

NEWS RELEASE

Acquisition by Sagicor Upgrades American Founders Life A M Best Rating

Sagicor Financial Corporation (SFC) is pleased to announce that A.M. Best has affirmed the financial strength rating of A (Excellent) of **Sagicor Life Inc.** and its subsidiary, **Sagicor Capital Life Insurance Company Limited**, and has assigned them issuer credit ratings (ICRs) of “a”.

Because of its acquisition by Sagicor USA, Inc., **American Founders Life** (AFL) has had its rating upgraded by A.M. Best from B (Fair) to B++ (Very Good). AFL has also been assigned an issuer credit rating (ICR) of “bbb+”. The outlook for all ratings is stable.

According to A M Best, the rating of AFL reflects its expected contribution to the SFC group’s diversification and expansion strategy in the U.S. market, the financial backing of the new parent, AFL’s generally profitable operations and improved risk-adjusted capitalization following capital contributions from its new parent. Partially offsetting these strengths are AFL’s large exposure to interest-sensitive fixed annuities, modest business profile, inconsistent statutory earnings trends impacted by reinsurance transactions and challenges to grow organically due to the intense competition in the financial services arena.

However, A.M. Best anticipates that under the new ownership of the Sagicor Group, AFL will rejuvenate its marketing and distribution platform through the introduction of new products and distribution capabilities. In addition, A.M. Best also notes that Sagicor remains fully committed to providing full financial backing to support AFL’s current and potential new business growth strategies.

Sagicor’s acquisition of AFL is the first step in the Group’s diversification and expansion strategy into the U.S. life insurance market. Currently, SFC is a publicly traded Pan Caribbean financial services holding company with operations in more than 20 countries, in Latin America and the Caribbean.

For more information on Sagicor go to www.sagicor.com

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