

## **Press Release**

### **Sagicor completes acquisition of American Founders Life**

**Tampa, FL, September 30<sup>th</sup>, 2005** – Sagicor USA, Inc., a subsidiary of leading Caribbean financial services provider, Sagicor Financial Corporation (Sagicor), has announced completion of its acquisition of American Founders Life (AFL), the life insurance operations of Vesta Insurance Group, Inc. The acquisition, valued at \$57.5 million, gives Sagicor a strong presence in the U.S. insurance market. AFL is a licensed insurer in 41 states and the District of Columbia (DC), a licensed reinsurer in 45 states and DC and a third-party administrator in all 50 states. The transaction was first announced on June 3, 2005.

Sagicor has been in operation for more than 160 years and operates in 22 countries including the United States and Panama, with significant market presence in Jamaica, Barbados, Trinidad and the Eastern Caribbean. The Sagicor Financial Group's core strengths of financial stability and strong operational capabilities across diverse geographies have been the catalyst to its consistent growth and profitability and its A (Excellent) rating by A.M. Best Company, the world's oldest insurance rating agency. Sagicor USA's acquisition of AFL brings the Group's total assets to \$3.1 billion.

According to Dodridge Miller, CEO of the Sagicor Group, "The acquisition of AFL is in keeping with the Group's international business strategy and we are excited at the opportunity to compete in the large U.S. insurance market." This acquisition will allow Sagicor to expand its operations in the growing \$3.8 trillion U.S. marketplace. President and CEO of Sagicor USA, Maxine MacLure noted, "The Group is well placed to use the combined strengths of both companies to leverage the efficient administrative capabilities of AFL and become a major player in the U.S. middle market."

LMC Capital LLC served as Sagicor's financial advisor in connection with this transaction.

Sagicor Financial Corporation is based in Barbados and offers diverse financial products including individual and group life insurance, health insurance, personal property and casualty insurance, and fund management. Sagicor was formed in 1840 as Barbados Mutual Life Assurance Society and completed its demutualization in 2002. Additional information can be obtained by visiting Sagicor's website at [www.sagicor.com](http://www.sagicor.com).