



Wise Financial Thinking for Life

SAGICOR FINANCIAL CORPORATION

NOTICE OF ANNUAL MEETING

Letter to Shareholders
Notice of Annual Meeting
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May 25, 2012

Dear Sagicor Shareholder



Wise Financial Thinking for Life

Sagicor Goes Green with Electronic Shareholder Communication

As at December 31, 2011, Sagicor Financial Corporation had on its share register over 37,000 Shareholders resident mainly in the Caribbean, and in 50 countries around the world. Every year we are required to send the Annual Report to all Shareholders at their address of record. The cost of printing and posting 37,000 Annual Reports, the size of which grows larger every year due to increased financial and corporate governance disclosures, has been significant. Over the last three years, this cost has exceeded US \$400,000 per annum.

Your Board firmly believes that, not only is this cost very high, but the process of sending heavy packages through ordinary mail has its own challenges in terms of the timeliness of delivery, even with very efficient postal services. We are also aware that developed countries such as United States, United Kingdom, Australia, and New Zealand, to name a few, have, through legislation, embraced the modern practice of communicating electronically with Shareholders, which includes the sending of Annual Reports in electronic format. This practice has three significant advantages:

- (i) speedier availability of corporate information to Shareholders;
- (ii) significant cost reductions to the Company and, by extension, added Shareholder value;
- (iii) positive environmental impact.

We would not have introduced this “green” initiative, which has saved approximately 433 trees this year, if we were not satisfied that it would have met with your support. We sought the views of a cross-section of Shareholders, and received favourable responses. We also took note of the reasonably high PC availability and internet penetration in our main markets, as published in the World Development Indicators database statistics of the World Bank, and by the International Telecommunications Union respectively.

Your Board has decided to take advantage of legislation governing electronic transactions and has accordingly amended the Company’s Bylaws to enable it to send electronic Annual Reports to you in the form of a CD-Rom. However, we recognise that some Shareholders would still prefer to receive their Annual Reports in the traditional hard copy format. Any Shareholder is, therefore, free to request a hard copy at any time, by notifying the Company, and we will be happy to honour such request. We will also continue to have hard copies of the Report available at Investor Briefings and Annual Meetings.

You will continue to receive the Notice of the Annual Meeting, Management Proxy Circular, and your personalised proxy form in printed form.

Enclosed in this package are:

- The Notice of the Annual Meeting, containing the resolution to be considered for adoption by Shareholders.
- Details of the proposed amendments to the Bylaws to give full effect to our “green” initiative set out in the accompanying Management Proxy Circular.
- Personalised proxy form to be completed and returned to us by those of you who are unable to be present in person at the Annual Meeting to be held on June 19, 2012 in Barbados.
- 2011 Annual Report CD.

We are asking for your support of this forward-looking initiative, which is not only of benefit to Sagicor, but brings us in line with the acceptable method of delivery of Annual Reports internationally. We therefore anticipate your confirmation of the changes to our Bylaws as set out in the attached Notice and Management Proxy Circular.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Stephen D R McNamara', with a horizontal line extending to the right.

Stephen D R McNamara
Chairman
Sagicor Financial Corporation

SAGICOR FINANCIAL CORPORATION

NOTICE OF ANNUAL MEETING

NOTICE is hereby given that the Ninth Annual Meeting of Shareholders of Sagicor Financial Corporation (“the Company”) will be held at Hilton Barbados, Needham’s Point, St Michael, Barbados, on **Tuesday June 19, 2012 at 5:30 pm** to transact the following business:-

- 1 To receive and consider the Consolidated Financial Statements of the Company for the year ended December 31, 2011, and the Auditors’ Report thereon.
- 2 To elect Directors.
- 3 To re-appoint the incumbent Auditors for the ensuing year, and to authorise Directors to fix their remuneration.
- 4 To consider and, if thought advisable, to adopt the following Resolution:

WHEREAS it is considered expedient and in the best interests of the Company to amend Bylaw 12 of Bylaw No. 1 of the Company (“the Bylaws”):

BE IT RESOLVED that the insertion of the new Bylaw 12.8 in Bylaw 12 of the Bylaws made by the Directors on March 23, 2012 as set out in the Schedule to this Notice which is incorporated by reference herein be and is hereby confirmed without amendment.

- 5 To transact such other business as may properly come before the Meeting.

By Order of the Board of Directors.



Sandra Osborne, QC
Corporate Secretary

May 25, 2012.

PROXIES:

Shareholders who are unable to attend the Meeting in person may complete and return the enclosed form of proxy at least 48 hours before the appointed time of the Meeting, or adjourned Meeting, to any of the addresses noted below.

DOCUMENTS AVAILABLE FOR INSPECTION:

- There are no service contracts granted by the Company, or its subsidiaries, to any Director of the Company.
- Bylaw No 1 of the Company is available for inspection at any of the addresses noted below, and on the Company’s website, www.sagicor.com.

ADDRESS FOR DELIVERY OF PROXIES AND INSPECTION OF DOCUMENTS:

- Registered Office of the Company at Cecil F de Caires Building, Wildey, St Michael, Barbados; or
- Office of Sagicor Life Inc, Sagicor Financial Centre, 16 Queen’s Park West, Port of Spain, Trinidad.

SCHEDULE TO NOTICE OF ANNUAL MEETING

EXTRACT

OF

BYLAW NO 1 OF SAGICOR FINANCIAL CORPORATION

12 - Notices

12.1 Method of Giving Notice - Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the Regulations, the articles, the by laws or otherwise to a shareholder, debenture holder, director, officer, auditor or member of a committee of the directors shall be sufficiently given if:

- (a) delivered personally to the person to whom it is to be given;
- (b) delivered to his recorded address;
- (c) mailed to him at his recorded address by prepaid ordinary or air mail;
- (d) sent to him at his recorded address by any means of prepaid transmitted or recorded communication; or
- (e) in the case of a director, sent by facsimile or other means of electronic transmission.

A certificate of an officer of the Company in office at the time of the making of the certificate or any transfer agent of shares or debentures of any class of the Company as to the facts in relation to the delivery or sending of any notice shall be conclusive evidence of those facts.

12.2 Computation of Time - In computing the date when notice must be given under any provision requiring a specified number of days or other period of notice of any meeting or other event the date of giving the notice and the date of the meeting or other event shall not be counted and:

- (a) where the notice is delivered personally to the person to whom it is addressed or delivered to his recorded address service shall be deemed to have been effected at the time of delivery of such notice;
- (b) where the notice is sent by post service of the notice shall be deemed to be effected on the day of posting;
- (c) where the notice is sent by facsimile or other means of electronic transmission service is deemed to be effected on the date on which the notice was sent.

12.3 Notice to Joint Shareholders - If two or more persons are registered as joint holders of any shares or debentures any notice shall be addressed to the first named of such joint holders and notice to such person shall be sufficient notice to all of them.

12.4 Undelivered Notices - If any notice given to a shareholder or debenture holder pursuant to by-law 12.1 is returned on three consecutive occasions because he cannot be found the Company shall not be required to give any further notices to such shareholder or debenture holder until he informs the Company in writing of his new address.

12.5 Omissions and Errors - The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the directors or the non-receipt of any notice by any such person or any error or irregularity in any notice not affecting the substance thereof shall not invalidate any resolution passed or action or proceedings taken at any meeting held pursuant to such notice or otherwise founded thereon.

12.6 Persons Entitled by Death or Operation of Law - Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any shares shall be bound by every notice in respect of such shares which shall have been duly given to the shareholder from whom he derives his title to such shares prior to his name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to his furnishing the Company the proof of authority or evidence of his entitlement prescribed by the Act.

12.7 Waiver of Notice - Notice may be waived or the time for the notice may be waived or abridged at any time by any person entitled thereto. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of directors which may be given in any manner. The attendance of such person at a meeting shall constitute a waiver of notice of the meeting unless he attends for the express purpose of objecting to the transacting of any business on the grounds that the meeting is not lawfully called.

NEW

12.8 Electronic Shareholder Communication

12.8.1 Subject to this by-law 12, and to applicable law, the Company may, by way of electronic record, send to shareholders any communication, document or information (referred to collectively in this by-law 12.8 as a “document”) required by law to be sent. Where such electronic record is sent, the shareholder to whom it is addressed shall be deemed to have acknowledged receipt therefor, and the Company shall be deemed to have received such acknowledgement, at the time of sending.

12.8.2 Subject to this by-law 12, and to applicable law, where a document is sent or delivered by the Company to a shareholder via electronic means to the information-processing system designated by that shareholder for receipt of electronic communication from the Company, the shareholder to whom it is addressed shall be deemed to have acknowledged receipt therefor, and the Company shall be deemed to have received such acknowledgement, at the time of sending.

12.8.3 Where a shareholder receives a document from the Company otherwise than in hard copy form, such shareholder is at all times entitled to require the Company to send him a version of the document in hard copy form. Where the Company is in receipt of a request from a shareholder for a document in hard copy form, the Company shall deliver, send or mail such document in accordance with by-law 12.1 free of charge within 21 days of such request.

12.8.4 Notwithstanding the foregoing, a shareholder may notify the Company in writing at any time of his desire to receive all documents from the Company in hard copy. Where the Company is in receipt of such notification from a shareholder, the Company shall deliver, send or mail all further documents to that shareholder in accordance with by-law 12.1 free of charge until further notice from the shareholder.

MANAGEMENT PROXY CIRCULAR

SAGICOR FINANCIAL CORPORATION

Company No 21849

Management is required by the Companies Act Cap 308 of the Laws of Barbados (hereinafter called “the Act”) to send, with the Notice convening the Meeting, forms of proxy. By complying with the Act, Management is deemed to be soliciting proxies within the meaning of the Act.

This Management Proxy Circular accompanies the Notice of the Ninth Annual Meeting of Shareholders of Sagicor Financial Corporation (“the Company”) to be held on **June 19, 2012 at 5:30 pm** (“the Meeting”), and is furnished in connection with the solicitation of proxies by the Management of the Company for use at the Meeting, or any adjournments thereof. The solicitation will primarily be by mail. The cost of the solicitation will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXY

A form of proxy is enclosed and, if it is not your intention to be present at the Meeting, you are asked to complete, sign, date and return the proxy. **Proxies to be exercised at the Meeting must be deposited not later than 5:30 pm on Sunday June 17, 2012.**

Any Shareholder having given a proxy has the right to revoke it by depositing an instrument in writing, executed by the Shareholder or his/her attorney authorised in writing, or if the Shareholder is a body corporate, partnership, estate, trust or association, by any officer or attorney thereof duly authorised, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, with the Corporate Secretary of the Company at any of the addresses listed for delivery of proxies in the Notes to the Notice of the Meeting.

The persons named in the enclosed form of proxy are Directors of the Company. If you wish to appoint some other person to represent you at the Meeting, you may do so by inserting the name of your appointee, who need not be a Shareholder, in the blank space provided on the proxy form.

RECORD DATE AND VOTING OF SHARES

The Directors of the Company have fixed **May 2, 2012** as the record date for determining the Shareholders entitled to receive Notice of the Meeting, and have given notice thereof by advertisement as required by the Act. Only the holders of record of common shares and convertible redeemable preference shares of the Company at the close of business on that day will be entitled to receive Notice of the Meeting.

Common Shareholders and Convertible Redeemable Preference Shareholders are voting on (1) the adoption of the Audited Consolidated Financial Statements for the year ended December 31, 2011; (2) the election of Directors; (3) the re-appointment of the incumbent Auditors and Directors' authorisation to fix their remuneration; and (4) the confirmation without amendment of by-law 12.8 of by-law No 1 of the Company (“the by-laws”).

Only the holders of common shares and convertible redeemable preference shares of the Company will be entitled to vote at the Meeting. On a show of hands, each Shareholder has one vote. On a poll, each holder of a common share is entitled to one vote for each share held, and each holder of a convertible redeemable preference share is entitled to voting rights equal to half the number of common shares issuable upon conversion. As at **May 2, 2012**, there were **303,917,020** common shares, and **120,000,000** convertible redeemable preference shares of the Company outstanding respectively.

ITEM 1 - PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT

The Consolidated Financial Statements of the Company for the year ended December 31, 2011 and the Auditors' Report thereon are included in the 2011 Annual Report.

ITEM 2 - ELECTION OF DIRECTORS

The maximum number of Directors permitted by the Restated Articles of Incorporation of the Company is 12, and the minimum is 7. The Board of Directors presently consists of 11 Members. The Board of Directors proposes that the size of the Board be increased to 12, the maximum permitted by the Articles. **The number of Directors to be elected at the Meeting is 5. Mr Stephen D R McNamara, Mrs Marjorie M Fyffe-Campbell, Mr Richard M Kellman, and Mr William P Lucie-Smith** will retire at the end of the Meeting, and, being qualified, will all be seeking re-election. **Mr Monish K Dutt** has also been nominated for election as a new Director. Following are the names of the qualified persons proposed as nominees for election as Directors of the Company, and for whom it is intended that votes will be cast pursuant to the form of proxy enclosed herewith:

- STEPHEN D R McNAMARA
- MARJORIE M FYFFE-CAMPBELL
- RICHARD M KELLMAN
- WILLIAM P LUCIE-SMITH
- MONISH K DUTT

Stephen McNamara, 61, was appointed Non-Executive Chairman on January 1, 2010, having formerly served as Vice-Chairman since June 2007. He has been an independent Director since December 2002, and is a citizen of St Lucia and Ireland. He is a British-trained Attorney-at-law, and is the Senior Partner of McNamara & Company, Attorneys-at-Law of St Lucia. Mr McNamara was elected to the Board of Sagicor Life Inc in 1997. He is Chairman of the Group's main operating subsidiary, Sagicor Life Inc, and also of Sagicor Capital Life Insurance Company Limited, Sagicor USA, and Sagicor Finance Inc. He is a Director of a number of other subsidiaries within the Group.

Marjorie Fyffe-Campbell, 60, has been an independent Director since June 2005, and is a citizen of Jamaica. She holds an MSc in Accounting from the University of the West Indies, and is a Member of the Institute of Chartered Accountants of Jamaica and of the Hospitality, Financial and Technology Professionals. She is a former President and Chief Executive Officer of the Urban Development Corporation, Jamaica, a large property-owning company that manages several entities such as hotels, attractions, a maintenance company, a water supply company, a shopping centre, a conference centre and a golf course. Mrs Fyffe-Campbell is a part-time Lecturer in Financial and Management Accounting at the Mona School of Business of the University of the West Indies, where she is also pursuing a Doctorate in Business Administration, with emphasis on Corporate Governance. She was elected a Director of Sagicor Life Jamaica in 2002, and is also a Director of other subsidiaries within the Group.

Richard Kellman, 60, was elected as a Director in June 2009, and was appointed Group Chief Operating Officer on November 1, 2009. He is a citizen of Guyana and of the United Kingdom. He holds a BSc in Statistics from University College, London University, and is a Fellow of the Institute of Actuaries and an Associate of the Society of Actuaries. He has also attended training programs at Harvard Business School and has completed other financial, investment and management training courses. Mr Kellman is a financial services professional with wide knowledge regionally in the areas of finance, pensions, insurance and investments. He has business experience at board level, and is a former CEO of a quoted diversified Group with interests in insurance, banking and real estate. He has also held senior actuarial positions and served on several boards.

William Lucie-Smith, 60, has been an independent Director since June 2005, and is a citizen of Trinidad and Tobago. He holds an MA from Oxford University and is a Chartered Accountant. He is a retired Senior Partner

of PricewaterhouseCoopers, Trinidad and Tobago, where he headed the Corporate Finance and Recoveries Divisions, specialising in all aspects of business valuations, privatisation, mergers and acquisitions and corporate taxation. Mr Lucie-Smith has been a Special Advisor to the Trinidad and Tobago Government and Central Bank on divestment, and has served on several national committees, such as the Rampersad Committee to Review the Reorganisation and Rationalisation of State Enterprises of Trinidad and Tobago, and the Daly Committee on Corporate Insolvency and Company Law with Special Reference to Severance Pay. He was elected a Director of Sagicor Life Inc in 2005, and is also a Director of Sagicor USA, Sagicor at Lloyd's, Sagicor Life Jamaica, and a number of other subsidiaries within the Group.

Monish Dutt, 53, is a citizen of India and a permanent resident of the US. He holds an MBA with a concentration in Finance from the London Business School, London University, and a BA in Economics from the University of Delhi. He is a Fellow of the Institute of Chartered Accountants, London, England. Currently a Consultant on Emerging Markets, Mr Dutt is a seasoned investment professional who, for the 25 years preceding 2011, was employed with the International Finance Corporation (IFC), a member of the World Bank Group. While at IFC, he held various positions, the most recent of which was Chief Credit Officer for Global Financial Institutions & Private Equity Funds. He was formerly the Head of IFC's Private Equity Advisory Group, the Head of the Baltics, Central Europe, Turkey and Balkans Group, Principal Investment Officer for Asia, Senior Investment Officer for Central & Eastern Europe, and an Investment Officer for Africa, Latin America and Asia. Mr Dutt has extensive experience evaluating investment proposals in financial institutions and private equity funds globally, structuring investments, tracking global investment portfolios, and providing quality control guidance to private equity fund investments. Mr Dutt has also represented IFC on boards of investee companies.

The Management of the Company does not contemplate that any of the persons named above will, for any reason, become unable to serve as a Director.

A simple majority of votes cast by Shareholders present and voting at the Meeting, whether by proxy or otherwise, is required to elect the above-named Nominees.

The Directors recommend that Shareholders VOTE FOR the election of the above-named Nominees.

ITEM 3 - RE-APPOINTMENT OF INCUMBENT AUDITORS

PricewaterhouseCoopers SRL, of The Financial Services Centre, Bishop's Court Hill, St Michael, Barbados, are the incumbent Auditors of the Company. It is proposed to re-appoint PricewaterhouseCoopers SRL as Auditors of the Company to hold office until the next Annual Meeting of Shareholders.

A simple majority of votes cast by Shareholders present and voting at the Meeting, whether by proxy or otherwise, is required to re-appoint the incumbent Auditors and to authorise Directors to fix the Auditors' remuneration.

The Directors recommend that Shareholders VOTE FOR the re-appointment of PricewaterhouseCoopers SRL and the authorisation of Directors to fix the Auditors' remuneration.

ITEM 4 – AMENDMENT OF BYLAW NO. 1

As at December 31, 2011, Sagicor Financial Corporation had on its share register over 37,000 Shareholders resident mainly in the Caribbean and in 50 countries around the world. The cost of printing and posting 37,000 Annual Reports, the size of which grows larger every year due to increased financial and corporate governance disclosures, has been significant. Over the last three years, this cost has exceeded US \$400,000 per annum. In addition to this very high cost, the process of sending heavy packages through ordinary mail is challenging in terms of the timeliness of delivery, notwithstanding very efficient postal services. Developed countries such as United States, United Kingdom, Australia and New Zealand have, through legislation, embraced the modern

practice of communicating electronically with Shareholders, which includes the sending of Annual Reports in electronic format. This practice has three significant advantages:

- (i) speedier availability of corporate information to Shareholders, in keeping with international best practices;
- (ii) significant cost reductions to the Company and by extension added Shareholder value;
- (iii) positive environmental impact.

The main markets in which the Company's Shareholders reside enjoy reasonably high PC availability and internet penetration as published in the World Development Indicators database statistics of the World Bank, and by the International Telecommunications Union respectively.

The Board of Directors has taken advantage of legislation governing electronic transactions, and has accordingly amended the Bylaws to facilitate the sending of electronic records to Shareholders, subject to the right of Shareholders who prefer to receive their Annual Reports in the traditional hard copy format to opt out of receiving the electronic record and to request a hard copy. Additionally, Shareholders may at any time request that the Company send them any document to which they are entitled in hard copy form. The Board intends to continue to send to Shareholders Notice of the Annual Meeting, Management Proxy Circular and proxy form in printed form.

Bylaw 12 of the Bylaws has been amended by the insertion of a new Bylaw numbered 12.8. The details of this new Bylaw are summarised below:

New Bylaw	Description
12.8.1	This new Bylaw will facilitate the Company sending to Shareholders, by way of electronic record, any communication, document or information (referred to collectively in the Bylaw as a "document") which is required by law to be sent. The Shareholders to whom it is addressed shall be deemed to have acknowledged receipt therefor, and the Company shall be deemed to have received such acknowledgement, at the time of sending.
12.8.2	Any Shareholder will also have the right to request that electronic communication from the Company be sent to him/her, via electronic means, such as an email address, designated by such Shareholder. In such a case, the Shareholder shall be deemed to have acknowledged receipt therefor, and the Company shall be deemed to have received such acknowledgement, at the time of sending.
12.8.3	Where a Shareholder receives a document from the Company otherwise than in hard copy form, the Shareholder may require the Company to send him/her a version of the document in hard copy form, and the Company must, on receipt of such request, deliver, send or mail such document, free of charge, within 21 days of such request.
12.8.4	A Shareholder may also notify the Company in writing at any time of his/her desire to receive all documents from the Company in hard copy. Where the Company is in receipt of such notification, the Company shall deliver, send or mail all further documents to that Shareholder free of charge until further notice from the Shareholder.

A simple majority of votes cast by Shareholders present and voting at the Meeting, whether by proxy or otherwise, is required to confirm the new Bylaw 12.8 of Bylaw 12 of the Bylaws.

The Directors recommend that Shareholders VOTE FOR the confirmation, without amendment, of the new Bylaw 12.8 of Bylaw 12 of the Bylaws.

EXERCISE OF DISCRETION BY PROXIES

Shares represented by any proxy, given on the enclosed form of proxy to the persons named in the proxy, will be voted on any ballot in accordance with the instructions contained therein.

In the absence of Shareholder instructions, shares represented by proxies received will be VOTED FOR:

- a. The election as Directors of Stephen D R McNamara, Marjorie M Fyffe-Campbell, Richard M Kellman, William P Lucie-Smith, and Monish K Dutt.**
- b. The re-appointment of the incumbent Auditors, PricewaterhouseCoopers SRL, and the authorisation of Directors to fix their remuneration.**
- c. The adoption of a resolution to confirm, without amendment, the new Bylaw 12.8 of Bylaw 12 of the Bylaws made by the Directors on March 23, 2012 as set out in the Schedule to the Notice which is incorporated by reference herein.**

The enclosed form of proxy confers discretionary authority upon the persons named with respect to amendments to or variations in matters identified in the Notice of Meeting, or other matters that may properly come before the Meeting.

The Management of the Company knows of no matter to come before the Meeting other than the matters referred to in the Notice of Meeting. If any other matters which are not now known to Management should properly come before the Meeting, the persons named in the accompanying form of proxy will vote on such matters in accordance with their best judgement.

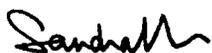
Unless otherwise noted, a simple majority of the votes cast at the Meeting, whether by proxy or otherwise, will constitute approval of any matter submitted to a vote.

The contents of this Management Proxy Circular, and the sending thereof to the holders of the common shares and convertible redeemable preference shares of the Company, have been approved by the Directors of the Company.

No Director's statement is submitted pursuant to Section 71(2) of the Act.

No Auditors' statement is submitted pursuant to Section 163(1) of the Act.

Dated May 25, 2012.



Sandra Osborne, QC

Corporate Secretary



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