



## **Brown & Brown, Inc. Enters Into Agreement to Acquire Assets of Morstan General Agency**

May 16, 2016

DAYTONA BEACH, FL -- (Marketwired) -- 05/16/16 -- J. Scott Penny, Chief Acquisitions Officer of Brown & Brown, Inc. (NYSE: BRO), and Jay Levy, Howard ("Howie") Levy and Al Eskanazy, the majority shareholders of Morstan General Agency, Inc., Morstan Plus and related companies ("**Morstan**"), today announced that a subsidiary of Brown & Brown, Inc., has entered into an asset purchase agreement pursuant to which Brown & Brown will acquire substantially all of the operating assets of Morstan. The transaction is expected to close in June 2016, subject to customary closing conditions.

Morstan, which has been in operation since 1964, is a wholesale MGA/MGU offering a wide range of products in commercial lines, personal lines, employee benefits and life insurance products. The wholesale agency operates from its headquarters in Manhasset, New York, with additional offices in New York City, New Jersey and Florida and had total approximate annual revenues in 2015 of \$34 million. The new profit center will continue to operate under the Morstan name from its headquarters in Manhasset, making it the fifteenth distinct brand in the Brown & Brown Wholesale Division. The profit center will be guided by the sales and underwriting leadership of Jay Levy and Howie Levy and will report to Kathy Colangelo, Senior Vice President of the Brown & Brown Wholesale Division. Al Eskanazy will assist with transition of the new profit center.

Tony Strianese, President of the Brown & Brown Wholesale Division, stated, "Morstan General Agency has been an integral part of the wholesale insurance market in Long Island and New York City for many years. The leadership team has expanded the wholesale expertise into surrounding states and Florida, while developing opportunities in emerging, underserved niche markets. We are excited to have Morstan as part of the Brown & Brown Wholesale team under the operational guidance of Jay and Howie."

Jay Levy stated, "We, at Morstan, have always strived to bring innovative insurance solutions to our retail partners through our strong relationships with carriers. We believe that joining with the Brown & Brown Wholesale Division will only enhance what we can bring to our strategic partners."

Howie Levy stated, "Morstan has always focused on the relationship with our carriers and retail agents as the primary driver of success for our organization. We know that Tony and Kathy share that focus, and, by joining with Brown & Brown Wholesale, we can continue to do what we have done historically from a much larger platform."

Brown & Brown, Inc., through its subsidiaries, offers a broad range of insurance and reinsurance products and related services. Additionally, certain Brown & Brown subsidiaries offer a variety of risk management, third-party administration, and other services. Serving business, public entity, individual, trade and professional association clients nationwide, Brown & Brown is ranked by *Business Insurance* magazine as the United States' sixth largest independent insurance intermediary. Brown & Brown's Web address is [www.bbinsurance.com](http://www.bbinsurance.com). Morstan's current operation can be reviewed at their web address located at [www.morstan.com](http://www.morstan.com).

This press release may contain certain statements relating to future results which are forward-looking statements, including those associated with this acquisition, the appointments of those individuals currently employed by Morstan to the above-described positions with Brown & Brown after the transaction; and the integration of the current Morstan operations with Brown & Brown after the transaction. These statements are not historical facts, but instead represent only Brown & Brown's current belief regarding future events, many of which, by their nature, are inherently uncertain and outside of Brown & Brown's control. It is possible that Brown & Brown's actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these forward-looking statements. These risks and uncertainties include, but are not limited to: Brown & Brown's consummation and integration of the announced acquisition, including adequately addressing any matters analyzed in the due diligence process; Brown & Brown's ability to retain Morstan's clients following the transaction; the post-transaction performance of the operations acquired from Morstan combined with Brown & Brown's operations; material adverse changes in the business and financial condition of Morstan, Brown & Brown, or both, and their respective clients; material adverse changes in economic conditions in the markets Brown & Brown serves and in the general economy; management's decisions after the transaction regarding employment positions with Brown & Brown; the inability of certain individuals to fill certain positions with Brown & Brown after the transaction; changes to management's strategy, including the future strategic decisions regarding its insurance carrier relationships and/or the products and services it offers its distribution partners; future regulatory actions and conditions in the states in which Brown & Brown conducts its business; competition from others in the insurance agency, wholesale brokerage, insurance programs and service business. Further information concerning Brown & Brown and its business, including factors that potentially could materially affect Brown & Brown's financial results and condition, as well as its other achievements, is contained in Brown & Brown's filings with the Securities and Exchange Commission. All forward-looking statements made herein are made only as of the date of this release, and Brown & Brown does not undertake any obligation to publicly update or correct any forward-looking statements to reflect events or circumstances that subsequently occur or of which Brown & Brown hereafter becomes aware.

R. Andrew Watts  
Chief Financial Officer  
(386) 239-5770

Source: Brown & Brown, Inc.