

**SUL AMÉRICA S.A.**

National Registry of Corporate Taxpayers' (CNPJ/MF) 29.978.814/0001-87  
National Registry of Corporate Taxpayers (NIRE) 33.3.0003299-1

**Publicly Held Company with Authorized Share Capital  
Publicly held company registration number 02112-1**

**NOTICE TO THE MARKET**

**Sul América S.A.** (B3: SULA11) (the "Company" or "SulAmérica") by this Notice to the Market clarifies that, as per B3 S.A. – Brasil, Bolsa, Balcão's request by means of its Official Letter 1772/2018-SAE/GAE 1, dated October 9, 2018, the wording of which is transcribed below ("Official Letter"):

*"October 9, 2018  
1772/2018-SAE/GAE 1*

***SUL AMERICA S/A***

*At. Mr. Ricardo Bottas Dourado dos Santos  
Investor Relations Officer*

***Ref.: Withdrawal rights applicability***

*Dear Sir,*

*Considering the material fact dated October 8, 2018, regarding the acquisition of 100% of Prodent Assistência Odontológica Ltda., we request you to inform, until October 9, 2018, if such acquisition will occasion withdrawal rights to the shareholders of this company according to article 256 of law 6.404/76, amended by law 10.303/01.*

*In case of withdrawal rights, please inform:*

- The shareholders inscribed in which date will have the right to dissent;*
- The amount for the reimbursement, in R\$ per share;*
- The term and the procedures that the dissenting shareholders shall adopt in order to speak.*

**The Company's clarification**

The Official Letter refers to the material fact ("Material Fact") disclosed by the Company on October 8, 2018, that informs its shareholders and the market in general about the execution, by its subsidiary Sul América Odontológico S.A. ("SulaOdonto"), of an agreement for the acquisition of 100% of Prodent Assistência Odontológica Ltda, a limited liability company with head offices in São Paulo, National Registry of Corporate Taxpayers' (CNPJ/MF) 61.590.816/0001-07 ("Prodent"), for the amount of R\$ 145.7 million (the "Transaction").

Regarding the Transaction, the Company hereby firstly clarifies that the agreement for the acquisition of 100% of the quotas of Prodent was executed by SulaOdonto, an operational and private company, and not by the Company, for reasons related to the nature of the businesses of the companies involved, not being applicable the obligation of deliberation in general shareholder meeting as well as the withdrawal rights set forth in article 256 of the Brazilian Corporation Law, once such article refers to "acquisition, by publicly held company, of any commercial company's control", which is not the case.

Accordingly, it should be mentioned that the orientation in item 7.3 of the OFÍCIO CIRCULAR/CVM/SEP/Nº 02/2018 states that "At first, the referred article (256) does not apply to transactions in which publicly held companies acquire commercial companies through its subsidiaries, controlled companies or affiliates, which are private companies or which present another corporate type."

Therefore, in accordance to the Official Letter, the Company clarifies that the Transaction is not subject to article 256 of the Brazilian Corporation Law and, thus, will not be submitted to the approval of its shareholders nor will trigger withdrawal rights to the Company's shareholders, and puts itself at your disposal to present any further clarification that may be required.

Rio de Janeiro, October 9, 2018.

Ricardo Bottas Dourado dos Santos  
Vice-President of Control and Investor Relations Officer