company, TIM S.A., and Almviva do Brasil Telemarketing e Informática Ltda. and AEC Centro de Contatos S.A.

CLOSING: With no further issues to discuss, the meeting was adjourned, and these minutes drafted as summary, read, approved and signed by all attendees Board Members: Messrs. Nicandro Durante, Carlo Nardello, Eisabetta Romano, Flavia Maria Bittencourt, Gesner José de Oliveira Filho, Herculano Aníbal Alves, and Raimondo Zizza.

I herein certify that these minutes are the faithful copy of the original version duly recorded in the respective corporate book.

Rio de Janeiro (RJ), December 19th, 2019.

JAQUES HORN
Secretary