

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A

AMENDMENT NO. 2

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **January 3, 2001**

BROWN & BROWN, INC.

(Exact name of registrant as specified in its charter)

FLORIDA
(State or other jurisdiction
of incorporation)

0-7201
(Commission
File Number)

59-0864469
(IRS Employer
Identification No.)

220 S. Ridgewood Avenue, Daytona Beach, Florida
(Address of principal executive offices)

32114
(Zip Code)

Registrant's telephone number, including area code: **(386) 252-9601**

N/A

(Former name or former address, if changed since last report)

This Amendment No. 2 amends the Current Report on Form 8-K (the "Report"), which was filed on January 18, 2001 and was amended by the first amendment to the Report filed on Form 8-K/A on March 19, 2001 ("Amendment No. 1"). This Amendment No. 2 is being filed solely for the purpose of correcting certain clerical errors, whereby an incomplete earlier draft version of the Unaudited Pro Forma Condensed Combined Financial Statements was inadvertently filed with Amendment No. 1 as Exhibit 99(b) to the Report.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial Statements of Business Acquired.

The audited financial statements of Riedman Insurance (a division of Riedman Corporation) for the year ended December 31, 2000 were previously filed on Form 8-K/A, dated March 19, 2001, as Exhibit 99(a) to the Current Report on Form 8-K.

(b) Pro Forma Financial Information.

The Registrant hereby files the amended pro forma financial data required to be filed herewith as Exhibit 99(b) hereto.

(c) Exhibits.

EXHIBIT DESCRIPTION

- 10(a) Asset Purchase Agreement, dated September 11, 2000, among the Company, Riedman Corporation and Riedman Corporation's shareholders, incorporated by reference to the Company's Quarterly Report on Form 10-Q dated November 13, 2000 (File No. 0-7201).
- 10(b) First Amendment to Asset Purchase Agreement, dated January 3, 2001, among the Company, Riedman Corporation and Riedman Corporation's shareholders.*
- 10(c) General Assignment and Bill of Sale, dated January 1, 2001, from Riedman Insurance of Wyoming, Inc. to Brown & Brown of Wyoming, Inc.**
- 23 Consent of KPMG LLP.**
- 99(a) Audited Financial Statements of Riedman Insurance:**
- Independent Auditors' Report
 - Statement of Income for the year ended December 31, 2000
 - Balance Sheet as of December 31, 2000
 - Statement of Stockholders' Equity for the year ended December 31, 2000
 - Statement of Cash Flows for the year ended December 31, 2000
 - Notes to Financial Statements
- 99(b) Unaudited Pro Forma Condensed Combined Financial Statements.***

*Previously filed on January 18, 2001 as part of the Report.

**Previously filed on March 19, 2001 as part of Amendment No. 1 to the Report.

***Filed herewith.

The Registrant has determined since filing the Report on January 18, 2001 that the foregoing constitute all of the required exhibits in connection with the acquisition.

SIGNATURES

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.

BROWN & BROWN, INC.

(Registrant)

Date: March 23, 2001

By: /S/ CORY T. WALKER

Cory T. Walker, Vice President,

Chief Financial Officer and

Treasurer

(Signature)

EXHIBIT INDEX

BROWN & BROWN, INC.

Amendment No. 1 to Annual Report on Form 10-K

Dated March 23, 2001

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*Previously filed on January 18, 2001 as part of the Report.

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***Filed herewith.

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EXHIBIT 99(b)

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The following unaudited pro forma condensed combined statements of income for the year ended December 31, 2000 and the unaudited pro forma condensed combined balance sheet as of December 31, 2000 give effect to the acquisition of agency-related assets of Riedman Insurance. The purchase method of accounting has been applied to the transaction. The pro forma statements of income assume the acquisition occurred on January 1, 2000 and the pro forma balance sheet assumes the transaction occurred on December 31, 2000.

The unaudited pro forma statement of income does not include potential cost savings that may be realized as a result of the acquisition.

The unaudited pro forma condensed combined financial statements have been prepared by the Registrant based upon the assumptions disclosed in the notes to the pro forma condensed combined financial statements. The unaudited pro forma financial statements presented herein are shown for illustrative purposes only and do not purport to be indicative of the results which would have been reported if the transaction had occurred on the dates indicated or which may occur in the future. The unaudited pro forma condensed combined financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Registrant's Annual Report on Form 10-K for the year ended December 31, 2000 and the Riedman Insurance financial statements included in Exhibit 99(a) of this Form 8-K.

BROWN & BROWN, INC.

PRO FORMA CONDENSED COMBINED STATEMENT OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2000 (UNAUDITED)

(In thousands, except per share figures)

	Brown & <u>Brown, Inc.</u>	Riedman <u>Insurance (a)</u>	Pro forma <u>Adjustments</u>	Pro forma <u>Combined</u>
REVENUES				
Commissions and fees	\$204,862	\$ 54,070	\$ -	\$258,932
Investment income	3,890	2,417	b- (1,605)	4,702
Other income	<u>954</u>	<u>668</u>	<u>b- (668)</u>	<u>954</u>
Total revenues	<u>209,706</u>	<u>57,155</u>	<u>(2,273)</u>	<u>264,588</u>
EXPENSES				
Employee compensation and benefits	108,258	35,664	-	143,922
Other operating expenses	33,724	12,465	-	46,189
Depreciation	4,637	1,451	c- (651)	5,437
Amortization	8,519	1,650	d- 3,174	13,343
Interest	<u>590</u>	<u>1,988</u>	<u>e- 3,038</u>	<u>5,616</u>
Total expenses	<u>155,728</u>	<u>52,218</u>	<u>5,561</u>	<u>214,507</u>

Total expenses	<u>100,720</u>	<u>20,210</u>	<u>2,201</u>	<u>214,207</u>
Income before income taxes	53,978	3,937	(7,834)	50,081
Income taxes	<u>20,792</u>	<u>130</u>	<u>f - (1,641)</u>	<u>19,281</u>
Net income	<u>\$ 33,186</u>	<u>\$ 3,807</u>	<u>\$ (6,193)</u>	<u>\$ 30,800</u>
Basic and diluted earnings per share	\$ 1.16			\$ 1.07
Weighted average number of common and common equivalent shares outstanding	28,663			28,663

See accompanying notes to pro forma condensed combined financial statements.

BROWN & BROWN, INC.				
PRO FORMA CONDENSED COMBINED BALANCE SHEET				
AS OF DECEMBER 31, 2000 (UNAUDITED)				
(In thousands of dollars)				
	Brown & Brown, Inc.	Riedman Insurance (g)	Pro forma Adjustments	Pro forma Combined
ASSETS				
Cash and cash equivalents	\$ 57,610	\$ -	i- \$ 71,363 j- (71,363)	\$ 57,610
Short-term investments	373	43,054	h- (43,054)	373
Premiums, commissions and fees receivable	83,199	11,771	h- (11,771)	83,199
Other current assets	<u>7,576</u>	<u>2,987</u>	<u>h- (2,987)</u>	<u>7,576</u>
Total current assets	148,758	57,812	(57,812)	148,758
Fixed assets, net	14,210	3,173	h- (3,173)	18,210

			j- 4,000	
Investment in assets of commercial real estate division	-	18,451	h- (18,451)	-
Notes receivable from non-consolidated subsidiary	-	4,060	h- (4,060)	-
Intangibles, net	101,901	10,917	h- (10,917) j- 88,086	189,987
Investments	5,752	1,356	h- (1,356)	5,752
Deferred income taxes	649		-	649
Other assets	<u>5,449</u>	-	-	<u>5,449</u>
Total assets	<u>\$276,719</u>	<u>\$95,769</u>	<u>\$ (3,683)</u>	<u>\$ 368,805</u>
LIABILITIES				
Premiums payable to insurance companies	\$109,417	\$13,035	h-(\$13,035)	\$ 109,417
Premium deposits and credits due customers	8,347	-	-	8,347
Accounts payable and accrued expenses	24,101	3,778	h- (3,778) j- 5,882	29,983
Short-term notes payable to banks	-	28,400	h- (28,400)	-
Current installments of records and expirations debt	-	837	h- (837)	-
Current portion of long-term debt	2,611	44	h- (44) i- 10,195 j- 4,490	17,296
Total current liabilities	144,476	46,094	(25,527)	165,043
Long-term records and expirations debt	-	2,646	h- (2,646)	-
Long-term debt	2,736	163	h- (163) i- 61,167 j- 8,990	72,893
Other Liabilities	<u>7,596</u>		j- <u>1,362</u>	<u>8,958</u>
Total liabilities	<u>154,808</u>	<u>48,903</u>	<u>43,183</u>	<u>246,894</u>
SHAREHOLDERS' EQUITY				
Common stock	2,870	112	h- (112)	2,870
Additional paid-in capital	-	1,154	h- (1,154)	-
Retained earnings	116,546	11,359	h- (11,359)	116,546
Less treasury stock	-	(147)	h- 147	-
Accumulated other comprehensive income	<u>2,495</u>	<u>34,388</u>	<u>h- (34,388)</u>	<u>2,495</u>
Total shareholders' equity	<u>121,911</u>	<u>46,866</u>	<u>(46,866)</u>	<u>121,911</u>
Total liabilities and shareholders' equity	<u>\$276,719</u>	<u>\$95,769</u>	<u>\$ (3,683)</u>	<u>\$ 368,805</u>

See accompanying notes to pro forma condensed combined financial statements.

A description of the adjustments reflected in the pro forma condensed combined financial statements follows:

- (a) Certain amounts included in the Riedman Insurance ("Riedman") statement of income have been reclassified to conform with the Registrant's financial statement presentation.
- (b) To reflect the reduction in investment and other income associated with the assets acquired from Riedman.
- (c) To record the incremental estimated annual depreciation associated with the acquisition of Riedman. Tangible fixed assets acquired is estimated at \$4 million and is being amortized over a five-year period.
- (d) To record the incremental estimated annual amortization of the acquired intangible assets from Riedman. Intangible assets are estimated at \$88,086 million and are being amortized between five and twenty years.
- (e) To record the additional annual interest expense associated with the estimated \$92,086 million of incremental debt that is expected to be incurred by the Registrant as a result of the acquisition. The assumed interest rate of 5.9% represents the weighted average interest rate of the expected incremental debt based on prevailing rates. The actual interest may vary from the assumed rate. The annual effect on pretax income of one-half percent variance in this rate is \$.4 million.
- (f) To record the tax effect of the pro forma adjustments related to the additional interest and amortization expenses, and reduction of interest income. The assumed tax rate of 38.5% represents the federal and state tax benefit on the estimated net expense.
- (g) Certain amounts included in the Riedman balance sheet have been reclassified to conform with the Registrant's financial statement presentation.
- (h) To eliminate the assets and liabilities of Riedman not purchased or assumed by the Registrant and to eliminate Riedman's stockholders' equity.
- (i) To record the cash received from the bank seven-year term loan borrowings used to purchase the Riedman assets.
- (j) To record the estimated tangible fixed assets and intangible assets acquired from Riedman and to record the related liabilities assumed and cash paid. The Registrant's management is in the process of, but has not completed, identifying intangibles or fair values of assets acquired and liabilities assumed. The preliminary purchase price allocation to the underlying assets and liabilities of Riedman, including goodwill, is subject to further refinement as the Registrant's management continues to review the estimated fair values of the assets acquired and the liabilities assumed. The final purchase price allocation could be materially different from this preliminary allocation.