

## Sagicor Financial Corporation (SFC) Acquisition Fact Sheet

FCBAS is in the final stages of accepting an engagement by SFC to act as Lead Broker in Trinidad & Tobago for the acceptance of Shareholder Election forms pursuant to a Scheme of Arrangement between SFC and Alignvest Acquisition II Corporation (AQY), for that entity to acquire the issued shares of SFC in exchange for either AQY shares, cash or a combination of cash and AQY shares as outlined in an Offer Circular and the Arrangement Agreement, dated 27 November 2018, between Sagicor and AQY. Shareholders also were sent a Consideration Election Form, which was mailed to all shareholders of SFC during last week, or which can be accessed online at the News Section of the company website- [www.sagicor.com](http://www.sagicor.com).

**Note that the offer period for the delivery of election forms to either FCBAS or Sagicor is 3.00 pm on 11 June 2019.**

Accepting shareholders have the option of completing and signing the Consideration Election Form for up to a **maximum of 10,000 eligible shares**, and submitting either by:

- Emailing the completed and executed Consideration Election Form to Sagicor at [legal\\_election@sagicor.com](mailto:legal_election@sagicor.com) (legal [underscore] election [at] sagicor [dot] com).
- By ordinary or registered mail, or in person to – The Corporate Secretary, Sagicor Financial Corporation Limited, Cecil F De Caires Building, Wildey, St. Michael, Barbados,
- Submission of a signed and executed Consideration Election Form to First Citizens Brokerage and Advisory Services Limited (FCBAS) at its registered addresses in Trinidad & Tobago, in person or by ordinary or registered mail at:
  - 17 Wainwright Street, St. Clair, Port of Spain, Trinidad & Tobago , ATTN: Sagicor Scheme of Arrangement or
  - #46 Lady Hailes Avenue, San Fernando, Trinidad and Tobago, ATTN: Sagicor Scheme of Arrangement.

### **Election Options available to eligible Scheme Shareholders:**

1. All Cash Consideration (Option 1); or
2. Part cash Share Consideration (Option 2);

**A detailed explanation of the options above is provided in the “What is the Offer” section of the FAQ below:**

The choice of Option 1 or Option 2 shall hereinafter be referred to as an “Election”. Each Scheme Shareholder must indicate their Election beside either Option 1 or Option 2 on the Election Form in accordance with the instructions provided. With respect to any other Scheme Shares that you hold at the effective time of the Scheme which are not being exchanged for the Cash Consideration or the First Share Consideration, you will receive the Other Share Consideration.

**In order for an Election to be treated as valid by the Company, the Company must receive the completed and executed Election Form at Schedule A by no later than 5:30 p.m. (Atlantic Standard Time) on 11 June 2019 (the Election Deadline) at one of the three addresses noted above.**

## Frequently Asked Questions – Sagicor Scheme of Arrangement

### **What is happening to Sagicor Financial Corporation?**

On November 27<sup>th</sup> 2018, Sagicor Financial Corporation announced that the company entered into a strategic arrangement with Alignvest Acquisition II Corporation (AQY). In this arrangement, Alignvest will seek to acquire all of the issued and outstanding shares of Sagicor, in exchange for cash and shares of the “New Sagicor” that will be listed on the Toronto Stock Exchange.

### **What is the purpose of this transaction?**

This transaction will provide SFC with the required funds needed to pursue growth opportunities.

### **Who is AQY?**

AQY is a Special Purpose Acquisition Corporation (“SPAC”), formed for the sole purpose of facilitating this transaction and is listed on the Toronto Stock Exchange.

### **What is the Offer?**

As at December 6<sup>th</sup> 2018, Sagicor shareholders will have the option of:

- A cash consideration of US\$1.75 per Sagicor share
- Common shares in Alignvest shares, valued at CD\$10.00 per share, based on an exchange ratio which has a value of US\$1.75 per Sagicor share
- A combination of cash and shares
- Share consideration only

**The Cash, Share or combination Cash/Share consideration options are only available in respect of up to 10,000 Sagicor shares, or the shareholders eligible shares. The shares must have been in the shareholder’s name on 6 December 2018 and remain in the shareholders name at the election date.**

### **Will there be any transfer costs payable by accepting shareholders**

Yes, there will be a broker fee and a Exchange and Depository fee payable by shareholders for the transfer of their Sagicor shares to the acquiring company. Sagicor has agreed to pay the transferring shareholder’s portion of this fee and deduct the cost from the net cash proceeds or, if this is insufficient to cover these transfer costs, by reducing the number of AQY shares to be transferred to the seller and convert those shares to cash to meet the transfer costs.

### **What if I have more than 10,000 shares?**

If an investor has more than 10,000 shares, the residual shares will be redeemed for shares offered in AQY. AQY shares will eventually be converted into shares in the new SFC listing on the Toronto Stock Exchange.

### **How and when will I be paid for my shares under the Cash consideration option**

- Eligible Scheme Shareholders that have validly elected to receive cash will be mailed a cheque (by ordinary mail) within seven (7) Business Days following the Effective Time. In the second quarter of 2019: The Effective Time shall occur only when the order of the Court sanctioning the Scheme of Arrangement is filed with the Registrar of Companies of Bermuda.

### **What if I don't want to take up the offer?**

If investors do not take up the offer, they will automatically receive shares of the "New Sagicor" at an exchange ratio. The exchange ratio is based on an agreed formula that will be calculated shortly before closing of the transaction based on the Canadian to U.S. dollar exchange rate at such time.

### **Will SFC be de-listed?**

Yes. The shares of SFC in the Trinidad and Tobago, Barbados and London Stock Exchanges will be de-listed. A new SFC listing will be created on the Toronto Stock Exchange (TSX).

### **Can I sell the shares before the redemption is offered?**

Yes, shares in SFC held by investors can be sold on the TTSE at the market price before the offer is redeemed.

### **Will dividends still be paid?**

The New Sagicor intends to pay dividends after closing in a manner that is consistent with the existing Sagicor's past practice. New Sagicor expects to pay any dividends after this transaction in the form of US dollars.

### **What changes can be expected at Sagicor following this transaction?**

- Operationally, no changes are expected.
- Sagicor's head office will continue to be in Barbados.
- Sagicor's senior executive management team will remain in place following the transaction. Specifically, the Group Chief Executive Officer and Group Chief Operating Officer have agreed to remain with the company for the next three (3) years.
- The Board of Directors will change to accommodate new Alignvest-appointed directors.

### **What needs to happen for the transaction to be effective?**

#### Approval of Existing SFC Shareholders – meeting expected in Late January / early February 2019

There must be approval of not less than 75% in value of Sagicor's shareholders at the shareholder meeting, in person or by proxy. For the meeting to take place, there must a quorum of 100 shareholders (present in person or by proxy).

Approval from Alignvest shareholders – meeting expected Late January / early February 2019

An affirmative vote of 2/3 rds of Alignvest shareholders present in person or by proxy.

Regulatory approval

- Approvals in in jurisdictions where Existing SFC does business, including Barbados, Jamaica, Trinidad and Tobago and the United States.
- Alignvest will also require approval of the Ontario Securities Commission in Canada for a prospectus that describes the business of New Sagicor and from the TSX.

What form with the AQY shares be issued?

Scheme Shareholders that have validly elected or are otherwise entitled to receive AQY Shares will be mailed a Direct Registration System statement (by ordinary mail) within thirty (30) Business Days following the Effective Time. This statement will represent and record your ownership of AQY shares.

How do I buy or sell my AQY shares on the TSX? Will I need a broker to hold my shares on the TSX?

You will not need a broker to hold shares, but you will need a broker to sell any New Sagicor shares on the Toronto Stock Exchange (TSX), by depositing your DRS statement shares referred to above with a Broker registered to trade on the TSX. Your existing broker should be able to assist you with this or you can contact First Citizens Investment Services Limited (FCIS) at 622-3247 Extension 5976, for further information on opening an international brokerage account .