

TRADING POLICY OF SECURITIES ISSUED BY TOTVS S.A.

I. DEFINITIONS AND ADHESION

1. The definitions used herein have the meanings ascribed to them in the definitions Applicable to the Trading Policy, as per **Exhibit II** of this Trading Policy.
2. The Company's controlling shareholders (or any shareholder that holds less than 50% - fifty percent – of the capital stock, who exercises the Controlling Power, as well as the group of shareholders that is not a signatory to voting agreement and that is under common control neither acts representing a common interest, who exercise the Controlling Power), members of the Board of Directors, Fiscal Council and any other bodies with technical or consulting duties created by statutory provision, officers, managers and employees of the Company, companies controlled and/or under common control and its respective controlling shareholders, members of administration and bodies with technical or consulting duties, service providers and other Company's professionals that have access to Material Information, as well as others that the Company deems necessary or convenient shall sign the Adhesion Instrument to this Trading Policy (pursuant to **Exhibit I**), becoming Related Persons for the purposes provided herein. The rules of this Trading Policy also apply to the cases where the trades by the Related Persons occur for its direct or indirect benefit, upon the use, for example, of: (i) company directly or indirectly controlled by them; (ii) third parties with whom the management agreement is held, trust; (iii) proxies or agents; (iv) spouses from whom they are not legally separated, companions and any dependants included in their annual income tax return.
3. The Company will keep in its headquarter the list of the Related Persons and their related qualifications, indicating title or position, address and enrollment number of the Individual Taxpayers Register and/or National Register of Corporate Taxpayers, drawing it up whenever any alteration is made. The Related Persons shall inform the Investor Relations Officer about any changes of position, duty, address and other information comprised in the registration.
4. All the Securities trade performed by the Company and the Related Persons shall only be performed with the intermediation of the Accredited Brokerage Firms nominated in **Exhibit III**.

II. PURPOSE

5. The purpose of this Trading Policy is to establish the rules that shall be complied with by the Related Persons and by the Company, aiming the transparent and organized trade of the Securities issued by the Company and avoiding the inappropriate use of Material Information. The Company's Trading Policy was developed pursuant to CVM Instruction No. 358/2002.
6. Any doubts regarding the provisions of this Trading Policy shall be clarified with the Company's Investor Relations Officer.

III. NO TRADING

7. Pursuant to CVM Instruction No. 358/2002, the trade of Securities issued by the Company in the following cases:
 - (i) by direct or indirect controlling shareholders, officers or directors, whenever the acquisition or disposal of shares issued by the Company is in progress by the Company itself, its subsidiaries, affiliates or other companies under common control, or if an option or mandate for the same purpose has been granted, on the dates that the Company itself trades with shares issued by the Company;
 - (ii) by the Company and/or Related Persons, pending any Material Act or Fact on the business of the Company not disclosed to the market, which they know;
 - (iii) by the Company and/or the Related Persons, whenever there is an intention to promote the incorporation, total or partial spin-off, merger or significant reorganization, and in the context of a public offer of distribution of Securities and within the limits of Article 48 of CVM Instruction No. 400/2003, until the publication of the distribution termination notice with Securities issued by the Company.
8. The Related Persons and the Company may not trade the Securities issued by the Company: (a) within 15 (fifteen) calendar days prior to the end of each quarter subject to disclosure of quarterly (ITR) and annual (DFP) information, required by the CVM, until such disclosures are made; and (b) from the date of decision of the competent body to increase the share capital, distribute dividends and pay interest on own capital, and the publication of the relevant notices or announcements.
9. The same prohibition applies to anyone who has knowledge of a Material Information that has not been disclosed to the market, especially those that have a commercial, professional or trusted relationship with the company, such as independent auditors, securities analysts, consultants and institutions involved in the distribution system, who should confirm disclosure of the information before trading in securities issued by the company or derivatives referenced to them.
10. The Related Persons who have shared Material Information with those mentioned in item 9 must ensure that they are aware of these prohibitions.
11. The Related Persons who are dismissed from the Company prior to the disclosure of Material Information originated during their term of office shall not trade in Securities of the Company: (i) for a period of 6 (six) months after their dismissal; or (ii) until the disclosure by the Company of Material Information to the market.
12. Should any agreement have been entered into aiming at the transfer of the related share control, or any option or mandate has been granted for the same purpose, as well as if there is the intention of promoting incorporation, total or partial spin-off, merger transformation or corporate reorganization, and as long as the operation has not become public through the publication of material fact, our Board of Directors cannot deliberate the acquisition or disposal of our shares.
13. The prohibitions to negotiation of Securities of the Company will become ineffective as soon as the Material Information applicable to market is disclosed by

the Company. However, such prohibitions will be kept even after the disclosure of the Material Information, in the event that any negotiations with Securities by Related Persons may interfere, to the detriment of the Company or its shareholders, with the act or fact related to the Material Information.

14. The Related Persons are also prohibited from using Material Information not yet disclosed to the market, that they are aware and from which they shall keep secrecy, able to provide for themselves or others, undue advantage by trading on their own behalf or third parties, with Securities. Even after disclosure to the public, the Material Information should be considered not to have been disclosed until a reasonable period has elapsed for market participants to receive and process the Material Information.
15. The Investor Relations Officer may require the Accredited Brokerage Firms the history of the negotiations of the Related Persons, with titles and securities issued by the Company or referenced by them, in order to check any violations to this Trading Policy.

IV. AUTHORIZATION TO TRADE SECURITIES – EXCEPT FOR PROHIBITIONS

16. The prohibitions set out in items 7, 8 and 11 of this Trading Policy shall not apply to Related Persons nor the Company itself under the following assumptions: (i) as to operations with Securities traded by Related Persons as part of their Individual Investment Plan, previously filed with the Investor Relations Department, which must meet the criteria of this Trading Policy and CVM Instruction No. 358/2002; and (ii) acquisition of shares issued by the Company (a) which are held in treasury, through private trading, or (b) by means of capital increase arising from the exercise of call option by Related Persons, according to the plan for granting of call option and the long-term incentive plan based on shares approved at the General Meeting of shareholders.
17. The Individual Investment Plan is a written instrument by which a Related Person voluntarily, irrevocably and irreversibly undertakes to invest or disinvest in Securities on pre-determined dates or periods, prepared in accordance with the provisions of Article 15 and 15 "a" of CVM Instruction No. 358/2002. It is forbidden to participants: (i) to hold simultaneously in effect more than one Investment Plan; and (ii) to carry out any operations which cancel or mitigate the economic effects of operations to be determined by the Investment Plan.
18. The Individual Investment Plans shall be filed with the Investor Relations Department before conducting any negotiations, and shall include and note the following:
 - (i) shall establish, on an irrevocable and irreversible basis, the dates and the values or amounts of business to be conducted by the participants;
 - (ii) shall provide for a minimum period of 6 (six) months so that the Investment Plan itself, any amendments to it and cancellation take effect;

- (iii) prior to the filing, a schedule shall be approved, defining specific dates for disclosure of forms of the quarterly statements (ITRs) and Standardized Financial Statements (DFP) of the Company;
 - (iv) shall require its participants to revert to the company any losses avoided or gains obtained in negotiations with Securities issued by the Company resulting from any change in the dates of disclosure of ITR and DFP forms, determined by reasonable criteria defined in the plan;
 - (v) shall have as subject-matter the subscription, acquisition, sale and/or transfer in rental of the Securities of the Company;
 - (vi) may not be filed by Related Persons during the period in which they become aware of the Material Act or Fact not disclosed yet to the market;
 - (vii) comply with the obligation to negotiate the Securities only through the Accredited Brokerage Firms, and the Related Person shall appoint an Accredited Broker for which it will conduct the negotiations described in the Investment Plan.
19. Provided that the provisions of this Trading Policy and applicable regulations are met, the Investment Plans may allow participants to negotiate Securities issued by the Company on dates that coincide with the following conditions and periods:
- (i) prior to the public disclosure to the market of any Material Act or Fact related to the Company's business;
 - (ii) whenever there is the intent to carry out the merger, total or partial spin-off, consolidation, conversion or corporate reorganization of the Company.
 - (iii) even if an acquisition or disposal of shares issued by the Company is under progress by the Company itself, its subsidiaries, affiliates or other companies under common control, or if an option or mandate for the same purpose has been granted; and
 - (iv) even in the period between the 15 (fifteen) calendar days prior to the close of each period subject-matter of disclosure of the quarterly information (ITR) and annual information (DFP) required by CVM, and the date of the relevant disclosure.
20. The restrictions in this Trading Policy do not apply to transactions carried out by investment funds from which the Related Persons are shareholders, provided they are not exclusive investment funds or investment funds whose trading decisions of the administrator or portfolio manager are influenced by the Related Persons.

V. OBLIGATION TO INDEMNIFY

21. Related Persons responsible for non-compliance with any provisions in this Trading Policy, are obliged to indemnify the Company and/or other Related Persons, fully and without limitation, for any and all losses incurred by the Company and/or other Related Persons as a direct or indirect result of said non-compliance.

VI. AMENDMENT

22. Any change in this Trading Policy must be approved by the Company's Board of Directors and communicated to the CVM and the Stock Exchanges. The Trading Policy may not be changed as long as any Material Information is pending disclosure.

VII. EFFECTIVENESS

23. This Trading Policy will take effect on the date of its approval by the Board of Directors and will remain effective indeterminately, until resolved otherwise by the Board of Directors.

VIII. THIRD PARTY LIABILITY

24. The provisions of this Trading Policy do not exclude the liability of third parties not directly linked to the Company, who are aware of any Material Information.

EXHIBIT I TO THE SECURITIES TRADING POLICY

Adhesion Instrument

By this instrument, [insert name and qualification], resident and domiciled at [address] enrolled at the [Individual Taxpayer Registry of the Ministry of Finance] under no. [•] and holder of Identity Card [determine whether it is ID or ID for Foreigners] no. [insert number and issuing body], hereinafter referred to as "Declarant", in the capacity of [insert position, function or relationship with the company] of TOTVS SA, a corporation headquartered in São Paulo, State of São Paulo, at Avenida Braz Leme, n.º 1.631, 2º andar, enrolled at the Legal Taxpayers Register of Ministry of Finance (CNPJ) under No. 53.113.791/0001-22, hereinafter referred to as "Company", by this Adhesion Instrument, declares to have full knowledge of the negotiation rules provided for in Securities Trading Policy issued by TOTVS SA, as well as the rules on Securities trading provided for in CVM Instruction 358/2002, undertaking to base its actions always in compliance with such rules. The Declarant has executed this Adhesion Instrument in 3 (three) counterparts, same in format and content, in the presence of the 2 (two) undersigned witnesses.

Furthermore, I am aware and agree that the Company may request the Accredited Brokerage Firms information about negotiations carried-out by Related Persons in order to verify breach to the Trading Policy.

[insert location and date of signature]

[insert the name of the declarant]

Witnesses:

1. _____ 2. _____

Name:

Name:

ID:

ID:

CPF

CPF

EXHIBIT II TO THE SECURITIES TRADING POLICY

APPLICABLE DEFINITIONS

Stock Exchanges - São Paulo Stock Exchange - BOVESPA and any other Stock Exchanges or organized trading markets in which the Company has Securities listed for trading.

Company – means Totvs S.A.

Board of Directors – means the Board of Directors of Totvs S.A.

Fiscal Council – Means the Fiscal Council of Totvs S.A., when composed.

CVM – means Comissão de Valores Mobiliários (Brazilian Securities and Exchange Commission).

Investor Relations Officer – The Company officer elected to exercise the functions provided for in CVM regulation.

Articles of Incorporation – means the articles of incorporation of Totvs S.A.

Material Information – means any decision of the controlling shareholder, resolution of the General Meeting or the management bodies of the Company or any other act or fact of political-administrative, technical, business, economic or financial aspect or related to the business of the Company, which may significantly influence (i) the quotation of the Securities; (ii) the decision of investors to buy, sell or hold the Securities; or (iii) the determination of investors to exercise any rights inherent to the condition of Securities holders. The illustrative list of situations that may represent Material Information is in Article 2 of CVM Instruction No. 358/2002.

Related Persons – means controlling shareholders of the Company (or a shareholder holding less than 50% - fifty percent of the capital exercising the Controlling Power, as well as a shareholder group other than signatory of voting agreement and that is not under control common nor representing a common interest, exercising the Controlling Power), members of the Board of Directors, of the Fiscal Council and any other bodies with technical or advisory functions created by statutory provisions, directors, officers and employees of the Company, subsidiaries and/or under common control and their respective controlling shareholders, management members and of bodies with technical or advisory functions, service providers and other professionals of the Company with access to Material Information, as well as others that the Company considers necessary or convenient.

Controlling Power – means the power actually exercised to manage the corporate activities and guide the operation of the Company's bodies, whether directly or indirectly, in fact and by operation of law.

Trading Policy – means the Securities Trading Policy of Totvs SA approved at a meeting of the Board of Directors of Totvs SA held on December 18, 2015.

Individual Investment Program – means the individual plans for acquisition of Securities issued by the Company, filed at the Company’s headquarters, by means of which the Related Persons state their intention to invest with their own resources in the long term, in Securities issued by the Company.

Adhesion Instrument – the formal instrument signed by Related Persons and recognized by the Company, by which they manifest their awareness of the rules contained in the Trading Policy, undertaking the obligation to comply with them and to ensure that they are complied with by persons that are under their influence, including controlled companies, associated companies or companies under common control, spouses and dependents, whether direct or indirect.

Securities – refers to stock, debentures, subscription bonds, subscription receipts and rights and promissory notes issued by the Company, and derivatives related to any of these Securities.

EXHIBIT III TO THE SECURITIES TRADING POLICY

List of authorized Brokerage Firms to mediate negotiations involving Securities held by Related Parties:

1. **BRDESCO CVTM S.A.** (Av. Paulista, 1450, 7º andar, São Paulo-SP);
2. **HSBC CVTM S.A.** (Av. Brigadeiro Faria Lima, 3064, 2º andar, São Paulo-SP);
3. **ITAÚ CORRETORA DE VALORES S.A.** (Av. Brigadeiro Faria Lima, 3500, 3º andar, São Paulo-SP); e
4. **XP INVESTIMENTOS CVTM S.A.** (Av. Brigadeiro Faria Lima, 3600, 10º andar, São Paulo-SP).

List of Accredited Brokerage Firms to mediate negotiations, by the Company, of its own issued shares:

1. **BTG PACTUAL CVTM S.A.** (Av. Brigadeiro Faria Lima, 3477, 11th floor, São Paulo-SP, Brazil);
2. **ITAÚ CV S.A.** (Av. Brigadeiro Faria Lima, 3400, 10º floor, São Paulo-SP, Brazil);
3. **BRASIL PLURAL CCTVM S.A.** (Rua Surubim, 373, térreo, conjuntos 01-parte e 02, São Paulo-SP, Brazil);
4. **SANTANDER CCVM S.A.** (Av. Presidente Juscelino Kubitschek, 2041e 2235 – parte, 24th floor, São Paulo-SP, Brazil); e
5. **MORGAN STANLEY CTVM S.A.** (Av. Faria Lima, 3.600, 6th floor, São Paulo-SP, Brazil).