



BRASIL INSURANCE PARTICIPAÇÕES E ADMINISTRAÇÃO S.A.

CNPJ/MF nº 11.721.921/0001-60

Publicly-Held Company

MATERIAL FACT

Brasil Insurance Participações e Administração S.A. ("Company"), a publicly held company with common shares traded on the *Novo Mercado* of the Bovespa under the ticker BRIN3, pursuant to CVM Rule 358/2001, hereby informs its shareholders and the market in general that, in accordance with its strategy of growth through acquisition of interest in insurance and reinsurance brokers, it entered into an agreement on February 28, 2011, acquiring the control of Enesa Corretora de Seguros, the 28th broker to join the Brasil Insurance Group.

Headquartered in São Paulo city, Enesa Corretora is the exclusive insurance and reinsurance broker for all the Enesa Group companies, with insurance premiums of around R\$15 million in 2010. The Enesa Group consists of Enesa Participações, Enesa Engenharia and Brasil Lau Rent, which jointly make up one of Brazil's largest contractors of construction engineering solutions, especially for electromechanical assembling and equipment leasing, operating in a number of infrastructure projects throughout the country.

Brasil Insurance will hold 70% of the capital of Enesa Corretora. The acquisition value is R\$4.2 million, in addition to three variable annual payments, calculated according to an earn-out structure based on the future results of Enesa Corretora and will give Brasil Insurance the right to a priority minimum dividend. The total acquisition price is estimated at R\$6 million.

Pursuant to article 256, clause I of the Brazilian Law of Corporations (Law 6,404/1976) the Company will call an Extraordinary Shareholders' Meeting to resolve on the issue.

Shareholders dissenting from the acquisition of Enesa Corretora will have the right to withdraw from the Company. All shareholders of record as of March 1st, 2011, the date of publication of this Material Fact, are entitled to exercise their withdrawal rights, which must be informed to the Company within thirty (30) days from the publication of the Minutes of the Extraordinary Shareholders' Meeting that will resolve on the acquisition.