

**BRASIL BROKERS PARTICIPAÇÕES S.A.**

Corporate Taxpayer's ID (CNPJ/MF): 08.613.550/0001-98  
State Registry (NIRE): 33.3.0028096-1

**MATERIAL FACT**

Rio de Janeiro, March 26, 2019 - **BRASIL BROKERS PARTICIPAÇÕES S.A.** ("Company"), publicly-held company with common shares traded in the Novo Mercado of B3 S.A. – Brasil, Bolsa, Balcão under ticker BBRK3, pursuant to the provisions of Article 157, Paragraph 4 of Law 6404/76, of December 15, 1976 ("Brazilian Corporation Law") and CVM Instruction Nr. 358/2002, of January 3, 2002, hereby reports to its shareholders and to the market in general that the Company's Board of Directors approved the following today ("RCA"):

***Call Notice for ESM to resolve on Issuing Convertible Debentures by the Company***

In accordance with the call notice published today, the Company's Board of Directors resolved to submit to the Extraordinary Shareholders' Meeting of the Company the Management's Proposal to approve the Company's first (1<sup>st</sup>) issue of debentures, totaling R\$120,000,000,000 (one hundred and twenty million reais) ("Management's Proposal", "Debentures" and "Issue").

The Debentures are convertible into shares, in a single series, unsecured, without additional guarantee, and will be issued for public distribution, with restricted placement efforts, pursuant to CVM Instruction Nr. 476, of January 16, 2019 ("CVM Instruction 476" and "Restricted Offer"), all as detailed in the Management's Proposal.

The Issue, if approved, will be carried out with the exclusion of the preemptive rights of the Company's shareholders, as set forth in Article 172, Item I, of the Brazilian Corporation Law. However, the shareholders will be ensured a priority right, pursuant to CVM Instruction Nr. 476 ("Priority Offer"). The Company disclosed today a Notice to the Shareholders with the guidelines to investors who wish to take part in the Priority Offer.

***Entering into an Investment Commitment with Cerberus***

At the same RCA, the Board of Directors approved an investment commitment with an affiliate of Cerberus Capital Management, L.P. ("Investment Commitment" and "Cerberus", respectively). Under this commitment, Cerberus undertakes to subscribe up to all shares issued under the Restricted Offer. In addition to preceding conditions, such as the approval of the Restricted Offer by the ESM and the negotiation and conclusion of all documents related to the Issue, and the usual statements and warranties for this type of transaction, the Investment Commitment is also subject to the subscription, by Cerberus, of at least 2/3 (two thirds) of the Debentures under the Issue. The Management's Proposal, disclosed today, has more information on the terms and conditions of the Issue provided for in the Investment Commitment, including the Debentures' conversion rules.



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Cerberus Capital Management, L.P. is a world-leader in the management of investments in real estate assets and correlated, with around US\$26 billion invested in such assets through over 560 transactions in the past 25 years.

The Management's Proposal, made available today on the websites of B3 ([www.b3.com.br](http://www.b3.com.br)), of CVM ([www.cvm.com.br](http://www.cvm.com.br)) and of the Companhia (<http://ri.brasilbrokers.com.br/>) has further details on the characteristics of the Debentures, of the Restricted Offer, as well as the Investment Commitment, including terms and conditions for the conversion of the Debentures.

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Claudio Kawa Hermolin

Investor Relations Officer