

Internal and Shareholder Communication FAQs

Below please find some Q&As that we believe will assist you in understanding the transaction between Sagicor Financial Corporation Limited (“Old Sagicor”) and Alignvest Acquisition II Corporation (“Alignvest” and, together with Old Sagicor which will become its wholly-owned subsidiary on closing, “New Sagicor”).

1. Please briefly describe the transaction.

The substance of the transaction is that Alignvest, that has C\$xxxM of cash and cash equivalents will combine resources with Sagicor and the surviving entity shall be a stronger Sagicor. The legal mechanics shall be an Arrangement Agreement between both entities, whereby Alignvest will acquire, by way of a scheme of arrangement, all of the issued and outstanding shares of Old Sagicor in exchange for cash and shares of New Sagicor which will be listed on the Toronto Stock Exchange (“TSX”). This scheme of arrangement must be approved by the Old Sagicor shareholders and sanctioned by the Supreme Court of Bermuda.

2. What is the rationale for doing this transaction?

This transaction is expected to unlock significant value for all stakeholders in three ways: (1) the TSX is a liquid exchange market that will provide exposure to a larger range of institutional and large-scale investors, (2) any additional capital from the transaction will fund our growth strategy, and (3) the transaction is expected to provide better price discovery in a deeper and more liquid capital market.

3. What will I receive for my Old Sagicor shares?

You will have the right to receive cash and/or shares of New Sagicor for the first 10,000 Old Sagicor shares you own. The record date for ownership of shares to receive cash is December 6, 2018. You must own those Old Sagicor shares on that record date and on the closing date of the transaction to receive cash. If you do not elect to receive cash with respect to your first 10,000 Old Sagicor shares, you will automatically receive shares of New Sagicor. You will have the right to receive New Sagicor shares for the remainder of your Old Sagicor shares held on the closing date. If you acquire Old Sagicor shares between the record date and the date of closing that you continue to hold at closing, you will only receive shares of New Sagicor for those Old Sagicor shares. Should the total cash consideration elected by Sagicor shareholders exceed US\$205 million in aggregate (subject to adjustment by Alignvest and Old Sagicor), then the amount payable in cash to each shareholder will be ratably reduced per the terms of the Arrangement Agreement, with the balance awarded in the equivalent amount of New Sagicor shares.

4. Can I continue to own Old Sagicor shares after the transaction closes?

If the transaction closes, instead of Old Sagicor shares you will own New Sagicor shares, except for those Old Sagicor shares for which you validly elect to receive the cash consideration described in Question 3. As stated above, New Sagicor will be a combination of Alignvest and Old Sagicor as its wholly owned subsidiary.

5. What price will Alignvest pay for the Old Sagicor shares?

Alignvest will pay US\$1.75 per Old Sagicor share. Alignvest will pay this price in the form of a combination of cash and shares of New Sagicor. An Old Sagicor shareholder who receives shares of New Sagicor will receive them for shares of Old Sagicor based on an exchange ratio which the parties have agreed has a value of US\$1.75 per Old Sagicor share. 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. The cash paid to eligible Old Sagicor shareholders will be paid in U.S. dollars.

However, the exact effective value of the New Sagicor shares after such exchange is subject to dilution by sponsor shares and warrants, as described in Questions 7, 8 and 9 below.

6. *What if the shares are trading at a different price than the price Alignvest has agreed to pay?*

The price has been set at the signing of the Arrangement Agreement, and Alignvest will pay US\$1.75 per Old Sagicor share (in the form of cash and/or New Sagicor shares as described above) regardless of the price at which the Old Sagicor or Alignvest shares are trading at any point prior to closing of the transaction. The exact effective value of the New Sagicor shares after the Old Sagicor shares are exchanged is subject to dilution by sponsor shares and warrants, as described in Questions 7, 8 and 9 below.

7. *What are sponsor shares?*

Some issued and outstanding shares of Alignvest consist of sponsor shares issued to the Alignvest founders and others that have agreed to purchase shares of Alignvest immediately prior to closing, at a lower price than the price paid by purchasers of Alignvest shares in its initial public offering. These sponsor shares will convert into common shares of New Sagicor upon the closing of the transaction, but such shares will be subject to certain restrictions. Sponsor shares are a common feature of special purpose acquisition entities.

8. *What is the impact of the sponsor shares?*

These sponsor shares will dilute the value of the New Sagicor shares issued to Old Sagicor shareholders such that the effective price of the New Sagicor shares paid to the Old Sagicor shareholders on the closing date of the transaction would be less than US\$1.75 per share. The Sagicor Board of Directors believes that this dilutive effect of the sponsor shares is outweighed by the potential benefits of the transaction.

9. *Are there any other securities that could affect the value of the shares that I will receive?*

Alignvest shareholders hold a significant number of warrants that will become exercisable 30 days after closing at CDN\$11.50 per share. If exercised, these warrants could also result in further dilution to existing shareholders of Old Sagicor.

Based on the current Canadian/US dollar exchange rate, because of the warrants and the sponsor shares, the effective price that Old Sagicor shareholders would receive for each of their shares may range from US\$1.55-\$1.65.

10. *Will the shares I hold in New Sagicor be publicly listed?*

It is a condition of closing that the New Sagicor shares be listed on the TSX. Approximately 1,500 companies are listed on the TSX with an aggregate quoted market value of nearly CDN\$3 trillion.

11. *How do I buy or sell 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 TSX. Your existing broker will be able to assist you with this.

12. *Are exchange control approvals required for me to hold New Sagicor Shares?*

It is a condition to closing of the transaction that exchange control approvals have been obtained from the relevant authorities in Barbados and Bermuda.

13. *How do I purchase additional New Sagicor Shares?*

On the TSX or, subject to regulatory approval, via participation in a proposed dividend reinvestment plan.

14. Are there any additional tax implications that I should be aware of?

You should consult your own tax advisor to determine any tax implications, if any, that you may be subject to.

15. How does the transaction impact Old Sagicor operationally?

Operationally, no changes are expected after the transaction.

16. Who is Alignvest and how will they help support our growth?

Alignvest's sponsor, Alignvest Management Corporation, is a leading Canadian investment management firm whose clients include pension plans, foundations and ultra-high net worth family offices. They also have extensive insurance expertise.

17. Will there be any change to the head office of Old Sagicor?

New Sagicor's head office will continue to be at the Cecil F De Caires Building, Wildey, St. Michael, Barbados.

18. What happens to Old Sagicor's shares on the Barbados, London, and Trinidad and Tobago exchanges?

Old Sagicor will become a wholly-owned subsidiary of Alignvest and, therefore, New Sagicor expects to delist Old Sagicor's shares on the London, Trinidad and Tobago and Barbados exchanges. New Sagicor will be listed on the TSX.

19. What about changes in management?

Old Sagicor's senior executive management team will remain in place following the transaction.

20. What will the board composition be post-transaction?

The newly appointed board of New Sagicor will consist of some existing Old Sagicor board directors and include some new Alignvest-appointed directors.

21. Does management benefit financially from this transaction?

Management will continue to participate in long term incentives that are triggered by performance criteria. The contracts of the Group Chief Executive Officer and the Group Chief Operating Officer have been amended to be consistent with Canadian market practice and both executives have agreed to remain with the company for the next three years with improved terms for that commitment. ***Is management participating in this transaction?***

Old Sagicor's continuing board members and management team are electing to receive shares of Alignvest for all of their Old Sagicor shares. Old Sagicor management has agreed to enter into lock-up agreements preventing each of them from selling his or her shares for a certain period of time.

22. Will New Sagicor pay dividends after closing?

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

23. Will any dividends be subject to tax?

New Sagicor expects to be tax domiciled in Barbados and therefore no change is expected regarding the taxation of dividends.

24. Will Sagicor Group Jamaica shares be impacted in this transaction?

Sagicor Group Jamaica will be unaffected by this transaction.

25. What has to happen for the transaction to be effective?

- Alignvest must have a minimum cash amount at the time of closing of at least US\$220 million, net of certain expenses and any redemption of their shares.
- Approval from Old Sagicor Shareholders
 - Under Bermuda law, the scheme of arrangement will require the approval of a majority in number representing not less than three-fourths in value of Old Sagicor shareholders present and voting either in person or by proxy at the Old Sagicor shareholder meeting.
 - The Old Sagicor shareholder meeting must have a quorum of at least 100 shareholders (present in person or by proxy).
 - If the requisite shareholder approval under Bermuda law is obtained and the Supreme Court of Bermuda sanctions the scheme of arrangement, then all of your shares of Old Sagicor will be transferred to New Sagicor for the agreed-upon consideration described above, even if you voted against the transaction or abstained from voting on the transaction.
- Approval from Alignvest Shareholders
 - In addition to satisfaction of various other conditions, it is expected that Alignvest will discontinue as a corporation under the laws of the Province of Ontario and continue as an exempted company under the laws of Bermuda immediately following the effectiveness of Sagicor's scheme of arrangement.
 - The continuance by Alignvest to Bermuda requires an affirmative vote by two-thirds of the votes cast by Alignvest shareholders present in person or represented by proxy at an Alignvest shareholders meeting and entitled to vote thereat, voting together as if they were a single class of shares.

26. What is the maximum amount of cash that Alignvest will need in order to pay Old Sagicor shareholders?

Based on existing shareholdings, up to US\$205 million, but this would depend on how many Old Sagicor shareholders elect to receive cash.

28. Will this transaction require regulatory approval?

In addition to the approvals described above in Canada and Bermuda, Old Sagicor and Alignvest will be required to obtain certain banking and insurance regulatory approvals in jurisdictions where Old Sagicor 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.

The parties will also be required to obtain approval or notify antitrust regulators in the United States, Barbados and possibly other jurisdictions.

29. What is a Canadian SPAC?

A Canadian special purpose acquisition corporation or "SPAC" is a corporation that has raised capital through an initial public offering on the TSX or another approved exchange for the purpose of seeking and consummating a "qualifying acquisition". This transaction would be Alignvest's qualifying

acquisition. Alignvest has no current business operations and will have none until such time as it consummates such qualifying acquisition.

30. *What is a Scheme of Arrangement?*

A scheme of arrangement is a court sanctioned process under Bermuda law pursuant to which, in this transaction, the Supreme Court of Bermuda will be asked, following the required Old Sagicor shareholder approval, to sanction the scheme of arrangement and to make an order transferring all of the issued and outstanding shares of Old Sagicor to Alignvest for the price agreed in the Arrangement Agreement.

31. *Is this transaction a result of the Government of Barbados Bond Restructuring?*

No, this transaction is completely independent of the Barbados Bond Restructuring announced earlier this year.

32. *What other transactions are being pursued concurrently with the acquisition of Old Sagicor?*

Old Sagicor has agreed to acquire ScotiaLife Trinidad & Tobago and Scotia Jamaica Life Insurance Company. These transactions are subject to conditions and are not expected to close until after the Old Sagicor/Alignvest transaction.

33. *Will there be any job losses?*¹

We do not expect any job losses to result from this transaction.

34. *How will this transaction impact Old Sagicor's employee stock option plan?*²

The employee stock option plan will continue, as will the long-term incentive plan, but such plans will, going forward, be adopted by New Sagicor and operate with respect to New Sagicor shares rather than Old Sagicor shares. Subject to the foregoing, grants formerly made under the existing employee stock option plan will continue on their current vesting schedules, but grants formerly made under the long-term incentive plan may vest automatically upon the consummation of the transaction if it constitutes a change of control as defined in such plan, which will depend on a number of factors, including the number of Alignvest shareholder redemptions and Old Sagicor cash elections that occur before closing. Any new equity grants after closing will be issued under a different program. Additionally, there is expected to be, subject to regulatory approval, a stock purchase plan for employees of New Sagicor that will provide for discounted share purchases.

¹ For Employee FAQ only.

² For Employee FAQ only.