

TELEFONICA BRASIL S.A.  
Form 6-K  
December 18, 2014

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 6-K**

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

**For the month of December, 2014**

**Commission File Number: 001-14475**

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**TELEFÔNICA BRASIL S.A.**  
**(Exact name of registrant as specified in its charter)**

**TELEFONICA BRAZIL S.A.**  
**(Translation of registrant's name into English)**

**Av. Eng° Luís Carlos Berrini, 1376 - 28° andar**  
**São Paulo, S.P.**  
**Federative Republic of Brazil**  
**(Address of principal executive office)**

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Indicate by check mark whether the registrant files or will file annual reports under cover of 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):

Yes

No

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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):

Yes

No

X

TELEFÔNICA BRASIL S.A.

Publicly-held Company

CNPJ MF 02.558.157/0001-62 - NIRE 35.3.001.5881-4

**NOTICE TO SHAREHOLDERS**

**PAYMENT OF INTEREST ON OWN CAPITAL**

Telefônica Brasil S.A. – (“Company”) announces to its shareholders that the Board of Directors, at its meeting held on December 18, 2014, deliberated, *ad referendum* of the General Shareholders’ Meeting, the credit of Interest on own capital, related to the fiscal year of 2014, in accordance with article 28 of the Company’s Bylaws, article 9 of the Law 9,249/95 and CVM’s Instruction nº 683/2012, in the gross amount of R\$ 475,429,000.00 (four hundred and seventy five million and four hundred and twenty nine thousand reais), subject to withholding tax of 15%, resulting in a net amount of R\$ 404,114,650.00 (four hundred and four million, one hundred and fourteen thousand and six hundred and fifty reais), based on the net profit shown in the balance sheet of June 30, 2014. The estimated value per share is described in the table below:

| Amount per share (R\$) | Immune or Exempt<br>Legal Entities (gross<br>value) | Withholding tax<br>(15%) | Taxed Legal Entities<br>and Individuals (Net<br>value) |
|------------------------|---|--------------------------|--|
| Common shares          | 0.397030353585                                      | 0.059554553038           | 0.337475800547   |
| Preferred shares (*)   |   |                          |  |

0.436733388944

0.065510008342

0.371223380602

(\*) 10% higher than the amount granted to each common share, in accordance with article 7 of the Company's Bylaws.

In accordance to the article 28 of the Company's Bylaws, such Interest on own capital will be charged to the mandatory minimum dividend for the fiscal year of 2014, *ad referendum* of the General Shareholders' Meeting.

The credit of Interest on own capital will be made on individual basis for each shareholder, in accordance to the shareholder registry book position by the end of the day, on December 30, 2014, including. After this date the shares will be considered as "ex-Interest on own capital". The payment of these proceeds will be carried out until the end of the fiscal year of 2015, in a date to be defined by the Company's Board.

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The Immune or Exempt Legal Entities, according to the current legislation, must provide proof of such condition until January 08, 2015 to the “Departamento de Ações e Custódia” of Banco Bradesco S.A., the depositary bank, located at Cidade de Deus, Amarelo Velho Building, subsoil – Vila Yara – Zip code: 06029-900 – Osasco – SP.

São Paulo, December 18, 2014.

Alberto Manuel Horcajo Aguirre

Investor Relations Officer

Telefônica Brasil – Investor Relations

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Available information: [www.telefonica.com.br/ir](http://www.telefonica.com.br/ir)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: December 18, 2014

**TELEFÔNICA BRASIL S.A.**  
By: /s/ Luis Carlos da Costa Plaster  
Name: Luis Carlos da Costa Plaster  
Title: Investor Relations Director

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