

Free Translation

GAE 3728-13
October 7th, 2013

BB Seguridade Participações S.A.
Diretoria de Relações com Investidores
Mr. Leonardo Giuberti Mattedi

Dear Sirs,

In news published in the newspaper Valor Econômico, edition 10.07.2013, contained, among other information, that:

- Insurance products from the BB Seguridade today affect 13% of the Banco do Brasil account holders base, which is equivalent to about 4 million customers;
The target is to more than double this percentage and reach 30% of the customer base in five years;
Later this year the BB Seguridade intends to close a partnership to distribute health insurance through BB Corretora, which represents 40% of the holding's profit.

We request clarification about that news up to 10.08.2013, as well as other information considered important.

This request falls within the framework of the Convênio de Cooperação, signed by the CVM and BM&FBOVESPA at 12/13/2011, and its non-compliance may subject the company to the possible application of penalty payment by the Superintendência de Relações com Empresas – SEP of CVM, respected CVM Instruction nº. 452/07.

Best regards,

Nelson Barroso Ortega
Gerência de Acompanhamento de Empresas
BM&FBOVESPA S.A. Bolsa de Valores, Mercadorias e Futuros

Mr.

Nelson Barroso Ortega
BM&FBovespa S.A. Bolsa de Valores, Mercadorias e Futuros
Gerência de Acompanhamento de Empresas

Dear Sir,

In compliance with CVM Instruction n. 452/07, in relation to the questions contained in the Official Letter GAE 3728-13 of October 7, 2013, we present the following considerations about the news published in the newspaper Valor Econômico, edition of 10.07.2013:

(i) “Insurance products from the BB Seguridade today affect 13% of the Banco do Brasil account holders base, which is equivalent to about 4 million customers”.

The information above considers the penetration of BB Seguridade products (Insurance, Premium Bonds and Pension Plans) in the total customer base of the Banco do Brasil, representing the percentage of 13% on a consolidated basis, subject to the proportion by type of product.

Such information can be interpreted by appearing in the *Prospecto Definitivo da Oferta Pública de Distribuição Secundária de Ações Ordinárias de Emissão da BB Seguridade Participações*

S.A., dated 04.25.2013, pages 17/18, item Growth in the Percentage of Penetration on the Banco do Brasil basis, transcribed below:

"(...) The partnership with Banco do Brasil remains as priority for the BB Seguridade, especially in encouraging the expansion of consumption of insurance, pension plans and premium bonds by BB's customer base, which have more than 58 millions

(...)

(...) Customers who have life insurance products, for example, are around 7.7% of the basis of the Banco do Brasil. Already in pension plans and premium bonds, the penetration is around 2.4% and 3.6%, respectively. The ratio on auto insurance is 1.5% and P&C 1.1%. The Company believes, therefore, that there is enough space for action towards to increase the ownership of insurance products by Banco do Brasil customers (...)"

(ii) The target is to more than double this percentage and reach 30% of the customer base in five years;

In fact about the exploration of the customer basis, the CEO of the BB Seguridade, Marcelo Labuto, referred to the Bradesco ratio, which is the benchmark of market, owning 30% penetration in your individual customer basis, information obtained in disclosure presented by Bradesco Seguros and available on the IR website¹ of Banco Bradesco.

As a complement, it is recorded that the Principal Strategies of the Company were property declared in the *Prospecto Definitivo* of BB Seguridade Participações, pages 17/18, where recorded that they would be: Growth Percentage Penetration in basis of Banco do Brasil; Expansion of target audience; Expanding Distribution Channels; Efficiency gain by rationalization of processes, and others.

(iii) Later this year the BB Seguridade intends to close a partnership to distribute health insurance through BB Corretora, which represents 40% of the profit of the holding.

We emphasize that the CEO Marcelo Labuto not mentioned specific date of closing of the partnership, but only said that the BB Seguridade intends, in the future, to distribute health insurance through BB Corretora and consisted in Material Fact for November 26, 2012, disclosed to the market by the Banco do Brasil, the BB Seguridade controller, items 3.3 and 2.iv, copied below:

"11.26.2012 – BB Seguridade

Material Fact

Pursuant to § 4 of Article 157 of Law no 6,404, dated December 15th, 1976, and to CVM (Brazilian Securities and Exchange Commission) Regulation 358, dated January 3rd, 2002, Banco do Brasil S.A ("BB") hereby informs that its Board of Directors, in meeting held on November 23, 2012, approved: (...)

2. With the constitution of BB Seguridade, BB aims to: (...)

(iv) extend BB Corretora de Seguros e Administradora de Bens S.A. ("BB Corretora") role, which will sell products from third parties, on those segments in which Banco do Brasil does not have exclusivity agreements with partner companies, both inside and outside of BBs distribution channels.

3. It is BB intention that BB Seguridade: (...)

3.3. Perform the expansion of current operations covering insurance brokerage for the segments of health and dental care plans, using BB distribution channels and others, including the focus on those customers which does not currently own a checking account at Banco do Brasil. Initially, BB Seguridade will not act as a health insurer and will not assume, therefore, risks related to health insurance operations themselves. (...)" (our emphasis)

¹ <www.bradescom.com.br/site/conteúdo/download/Download.aspx?fil=%7e%fcuploads%2f634818311945875000-pdf-versao-final.pdf>

Finally, it be recorded that, with the disclosure of any partnership relevant to the market, the Company will adopt all legal proceedings in accordance with §4^o of art. 157, of Law n^o 6.404/76, as well as in relation to CVM Instruction n^o. 358/2002.

We remain at your disposal to provide any clarifications that may be necessary, registering our protests of considered and very high esteem.

Best regards,

Leonardo Giuberti Mattedi
CFO