

Offer Circular is dated January 20, 2020

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

CASH OFFER

By



GRACEKENNEDY FINANCIAL GROUP LIMITED

313,191,734 ordinary stock units in

KEY INSURANCE COMPANY LIMITED

(being all the issued ordinary stock units not already held by the Offeror)

at J\$2.01 per stock unit

When considering what action you should take, you are recommended immediately to seek your own personal financial advice from a licensed securities dealer, licensed investment adviser, attorney-at-law, accountant or other independent professional adviser. This document should be read in conjunction with the accompanying Form of Acceptance and Transfer.

If you no longer hold any shares in Key Insurance Company Limited (“**Key**” or “**the Company**”) please hand this document and the accompanying Form of Acceptance and Transfer to the person to whom you transferred your stock units or to the securities dealer through whom the sale was effected for onward transmission to the purchaser or transferee.

Neither the Financial Services Commission (“**FSC**”) nor the Jamaica Stock Exchange (“**JSE**”) assumes any responsibility for the correctness of any statement made, reports contained, or opinions expressed in this Circular.

THIS OFFER IS NOT INTENDED TO BE, AND IN NO CIRCUMSTANCES SHOULD IT BE CONSTRUED TO BE, AN OFFER TO ACQUIRE, DIRECTLY OR INDIRECTLY, SHARES OF OR FROM ANY RESIDENT OF ANY TERRITORY IN WHICH DELIVERY OF THIS CIRCULAR WOULD VIOLATE ITS SECURITIES LAW OR REQUIRE THE OFFEROR OR THE COMPANY TO MAKE ANY FILING WITH THE SECURITIES AND EXCHANGE COMMISSION OF THE UNITED STATES OF AMERICA OR ANY OTHER AGENCY OUTSIDE JAMAICA (THE “**RESTRICTED JURISDICTIONS**”). NO TENDERS MADE BY OR ON BEHALF OF RESIDENTS OF ANY RESTRICTED JURISDICTION WILL BE ACCEPTED AND TENDERING SHAREHOLDERS MUST CERTIFY THAT THEY ARE NOT RESIDENTS OF ANY RESTRICTED JURISDICTION. THE OFFER IS NOT BEING MADE TO, NOR WILL TENDERS BE ACCEPTED FROM OR ON BEHALF OF HOLDERS OF KEY SHARES IN ANY JURISDICTION IN WHICH THE MAKING OF THE OFFER OR THE ACCEPTANCE THEREOF WOULD NOT BE IN COMPLIANCE WITH THE LAWS OF SUCH JURISDICTION.

THE OFFER CIRCULAR MAY BE SENT TO “**US PERSONS**” IN RELIANCE ON TIER 1 EXEMPTION FROM US SECURITIES LAWS. IN SUCH CASE THE OFFER WOULD CONTINUE TO BE GOVERNED BY THE LAWS OF JAMAICA WHICH MAY DIFFER FROM UNITED STATES FEDERAL LAW OR THE LAW OF THE RELEVANT STATE IN WHICH IT IS SENT. IF AND TO THE EXTENT THAT THE OFFER TO A US PERSON BECOMES SUBJECT TO ANY US FEDERAL OR STATE LAW THE BENEFIT OR BURDEN OF SUCH LAW SHALL ONLY APPLY TO SUCH US PERSON. IF YOU ARE A US PERSON THEN ON RECEIPT OF THIS OFFER CIRCULAR YOU SHOULD SEEK PROFESSIONAL ADVICE TO DETERMINE WHETHER US

FEDERAL OR STATE LAW ALLOWS YOU TO TREAT WITH THE OFFER. IF IT DOES NOT THEN YOU SHOULD CONTACT YOUR LOCAL SECURITIES DEALER FORTHWITH OR JCSD FOR FURTHER INSTRUCTIONS.

THE OFFER HAS NOT BEEN AND WILL NOT BE SUBMITTED FOR REVIEW OR REGISTRATION PROCEDURES OF ANY REGULATORY AUTHORITY OUTSIDE OF JAMAICA.

NO PERSON HAS BEEN AUTHORISED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION ON BEHALF OF THE OFFEROR NOT CONTAINED IN THIS CIRCULAR AND IF GIVEN OR MADE SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED.

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY THE FSC NOR HAS THE FSC PASSED UPON THE ACCURACY, FAIRNESS OR MERITS OF THE OFFER.

KEY IS LISTED ON THE JUNIOR MARKET OF THE JAMAICA STOCK EXCHANGE. THE RULES OF THE STOCK EXCHANGE PROVIDE THAT A COMPANY IS ELIGIBLE FOR LISTING ON THE JUNIOR MARKET IF IT HAS NOT LESS THAN 25 SHAREHOLDERS HOLDING NOT LESS THAN 20% OF ITS PARTICIPATING VOTING SHARES. THE OFFEROR ALREADY HOLDS 15% OF THE KEY SHARES. IF IT RECEIVES ACCEPTANCES FOR SHARES WHICH TAKE ITS HOLDING BEYOND THE 80% SHAREHOLDING THRESHOLD THEN THE COMPANY (i.e. KEY) COULD BE DE-LISTED.

TO ENSURE THAT THE OFFEROR DOES NOT ACQUIRE MORE THAN 80% OF THE ISSUED SHARE CAPITAL OF THE COMPANY (i) THE OFFEROR; (ii) SANDRA MASTERTON, NATALIA GOBIN-GUNTER AND KALA ABRAHAMS ("THE PRINCIPAL SHAREHOLDERS") ENTERED INTO DEED OF IRREVOCABLE UNDERTAKING ("A LOCK UP AGREEMENT") UNDER WHICH THE PRINCIPAL SHAREHOLDERS AGREED TO TENDER THEIR OUTSTANDING KEY SHARES IN RESPONSE TO THE OFFER BUT ONLY UP TO SUCH AMOUNT AS WOULD NOT CAUSE ALL TENDERS TO EXCEED 80% OF THE ISSUED SHARE CAPITAL OF THE COMPANY.

IN ACCORDANCE WITH THE TAKE OVER CODE AND THE JSE RULES AND PURSUANT TO RULE 14E-5(B) OF THE US SECURITIES ACT, THE OFFEROR OR ITS NOMINEES OR ITS BROKER (ACTING AS AGENTS), MAY, FROM TIME TO TIME, MAKE CERTAIN PURCHASES OF, OR ARRANGEMENT TO PURCHASE, KEY SHARES OUTSIDE THE UNITED STATES, OTHER THAN PURSUANT TO THIS OFFER, BEFORE OR DURING THE PERIOD THIS OFFER REMAINS OPEN FOR ACCEPTANCE. SUCH PURCHASES MAY OCCUR EITHER IN THE OPEN MARKET AT PREVAILING PRICES OR IN PRIVATE TRANSACTION AT NEGOTIATED PRICES. IF SUCH PURCHASES OCCUR THE RELEVANT INFORMATION WILL BE REPORTED TO THE JSE AND IT IS ANTICIPATED THAT THE JSE WILL PUBLISH SUCH INFORMATION ON ITS WEBSITE AT www.jamstockex.com

IF YOU ARE RESIDENT OUTSIDE JAMAICA IT MAY BE DIFFICULT FOR YOU TO ENFORCE LEGAL RIGHTS ARISING UNDER THE LAWS OF YOUR COUNTRY OF RESIDENCE AGAINST THE OFFEROR SINCE THE OFFEROR IS RESIDENT IN JAMAICA AND MAY NOT HAVE ANY LEGAL PRESENCE IN YOUR COUNTRY OF RESIDENCE. FURTHERMORE, IT MAY BE DIFFICULT TO COMPEL A FOREIGN COMPANY, SUCH AS THE OFFEROR, TO SUBJECT ITSELF TO A JUDGMENT OF A COURT IN YOUR COUNTRY OF RESIDENCE.

THE RECEIPT OF CASH FOR SALE OF KEY SHARES MAY BE A TAXABLE TRANSACTION UNDER THE LAWS OF YOUR COUNTRY OF RESIDENCE. YOU ARE THEREFORE URGED TO SECURE INDEPENDENT PROFESSIONAL ADVICE ON THE TAX CONSEQUENCES OF A SALE OF KEY SHARES IN RESPONSE TO THIS OFFER. NONE OF THE OFFEROR, ITS DIRECTORS, OFFICERS OR ADVISORS OR KEY ACCEPTS ANY RESPONSIBILITY FOR ANY TAX CONSEQUENCES OR LIABILITIES OF ANY PERSON ARISING OUT OF OR IN CONNECTION WITH ACCEPTANCE OF THIS OFFER.

Important Dates and Times

Date of the Offer	January 20, 2020
Opening Date & Time	9:00 a.m. January 27, 2020
First Date on which Acceptances become irrevocable	12.01 a.m. February 3, 2020
Announcement of Extension or No Extension	by 5.00 p.m. February 10, 2020
Offer Closing Time	by 4.30 p.m. February 17, 2020

Although the Offeror has the right to extend the Offer it hereby gives notice to all Key Shareholders, pursuant to Regulation 16 (3) of the TOMS Regulations and Part 6 (2) (g) (iv) of the Code, that it does not intend to extend the Offer beyond the Closing Date. Times stated above are subject to change in the absolute discretion of the Offeror. Revised times if any will be published on the website of the JSE (www.jamstockex.com) or GK Capital Management Limited (www.GK-capital.com). References to time are to time of day in Jamaica.

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FORWARD LOOKING STATEMENT

This document may include certain forward-looking statements. These statements are not historical facts and may include statements about anticipated outcomes, future intentions, beliefs, expectations or actions that may never occur. You should be aware that the anticipated outcome of this transaction is subject to a number of risk factors that may result in a materially different outcome than those contemplated in this document. Forward-looking statements by their very nature involve known and unknown risks, uncertainties, and other factors that may cause actual future results, actions, performance or achievements of Key to differ materially from any expected results, actions performance or achievement. The directors, officers and advisers of the Offeror are not representing or warranting to you that the actual future results, actions, performance or achievements of Key or the Offeror will be as those discussed in this document. Further, the Offeror and Key disclaim any responsibility to update any of those forward-looking statements or to publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances.

For a brief discussion of material risks and other factors to be considered by Accepting Shareholders, see **Appendix III** (“Risk Factors and Special Considerations”).

Where to find help

The procedure for acceptance is set out at paragraph 11. If you are in doubt as to how to complete the **Form of Acceptance and Transfer**, please contact Jamaica Central Securities Depository Limited (JCSD), the Receiving Agent or the Sponsoring Broker or any licensed securities dealer or licensed investment adviser.

The contact person at JCSD is:

Contact Person	Telephone numbers	e-mail
Andrea Kelly	(876) 976-3271	andrea.kelly@jamstockex.com

The contact persons at GK Capital Management Limited are:

Contact Person	Telephone numbers	e-mail
Andrew Leo-Rhynie	(876) 932-3290	Andrew.Leo-Rhynie@gkco.com
Douglas Robinson	(876) 932-3294	Douglas.Robinson@gkco.com.

Please note that neither JSCD nor GK Capital Management Limited will provide tax or legal advice and that telephone calls to their contact lines above may be monitored for security and training purpose.

Acceptance should be dispatched as soon as possible but, in any event, so as to arrive not later than 4:30 p.m. on February 17, 2020.

DEFINITIONS

In this document and in the Form of Acceptance and Transfer, except where the context otherwise requires, the following expressions shall have the following meanings:

“Accepting Shareholders”	means Key Shareholders who accept the Offer in respect of any or all of their Key Shares;
“Business Day”	means any day in Jamaica other than a Saturday, Sunday or public general holiday;
“Code”	means the Take-overs, Mergers, & Amalgamations Rules set out in Part 6 of Appendix 2 of the Junior Market Rules;
“Expiry Time”	means 4.30 p.m. on February 17, 2020 or such later date pursuant to which the Offer may be extended by the Offeror pursuant to the TOMS Regulations and the Code;
“Form of Acceptance and Transfer”	means the Form of Acceptance and Transfer and authority relating to the Offer and which accompanies this document;
“FSC”	means the Financial Services Commission of Jamaica;
“GCT”	means general consumption tax payable in Jamaica;
“GK Capital”	means GK Capital Management Limited a company incorporated under the laws of Jamaica;
“GK”	means GraceKennedy Limited, the parent company for the GraceKennedy group of companies, including the Offeror;
“J\$”	the lawful currency of Jamaica;
“JCSD”	means the Jamaica Central Securities Depository Limited, a company incorporated under the laws of Jamaica;
“JCSD Trustee”	means JCSD Trustee Services Limited, a company incorporated under the laws of Jamaica;
“JSE”	means the Jamaica Stock Exchange;
“Key” or “the Company”	means Key Insurance Company Limited, a company incorporated under the laws of Jamaica;
“Key Shareholders”	means holders of any of the Key Shares;
“Key Shares” or “Shares”	means the existing issued or unconditionally allotted fully paid ordinary stock units in the capital of Key;

“MCT”	means Minimum Capital Test, the primary measure used by the FSC to assess the solvency of general insurers. The current MCT is 250% as stipulated by Regulation 17(4) of the Insurance (Actuaries) (General Insurance Companies) Regulations, 2011;
“Offeror”	means GraceKennedy Financial Group Limited a company incorporated under the laws of Jamaica;
“Principal Shareholder”	means Mrs. Sandra Masterton, Mrs. Natalia Gobin-Gunter and Mrs. Kala Abrahams all being daughters of Sonny Gobin, the founder of Key;
“Regulatory Authority”	includes: <ul style="list-style-type: none"> (i) the FSC and JSE; (ii) any (a) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign; (b) subdivision, agent, commission, board, or authority of any of the foregoing; or (c) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, and includes a stock exchange or self-regulatory authority; (iii) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government; and (iv) any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of such entities or other bodies pursuant to the foregoing;
“TOMS Regulations”	means the Securities (Takeovers and Mergers) Regulations, 1999 as amended by the Securities (Takeovers and Mergers) (Amendment) Regulations, 2014;
“Transaction”	means the transaction involving the acquisition of Key Shares by the Offeror pursuant to this Offer Circular.

For purposes of this Offer Circular, one person (X) shall be deemed to **“control”** another person (Y) if the first person (X) has the right or power, whether directly or indirectly: (a) to receive more than one-half of all distributions, whether of capital or revenue, at any time made by the other person (Y); or (b) holds shares carrying more than 50% of the voting rights of the other person (Y) (but excluding any votes which are only exercisable upon the occurrence of any contingency); or (c) to control the composition of more than one-half of the board of directors of such other person (Y). Any company or other corporate body which controls, is controlled by, or is under common control with another company or corporate body shall be deemed to be in the same Group.

Words importing the singular shall, where applicable, include the plural and *vice versa* and references to one gender includes all other genders. References to person shall include corporate bodies.

The terms “holding company” and “subsidiary” shall have the meaning ascribed thereto by section 151 of the Companies Act, 2004 and parent company shall mean a holding company.

This Circular may be published on one or more websites. The contents of any website on which this Circular is published or any hyperlink accessible from any such website shall not form part of this document and Key Shareholders should not rely on them.

DIRECTORY & CORPORATE INFORMATION

Name of Offeror : **GraceKennedy Financial Group Limited.**

Board of Directors of Offeror : **Donald Wehby - Chairman
Mary Anne Chambers
Joseph Esau
Everton McDonald
Peter Moses
Grace Burnett (Chief Executive Officer)**

Secretary of Offeror : **Kerry-Ann Heavens**

Registered Office of Offeror : 73 Harbour Street
Kingston
Jamaica
Tel: (876) 935-0484
Fax: (876) 968-1920

Legal Adviser to the Offeror : **Patterson Mair Hamilton**
Attorneys-at-law
Temple Court
85 Hope Road
Kingston 6
Jamaica
Tel: (876) 920-4000
Fax: (876) 920-0245

Receiving Agent to the Offer : **JCS D**
40 Harbour Street
Kingston
Jamaica
Tel: (876) 967-3271
Fax: (876) 924-9090

Sponsoring Broker to the Offer : **GK Capital Management Limited**
58 Hope Road
Kingston 6
Jamaica
Tel: (876) 932-3290
Fax: (876) 927-9273

INDICATIVE TIMETABLE

Announce Offer	:	January 20, 2020
Launch Bid	:	January 27, 2020
Acceptances become irrevocable	:	February 3, 2020
Announce extension/no extension	:	February 10, 2020
Close bid	:	February 17, 2020
Announce results	:	February 20, 2020
Expected date for Block Transfer	:	February 24, 2020
Settlement Date/Completion Date	:	February 27, 2020

Please note that the above timetable is only indicative and may be subject to change. Where any of the events cannot take place on the date specified or changes are required thereto an appropriate announcement stipulating an alternate date shall be made by the Offeror prior thereto through a JSE announcement posted on the JSE’s website www.jamstockex.com.

Please therefore monitor the JSE’s website for any such development.

Notwithstanding that this document is, in accordance with customary practice, called an Offer and the use of the terms “acceptance”, “Accepting Shareholders” and other cognate expressions, it is hereby declared and understood that this Offer Circular, in law, constitutes an invitation to treat and acceptances deposited by Accepting Shareholders shall be offers to the Offeror which the Offeror may accept or reject in its sole discretion. Each Accepting Shareholder by depositing Shares in response to the Offer accepts the foregoing legal effect.

The delivery of this Circular shall not under any circumstances create any implications that there has been no change in the affairs of the Company since the date of this Circular or that information in it is current as of any subsequent time.

THE OFFER

January 20, 2020

TO: THE SHAREHOLDERS OF KEY INSURANCE COMPANY LIMITED

Introduction

1. Key is a company listed on the Junior Market of the JSE and has an issued share capital, which currently comprises 368,460,863 stock units of no par value. As at December 01, 2019 the Principal Shareholders held the number of Key Share set out opposite their respective names in column 2 of the table below:

Table 1

Column 1	Column 2	Column 3	Column 4
Principal Shareholders	No. of Shares held & % of issued share capital	No. of Shares sold & % of issued share capital	No of Shares remaining & % of issued share capital
Sandra Masterton	92,014,444 (24.97%)	18,423,043 (5%)	73,591,401 (19.97%)
Natalia Gobin-Gunter	75,219,838 (20.41%)	18,423,043 (5%)	56,796,795 (15.41%)
Kala Abraham	73,128,813 (19.85%)	18,423,043 (5%)	54,705,770 (14.85%)
Total	240,363,095 (65.23%)	55,269,129 (15%)	185,093,966 (50.23%)

By a Share Sale Agreement dated December 3, 2019 (“the Share Sale Agreement”) the Principal Shareholders agreed to sell to the Offeror the number of Shares set out in column 3 opposite their respective names and constituting 15% of the issued share capital of the Company. The price per share was J\$2.01 and the full sale price of J\$111,090,949.29 was duly paid in full. The Principal Shareholders have irrevocably delivered to the Offeror duly signed transfers in respect of the Shares sold to the Offeror and relevant stock certificates and the Offeror will in due course cause the relevant Shares to be registered in its name or in the name of its nominee.

2. Under the Share Sale Agreement each of the Principal Shareholders undertook to *inter alia*:
- use best efforts to cause a nominee of the Offeror to be appointed to the Board of Directors of the Company; and
 - appoint as her proxy, for valuable consideration, in respect all her Shares (including the Sale Shares sold to the Offeror) to attend and vote at general meetings of the Company including an extraordinary general meeting held on December 3, 2019.

Pursuant to the foregoing the Principal Shareholders duly caused Kerry-Ann Heavens, the Offeror’s nominee to be appointed as an alternate director to the Board of Key and issued duly signed and stamped general proxies to the Offeror to attend and vote at general meetings of Key.

3. The Principal Shareholders also entered into a Lockup Agreement dated December 30, 2019 pursuant to which they each agreed, for valuable consideration to, *inter alia*:
- accept a takeover offer or bid made by Offeror at no less than J\$2.01 per Share within five (5) Business Days after the opening of the Offer in respect of all their remaining Shares in the Company with a “cut back” proviso that if all offers received by the Offer in such take-over bid would exceed 80% if the Shareholders accepted in full they would each cut back their acceptances

pro rata to ensure that the aggregate acceptances would be 80% of the issued shares of the Company and no more.

- (b) undertook that they would not (i) accept any other offer in respect of their Shares; (ii) directly or indirectly solicit or encourage any other person to make an offer for Shares in the Company; (iii) sell, transfer, charge, pledge or otherwise dispose of, or encumber, any of their Shares to authorise any material acquisition or disposal by the Company, any issuance of additional shares in the Company, or any material change in the business of the Company or any other action which could frustrate the Offeror's take-over bid for the Company.

The Offeror

4. The Offeror is a private company incorporated under the laws of Jamaica and is a 100% subsidiary of GraceKennedy Limited ("GraceKennedy"), a public company listed on the Main Market of the JSE. GraceKennedy operates in two distinct divisions, namely: (i) an integrated food manufacturing, distribution, and retailing division which conducts business in Jamaica, the Caribbean, Central America, North America, Africa, the United Kingdom and several European countries; and ii) a financial services division which carries on commercial banking, general insurance, insurance brokerage, investment banking, money transfer business, cambio and payment services. This division has business operations in Jamaica and elements of the financial business in other English-speaking Caribbean territories. The Offeror is the holding company of the financial services division and is registered under the Banking Services Act as a financial holding company.

5. Shareholders of Key wishing to communicate with the Offeror may do so at the following address:

GraceKennedy Financial Group Limited
 73 Harbour Street
 Kingston
 Jamaica
 e-mail: Steven.Whittingham@gkco.com
 with copy to: Kerry-ann.heavens@gkco.com

6. The Offeror is a wholly-owned subsidiary of GraceKennedy. The following entities are all subsidiaries of the Offeror:

Name of Entity	Nature of Business	Country of operation	% ownership by Offeror
GraceKennedy Money Services Caribbean SRL	Holding Company	Barbados	75%
GraceKennedy Currency Trading Services Limited	Cambio	Jamaica	75%
GraceKennedy Payment Services Limited	Payment Services	Jamaica	75%
GraceKennedy Remittances Services Limited	Money transfer	Jamaica	75%
GraceKennedy Money Services (Anguilla) Limited	Money transfer	Anguilla	75%
GraceKennedy Money Services (Antigua & Barbuda) Limited	Money transfer	Antigua & Barbuda	75%
GraceKennedy Money Services (Montserrat) Limited	Money transfer	Montserrat	75%
GraceKennedy Money Services (St. Kitts & Nevis) Limited	Money transfer	St. Kitts & Nevis	75%
GraceKennedy Money Services (Bahamas) Limited	Money transfer	Bahamas	75%
GraceKennedy Money Services (St. Vincent & the Grenadines) Limited	Money transfer	St Vincent & the Grenadines	75%

GraceKennedy Money Services (BVI Limited	Money transfer	British Virgin Islands	75%
GraceKennedy Money Services (Cayman) Limited	Money transfer	Cayman Islands	75%
GraceKennedy Money Services (Turks & Caicos) Limited	Money transfer	Turks & Caicos Islands	75%
Grace, Kennedy Remittance Services (Guyana) Limited	Money transfer	Guyana	75%
GraceKennedy (Trinidad & Tobago) Limited	Money transfer	Trinidad and Tobago	75%
Allied Insurance Brokers Limited	Insurance Brokerage	Jamaica	100%
GK General Insurance Company Limited	General insurance	Jamaica	100%
GK Insurance (Eastern Caribbean) Limited	General Insurance	St. Lucia	89.3%
GK Insurance Brokers Limited	Insurance Brokerage	Turks & Caicos Islands	100%
Knutsford Re	Insurance	Turks & Caicos Islands	100%
First Global Holdings Limited	Holding company	Jamaica	75%
First Global Bank Limited	Commercial banking	Jamaica	100%
GK Capital Management Limited	Investment manager	Jamaica	100%
GraceKennedy Properties Limited	Property Rental	Jamaica	100%
SigniaGlobe Financial Group Inc.	Banking	Barbados	40%
Canopy Insurance Limited	Insurance	Jamaica	50%

The website for the GraceKennedy Group is www.gracekennedy.com. The Investor Relations page contains the Annual Reports and the Audited Annual Statements for the years 2009-2018. These may all be accessed using the following links:

<https://www.gracekennedy.com/media-center-reports/investor-annual-report/>

<https://www.gracekennedy.com/media-center-reports/investor-audited-annual-report/>

The Offer

7. The Offeror now hereby offers to purchase, on the terms and subject to the conditions set out or referred to in this document, all Key Shares held by Key Shareholders (excluding the Offeror) on the following terms and conditions:

(a) Offer Price:	J\$2.01 per Key Share (ex. dividend) ¹ ; No dividend or distribution will be made by Key prior to closing and during the offer period no material change will be made to Key's capital structure.
(b) How Payable:	In cash (by cheque or banker's draft drawn on a local bank) in Jamaican currency (J\$) or by RTGS transfer provided that (i) the Offeree shall have provided the Offeror with a valid Form of Acceptance and Transfer and other documents as provided in paragraph 11 of this Offer Circular and (ii) the relevant Key Shares shall actually have been transferred to the Offeror.

¹ Note if the Offer is likely to run beyond any usual dividend payment date then the price will be adjusted for such dividend(s).

(c) When Payable:	No later than fourteen (14) days after the final Closing Date.
(d) Costs:	Each party shall bear their own costs in respect of the transfer of the Key Shares including JSE cess, JCSD fees, transfer tax and stamp duty (if applicable) and any other charges resulting from the acceptance of the Offer. All such expenses incidental to effecting the transfer of the respective Shares and payable by the Accepting Shareholder will be deducted from the purchase price of the Shares.
(e) Other Terms and Conditions:	<p>All Key Shares will be acquired free and clear of all liens, pledges, charges, encumbrances and equitable interests and with all rights attached thereto (including the right to receive any dividend or other distribution made or declared after the date of this Offer Circular).</p> <p>Each holder of Key Shares that wishes to accept the Offer must deliver such Key Shares free and clear of all liens, pledges, charges, encumbrances and equitable interest and with all rights attached thereto.</p> <p>The Offer is conditional upon acceptances being received in respect of no less than 129,329,763 Key Shares (being 35.1% of the issued share capital of Key and which together with the 15% shareholding already held by the Offeror will give the Offer a controlling interest in Key. As the Principal Shareholders (who together hold 50.23 % of the Key Shares) are bound by the Lock-up Agreement to accept the Offer subject to the cut-back provision the Offeror is confident that it will achieve the minimum acceptance level. In the unlikely event that the minimum acceptance level is not achieved the Offeror reserves the right to cancel the Offer, in which case, all share certificates and other documents submitted by Accepting Shareholders will be returned to them.</p>
(f) Restricted Jurisdiction:	<p>This Offer is not, and shall not be deemed to be, effective in, and shall be deemed not to be an offer in, any jurisdiction where the making of the Offer would be illegal or would require the Offeror to effect any filing with any securities exchange or governmental authority (each a "Restricted Jurisdiction").</p> <p>Please refer to Appendix II for further information regarding Restriction Jurisdiction.</p> <p>Shares deposited by, or on behalf of, residents of any Restricted Jurisdiction will be rejected.</p> <p>An Offeree who accepts this Offer will be deemed to represent and warrant that he is not resident in a Restricted Jurisdiction.</p>

(g) Offeror's Right to Amend the Offer	The Offeror reserves the right to amend the Offer or to amend or waive any of the terms thereof at any time subject to compliance with the Code and the TOMS Regulations.
(h) Validity etc.	All questions as to the validity, form, eligibility (including timely receipt) and acceptance of any Share deposited pursuant to the Offer will be determined by the Offeror in its sole discretion and each Accepting Shareholder agrees that such determination shall be final and binding for all purpose. The Offeror reserves the absolute right to reject any and all acceptances that it determines not to be in proper form and that, in the opinion of counsel, may be unlawful to accept under the laws of any jurisdiction, and the absolute right to waive any defect or irregularity in the deposit of any Shares or form of Acceptance and Transfer. There shall be no obligation on the Offeror or any other party (including its advisers) to give notice of any defect or irregularity in any deposit and no liability shall be incurred by any of them to give such notice.
(i) Failure to receive Circular:	The failure of any person to receive a copy of this Circular or an Acceptance & Transfer Form shall not invalidate any aspect of this Offer.

80% ownership Threshold and Lock-up Agreement

8. Key is listed on the Junior Market of the Jamaica Stock Exchange. Under the Rules of the Junior Market a listed Junior Market company is at risk of being de-listed if a single shareholder controls, directly or indirectly, more than 80% of the listed shares of the company. The Company could also be de-listed under the Rules of the Junior Market if on completion of the Offer it has less than 25 participating voting shareholders. If Key were to be de-listed from the Junior Market, going forward, it would not only lose the tax benefits which it currently enjoys under the Seventh Schedule to the Income Tax Act (introduced by the Income Tax (Amendment) Act 2016) but all income tax remitted in the years since it became listed on the Junior Market would have to be repaid.

9. The Offeror already owns approximately 15% of the listed shares of Key. In order to eliminate the risk of the Offeror receiving acceptances which could possibly take its holdings over the 80% threshold the Offeror entered into an agreement ("the Lock-up Agreement") with the three (3) Principal Shareholders whereby they all agreed that they would accept the Offer made by the Offeror in respect of all their Shares but provided that if such acceptance would cause the Offeror's acquisition of Shares to exceed the 80% threshold they would "cut-back" their acceptances to such level as would case all acceptances to amount to 80% of the used Shares of the Company but not in excess of that limit. The current shareholding of the Principal Shareholders is set out in column 4 of Table 1 on page 6.

Financial Commitment

10. The total cost of completing the acquisition of 65% (i.e. 80% less 15% already held by the Offeror) of the issued Shares of Key at the Offer Price is J\$481,394,117.61. The Offeror is assured that adequate available funding is in place to ensure financial completion of the Offer in accordance with its terms. The GraceKennedy Group has internally generated resources that will cover the purchase price in full as well as any and all expenses that may arise in connection with the transaction. The National Commercial Bank Limited has issued an Availability of Funds Letter dated January 9, 2020 in favour of the GraceKennedy confirming that sufficient funds are available to complete this transaction. The Availability of Funds Letter is amongst the Documents Available for Inspection.

Acceptances

11. If you wish to accept this Offer, you must complete and sign the enclosed Form of Acceptance and Transfer in accordance with the instructions contained therein. The Form of Acceptance and Transfer, duly completed in all respects, should be returned, with the relevant share certificate(s) and/or, in the case of Key Shares deposited in the JCSD, a copy of the shareholder's statement or other written deposit receipt or confirmation issued by the JCSD or other document(s) of title by personal delivery or by post to any of the following:

(i) JCSD
40 Harbour Street
Kingston

Attn. Key Offer

(ii) GK Capital Management Limited
58 Hope Road
Kingston 6
Jamaica

Attn. Key Offer

12. The Offeror has appointed the JCSD as the Principal Receiving Agent. It has also appointed GK Capital Management Limited as Sponsoring Broker. The Offeror reserves the right to appoint any one or more commercial banks and/or licensed securities dealer as sub-receiving agent.

13. If the Offeror appoints any bank or securities dealer as sub-receiving agent it will release an announcement to the Jamaica Stock Exchange for publication on its web-site and will also publish a notice in the press listing the banks(s) and/or securities dealer(s) which have accepted appointment as sub-receiving agents.

14. No acknowledgment of documents will be given by the Offeror. The Principal Receiving Agent (and any sub-receiving agents) will however be required to provide Key Shareholders submitting Forms of Acceptance and Transfer and Key Share Certificates (or JCSD receipts) with receipts for such documents deposited. The Offeror reserves the right to treat as valid in whole or in part, acceptances of the Offer which are not entirely in order or which are not accompanied by the relevant share certificates or other documents of title.

15. By signing and returning a duly completed Form of Acceptance and Transfer, you shall be deemed conclusively:

- (a) to agree that such Form of Acceptance and Transfer shall constitute a proper instrument of transfer for all purposes, including section 75 of the Companies Act, 2004 and the Rules of the Jamaica Stock Exchange;
- (b) in respect of Key Shares deposited in the JCSD to have given, after announcement of acceptance by the Offeror, your irrevocable authority and mandate to your stockbroker or a stockbroker appointed by the Offeror for such Key Shares to be transferred from your account in the JCSD to the Offeror's account or the account of any other person nominated by the Offeror on condition that the same shall be re-transferred if payment is not made within 14 days of the close of the Offer;
- (c) to represent and warrant to the Offeror that the Key Shares in respect of which the Offer is accepted shall be transferred to the Offeror free from all liens, charges, pledges, encumbrances

- and equitable interests of whatsoever nature and together with all rights attaching thereto including the right to all dividends and other distributions (if any) declared, made or paid hereafter;
- (d) to represent and warrant to the Offeror that you have the necessary power and authority to accept the Offer and to sell and transfer the relevant Key Shares free from all liens, pledges, charges, encumbrances and equitable interests of whatsoever nature and otherwise on the terms of the Offer herein;
 - (e) to constitute your irrevocable authority to the Offeror and its agent to sign such instrument of transfer or other documents on your behalf and to do all such acts and things in your name and on your behalf to procure the transfer and registration of the relevant Key Shares in the name of the Offeror or its nominee(s) on condition that the same shall be re-transferred if payment is not made within 14 days of the close of the Offer;
 - (f) to agree that the terms of the Offer as contained in this document shall be deemed to be incorporated in and form part of the Form of Acceptance and Transfer, which shall be read and construed accordingly;
 - (g) to agree that, if required, you will sign and deliver any other requisite document and do all such acts and things as shall be necessary or expedient to vest in the Offeror or its nominee the Key Shares in respect of which your Acceptance relates;
 - (h) to agree that the Offer is made solely on the basis of the information contained in this Offer Circular and the Form of Acceptance and Transfer;
 - (i) to agree that any cheque, share certificate or other document which is posted in accordance with the provisions hereof shall be deemed to be posted at your risk;
 - (j) to agree that from the date on which you have tendered your Shares you will not vote any of the Shares in respect of which the Offer is accepted at any general meeting of the Company and if any such general meeting is summoned or was previously summoned to appoint the Offeror or its nominee as proxy with power to vote at such meeting as it deems fit PROVIDED that if payment for the tendered and accepted Key Shares are not received within 14 days after close of the Offer then this agreement shall cease to apply;
 - (k) that in respect of completing and signing any proxy form or other relevant form contemplated in sub-paragraph (j) above you hereby irrevocably appoint the secretary of the Offeror or failing him or her any director of the Offeror as your attorney-in-fact with powers to sign and deliver on your behalf any form of proxy or other relevant document contemplated by sub-paragraph (j) above, without further reference to you, and to deliver such proxy form or other document to the Offeror and the Company and you agree to ratify and confirm all such actions which your attorney-in-fact may make do or take in pursuance of the power hereby granted.

16. The attention of Key Shareholders (particularly those who are citizens or residents of jurisdictions outside Jamaica) is drawn to **Appendix II**. **However, all Key Shareholders wherever resident should read paragraph 4 of Appendix II which contains additional representations and warranties which will be incorporated in their acceptance of the Offer.**

Further Offer Details

17. The Offer will open at 9:00 am on January 27, 2020 and will remain open for 21 days from that date.

18. The Offer will be open for acceptance until 4:30 pm on February 17, 2020 subject to paragraph 19 below. Although no revision is envisaged, if the Offer is revised, it will remain open for acceptance for a period of at least fourteen (14) days from the date of posting of the revised offer document to Key Shareholders or publication of the revision in a daily newspaper circulated in Jamaica, or on the website of the JSE (www.jamstockex.com).

19. If the Offer is extended or revised, it shall not be capable of becoming unconditional later than fourteen (14) days after the new Expiry Time. The Offeror reserves the right to extend the Offer to a later time(s) and date(s) at any time prior to the Expiry Time. Any such extension may be made by publication of a notice of extension in a daily newspaper circulated in Jamaica or on the website of the JSE (www.jamstockex.com).

20. If the Offer becomes or is declared unconditional, it will remain open for acceptance for not less than fourteen (14) days from the date on which it would otherwise have expired but if the Offer becomes or is declared unconditional on an expiry date and Key Shareholders were given at least ten (10) days written notice that the Offer would not be open for acceptance beyond the expiry date, then the fourteen (14) day extension stated above will not apply.

21. Any Key Shares deposited pursuant to the Offer may be withdrawn by the Offeree at any time before the expiration of seven (7) days from the opening date of the Offer and Shares tendered in response to the Offer will not be taken up before such 7-day period and the Offer Price will be paid at the time and in the manner set out in paragraph 30 below.

22. The Offeror reserves the right to extend the Offer to a later time(s) and date(s) at any time prior to the Expiry Time. Any such extension may be made by publication of a notice of extension in a daily newspaper circulated in Jamaica or on the website of the JSE (www.jamstockex.com).

23. For the reasons explained in paragraphs 6 and 7 above, the Offeror has no intention of acquiring more than 80% of the Key Shares at any time in the near future.

24. This Offer Circular was delivered to the Directors of Key and will be dispatched by Key to Key Shareholders along with a Directors' Circular. In spite of Key's best efforts, it is possible that there could be delays in the postal service delivering this Offer Circular to Key Shareholders. Accordingly, the Offeror will seek to obtain consent to upload the offer onto the websites of the JSE and the Sponsoring Broker.

Announcements

25. On the Business Day prior to the day on which the Offer is due to expire, the Offeror may, but need not, make an announcement and simultaneously inform the JSE of the total number of Key Shares deposited in response to the Offer. Other announcements may be made from time to time. If a "no-increase" price announcement and/or a "no-extension" announcement is made and afterwards a competitive situation arises, the Offeror, if it had specifically reserved the right to do so at the time of such announcement, may withdraw and/or modify such no-increase price announcement and/or no-extension announcement. On the Business Day following the Expiry Time the Offeror will make an appropriate announcement and simultaneously inform the Stock Exchange of the results of the Offer. Such announcement will unless otherwise directed by the JSE or the FSC state:

- (a) the total number of Key Shares tendered;
- (b) the total consideration to be paid for the Key Shares accepted.

26. References to an announcement by the Offeror include the distribution of a press release by hand delivery, facsimile transmission or electronic mail to at least three (3) media organizations in Jamaica one of which must be a

newspaper circulated generally in the Island. An announcement made otherwise than to the JSE shall be notified simultaneously to the JSE.

Rights of Withdrawal

27. Any Key Shares deposited pursuant to the Offer may be withdrawn by the Offeree at any time until the expiration of seven (7) days from the opening of the Offer. The Offer will open on January 27, 2020.

28. Except as provided in paragraphs 21 and 27 above, the deposit of Key Shares in response to the Offer shall be irrevocable and may not be withdrawn.

Completion & Settlement

29. As soon as reasonably practicable after the Offer closes, the Offeror shall, subject to the approval of the JSE, transfer the Key Shares from the Accepting Shareholders to the Offeror or its nominee(s) by way of a pre-approved, un-interrupted put-through (block transaction) across the JSE. It should be noted that under the terms on which JCSD is engaged as Receiving Agent, it should not deliver Forms of Acceptance submitted by Accepting Shareholders to the Sponsoring Broker for the block transfer to be “put through” across the Stock Exchange unless and until it is satisfied that the requisite funds to effect payment to Accepting Shareholders have been transferred to an account under its control or it receives an acceptable undertaking from the Sponsoring Broker or from Patterson Mair Hamilton. In this regard, an acceptable undertaking is one which confirms that the Sponsoring Broker or Patterson Mair Hamilton is holding the requisite funds in its trust account and irrevocably undertakes to transfer such funds to JCSD for payments to be made to Accepting Shareholders forthwith upon the block transfer being “put through”.

30. All cheques or drafts for the purchase price due to each Accepting Shareholder drawn on a bank in Jamaica will, unless such accepting Offeree instructs otherwise, be dispatched by post, to him at his address shown in the Register of Members or in the Form of Acceptance and Transfer (if different from that shown in the Register of Members). Alternatively, and subject to an Accepting Shareholder providing relevant RTGS transfer details and the payment qualifying for RTGS transfer, payment may be made to such relevant Accepting Shareholder via the RTGS payment system. Payments will be effected in Jamaican currency. Offerees are reminded that payment will be made only in respect of acceptances completed in all respects.

31. If an Accepting Shareholder elects, on the Form of Acceptance and Transfer, to collect his cheque/draft then it will be held for collection at JCSD or the office of the stockbroker at which the Form of Acceptance and Transfer was deposited.

32. Each party shall bear their own costs in respect of the transfer of the Key Shares including JSE cess, JCSD fees, transfer tax and stamp duty (if applicable) and any other charges resulting from the acceptance of the Offer. All such expenses incidental to effecting the transfer of the respective Shares and payable by the Accepting Shareholder will be deducted from the purchase price of the Shares.

Brief Summary of Key's Financial Performance

33. Over the 6-year period ending December 31, 2018 the Company recorded modest pre-tax profits/loss, as shown below, on steadily increasing premium income on an underwriting portfolio which experienced substantial loss in 2016.

Key Insurance Financial Summary - J\$000	Summary of Audited Financial Statements					
	2013	2014	2015	2016	2017	2018
Gross Written Premium	677,889	728,230	960,973	1,081,746	1,440,065	1,791,567
Net Written Premium	295,763	341,461	473,014	645,865	930,298	1,179,604
Net Claims	169,628	129,267	233,211	241,431	385,648	1,004,807
Administrative Expenses	297,080	297,428	318,400	410,096	428,806	402,116
Underwriting Loss	(171,083)	(71,157)	(67,583)	(125,178)	(63,040)	(317,699)
Profit/ (Loss) before Tax	(32,282)	27,869	26,871	(50,560)	44,740	(167,494)

In 2018 the Company embarked on an initiative to substantially enhance shareholders' value by increasing its underwriting portfolio – particularly in the motor insurance segment of the business. It thereby increased gross premium for the year to J\$1.792 billion – a 24% increase over 2017. This initiative resulted in a substantial amount of PPV risks coming onto the motor underwriting portfolio and produced a material increase in claims cost resulting in an underwriting loss of \$317.7 million. The results for the 2018 financial year produced *inter alia* the following negative results.

J\$000	2018	2017
Pre-tax Profit/loss	(J\$167,494)	44,740
Return on Equity	N/A	4%
Net Claim to Premium	56%	27%
PE Ratio	N/A	29.19
Net Claims	1,004,807	385,648

34. The losses suffered on the Company's motor insurance portfolio caused the Company to fail its Minimum Capital Test ("MCT") which fell to 113% significantly below the 250% target prescribed by the Insurance (Actuaries) (General Insurance) Regulations, 2011. The failure of the MCT triggered increased regulatory oversight by the FSC and during the year 2019 the Company has been in regular dialogue with the FSC regarding strategies to turn-around the Company's performance.

35. From management's perspective the Company responded by:

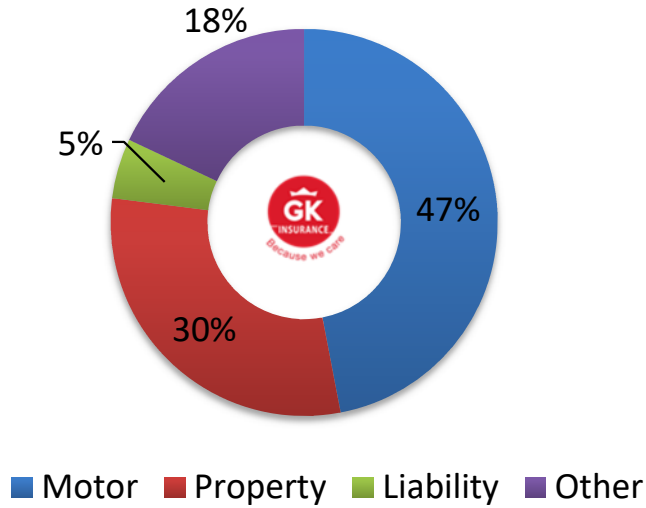
- (a) reviewing its motor underwriting policies to reduce its high exposure to PPV risks;
- (b) improving the quality and profitability of new business underwritten;
- (c) increasing its reinsurance coverage;
- (d) restructuring the Company's underwriting department and establishing a risk management unit;
- (e) overhauling the Company's IT systems, both in terms of management and hardware; and
- (f) introduction of performance-based management system.

These strategies have produced some positive results. Thus, although the Company's year-to-date September 2019 unaudited financial statements showed a loss of J\$298.8 million and a continuing increase in claims expense nevertheless, net claims paid (after reduction of reinsurance recoveries) have reduced substantially.

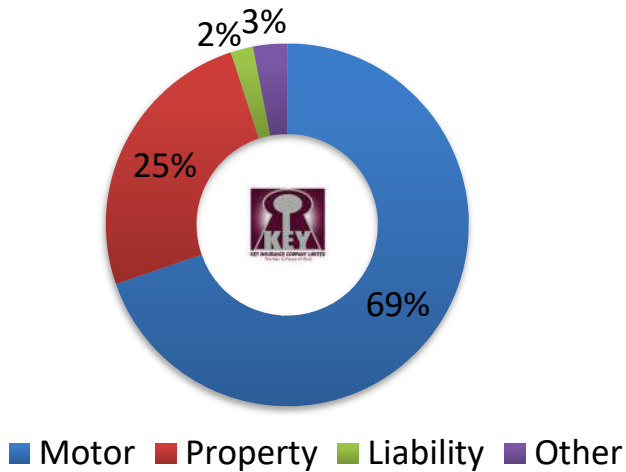
36. The Company's MCT as at September 30, 2019 has risen to 253% but the Company remains under close scrutiny by the FSC.

Reasons for the Offer

37. The Offeror is a financial holding company. Among its wholly-owned subsidiaries is a general insurer, GK General Insurance Company Limited (“GK General”). The pie chart below shows the mix of GK General's underwriting portfolio in 2018.



The Company is also a general insurer. The following pie chart shows the mix of Key's underwriting portfolio in 2018.



38. Key has primarily focused on motor insurance, with the majority of its customers being owners of public passenger vehicles insuring for third party coverage. More recently, the Company has sought to grow its comprehensive motor insurance portfolio, and this has contributed, in part, to an increase in claims. If the Offeror acquires control it will seek to improve the Company's underwriting capabilities to directly address this issue. In this regard, the Offeror intends to leverage its over 38 years of underwriting experience and expertise. The Offeror will also seek to materially reduce operating expenses and improve margins through a thorough review of the Company's existing reinsurance arrangements with consideration given to risk retention, regulatory compliance, pricing and terms. Steps will also be taken to reduce policy administration and processing expenses.

39. Key's revenue position is likely to be positively impacted by improved investment management of the Company's investment portfolio and assets to generate higher returns as well as through the growth of its property portfolio by providing co-insurance opportunities with GK General. Coinsurance operates whenever an insurer receives a proposal to insure a risk which is larger than it is considered safe for the insurer to retain. One way of distributing the risk is to arrange for other insurers (usually local) to join with the principal insurer and underwrite the policy jointly-each insurer taking a percentage of the risk and the premium. This seldom occurs in the motor insurance segment but is commonplace in the property segment. Thus, GK General will be able to offer co-insurance opportunities to Key in the property segment as a means of re-balancing Key's insurance portfolio.

40. As highlighted in paragraph 34 above, the Company has, in the recent past, failed its MCT. Should this occur after the Offeror acquires control all necessary steps will be taken to ensure the Company is adequately capitalized. If it becomes necessary consideration may be given to increasing capitalization via a rights issue and/or through the liquidation of non-core assets subject to a thorough review of the Company's asset mix. Upon completion of the acquisition the Offeror intends to conduct a comprehensive review of Key's business operations, capitalization, corporate structure and management, after such review the Offeror will determine the specific approach or strategy that is best suited for the circumstances prevailing at that time.

41. The Offeror intends to limit its share acquisition to not more than 80% so that Key can remain listed on the Junior Market and continue to enjoy the Junior Market tax reliefs which it now currently enjoys.

Directors & Management

As respects the Offeror:

42. The current Directors of the Offeror are:

Directors	
Donald Wehby - Chairman	
Mary Anne Chambers	
Joseph Esau	
Everton McDonald	
Peter Moses	
Grace Burnett (Chief Executive Officer)	

The current senior officers of the Offeror are:

Officers	Title
Grace Burnett	Chief Executive Officer
Steven Whittingham	Chief Operating Officer
Josephine Bennett-Darmand	Chief Financial Officer

Nichole Case	Chief Information Officer
Marcia Henry Lawrence	Chief Human Resources Officer
Dave Dacosta	Chief Marketing Officer
Fiona Briscoe	Chief Compliance Officer
Kerry-Ann Heavens	Legal Counsel & Company Secretary

43. No director, manager or employee of the Offeror or of GraceKennedy Limited or any of its subsidiaries will directly or indirectly receive any special compensation, bonus, incentive payment or other benefit arising out of, or conditional upon, the outcome of the Offer.

As respects Key:

44. If the Offeror acquires control of Key as a result of this Offer it would re-organize the Board of Directors of Key. This should in no way be regarded as a reflection on the directors concerned who are all eminently qualified but rather reflects the desire of Offeror to acquire first-hand knowledge of the operations of Key and to facilitate a smooth transition in ownership. It is the Offeror's intention to pursue a policy of sound corporate governance which would include the appointment and retention of qualified independent directors. The following persons, affiliated to GK Financial Group, are possible candidates for appointment to the board of Key, namely:

(a) Donald Wehby

Mr. Don Wehby is the Group Chief Executive Officer of GraceKennedy Limited, he was appointed on July 1, 2011. Mr. Wehby first joined GraceKennedy Ltd. in 1995 as Group Finance Manager. He was appointed Deputy Finance Director in 1997 and in that same year was appointed to the Board of Directors of GraceKennedy Ltd. The following year, he was appointed Group Chief Financial Officer and in 1999 undertook the additional role of Chief Operating Officer for the Financial Services Division. In addition, he was charged with the responsibility for leading the Group's local and international expansion especially as this relates to banking, investments and insurance services. He has directed the listing of the company in Trinidad & Tobago, Barbados and the Eastern Caribbean Securities Exchange sited in St. Kitts. Under his leadership, GraceKennedy acquired 100% ownership of First Global Bank Ltd., now a wholly owned subsidiary of the Company. During his tenure as Chief Operating Officer of the Financial Services Division, the division's pre-tax profit rose from \$280 million in 2000 to \$1.417 billion in 2005, an increase of 406%.

In December 2005 Mr. Wehby relinquished his role as Chief Operating Officer of the Financial Services Division to take on expanded responsibilities as Group Chief Financial Officer, which included heading a new Strategic Planning Unit. In 2006, following the re-organization of GraceKennedy he was appointed Deputy Chief Executive Officer, GraceKennedy Ltd. and Chief Executive Officer, GK Investments.

In September 2007, Mr. Wehby resigned from his positions at GraceKennedy Ltd. and its Board of Directors to serve for two years as Government Senator and Minister without Portfolio in the Ministry of Finance and the Public Service.

Following his two-year stint in public service, he returned to GraceKennedy on October 5, 2009 in the position of Group Chief Operating Officer and was reappointed to the Board of Directors of GraceKennedy Ltd. He also serves as a Director of several of GraceKennedy's Boards including Chairman of GraceKennedy Financial Group Limited, First Global Holdings Limited, GK Foods & Services Limited and GraceKennedy Money Services SRL.

Mr. Wehby is currently New Zealand's Honorary Consul to Jamaica, following his appointment in September 2015. In March 2016, he was appointed by Jamaica's Prime Minister, The Most Honourable Andrew Holness, as Senator, which will once again allow him to offer his services by giving an independent, non-aligned voice in critical national matters, including among other things, helping to shape new legislation and amend existing legislation in need of reform. He is also the Chairman of JAMPRO following his appointment in April 2016.

A Fellow Chartered Accountant, Mr. Wehby holds both a Bachelor of Science (Hons.) and a Master of Science degree in Accounting from The University of the West Indies and has completed an Advanced Management College certificate course at Stanford University.

(b) Grace Burnett

Grace Burnett is an Attorney-at-Law and Chartered Insurer, with over twenty-five years' experience in the general insurance industry. Grace joined GraceKennedy in August 2000 and first served as General Manager of GK General Insurance Company Limited for 6 years.

Grace then joined Allied Insurance Brokers as its CEO/Managing Director in March 2007 and returned to GK General Insurance Company in January 2013 in the capacity of Managing Director. In April 2014 Grace was appointed CEO of the Insurance Segment and on February 1, 2016, was appointed CEO for the GraceKennedy Financial Group (GKFG). She has extensive experience in operations, employee engagement, customer experience and strategic management.

Grace sits on several boards within the GraceKennedy Group.

(c) Steven Whittingham

Steven Whittingham is the Chief Operating Officer of the GraceKennedy Financial Group with direct oversight of GraceKennedy's insurance underwriting, insurance brokerage, merchant banking and investment businesses across the region. He is a member of the GraceKennedy Executive and also leads the Group's global M&A program.

Steven began his career at BlackRock in New York and worked with Morgan Stanley's Investment Banking Group in London. He has significant M&A and Private Equity experience, acquiring and operating multiple businesses in Jamaica, and has served as a director on several private and public sector boards.

Steven has a Bachelor of Science in Systems Engineering and a Bachelor of Arts in Economics from the University of Pennsylvania and an MBA from Harvard Business School.

(d) Andrew Leo-Rhynie

Andrew Leo-Rhynie is the Managing Director of GK Capital Management Limited. In addition to his over 20 years' experience in financial and advisory services, he was the General Manager of GK General Insurance Company Limited from 2014 to 2019. Prior to that, Andrew was Vice President, Strategy at GK Financial Group where he was responsible for developing strategic initiatives at the group and subsidiary levels.

Andrew has provided financial advisory services for IPOs, mergers and acquisitions and fairness opinions for large transactions in the financial sector in Jamaica and completed valuations of companies throughout the region.

He holds a BSc in Accounting, an MBA in Finance, is a Chartered Business Valuator and is a director of the GK Money Services Companies in the Eastern Caribbean and British Virgin Islands.

(e) Kerry-Ann Heavens

Kerry-Ann Heavens is an attorney-at-law, specializing in corporate finance transactions having acted as counsel in various private equity deals, debt financing arrangements and mergers & acquisitions since being called to the Jamaican Bar in 2010. She joined the team at GraceKennedy in 2017, providing legal oversight for the companies in the Financial Group. She is the Company Secretary for GraceKennedy Financial Group Limited and First Global Bank Limited.

Kerry-Ann is a graduate of the University of Cambridge, where she obtained a Master of Corporate Law degree as a Chevening Scholar. She also holds a Certificate of Legal Education from the Norman Manley Law School; a Bachelor of Laws Degree as well as a Bachelor of Science Degree in International Relations and Public-Sector Management (both with first class honours) from the University of the West Indies.

Having regard to the dynamic nature of business this should not be taken as an absolute commitment on the part of the Offeror to make any of the above-mentioned changes or to do so within any time period. Except as respects matters which are the subject of specific binding agreements, they represent plans formulated as an outsider with respect to Key prior to acquiring control and the Offeror's perspective could be influenced by "on the ground" experience over time.

45. The Offeror will ensure that Key continues to maintain an Audit Committee and a Compensation Committee of its Board of Directors. The terms of reference of the Audit Committee will be expanded to include the monitoring and safeguarding against potential conflict of interest and minority shareholder protection. The Audit Committee will be given full access to management and all pertinent corporate information to enable the Committee to discharge its duties of ensuring that adequate accounting records are maintained coupled with an effective system of internal control and that the assets of the Company are duly safeguarded. The Audit Committee will have discretion to invite any director or key executive to attend its meetings. In addition, all future transactions with related parties shall be subject to review by the Audit Committee and any director who is interested in any such contract shall abstain from voting thereon, whether at the Committee meeting or at the Board. The Offeror recognizes the importance of the Audit Committee and will ensure that it is given adequate resources and support to enable it to discharge its duties.

46. The Offeror intends to review the management structure of the Company in light of its strategic direction. It is possible that in the process of re-organizing the operational functions of Key there may be changes to the structure.

47. Any omission to dispatch this document to, or any failure to receive the same by any person to whom the Offer is made, or is intended to be made, shall not invalidate the Offer in any way.

48. The Offer and the acceptances thereof and any elections in respect thereof shall be governed by and construed in accordance with Jamaican law.

49. The information set out in the Appendices attached, forms an integral part of this Offer and should be read in conjunction therewith.

Dated this 20th day of January 2020

Yours faithfully
GRACEKENNEDY FINANCIAL GROUP LIMITED


Don Wehby
Chairman

APPENDIX I**Regulatory Requirements**

The following information is included in this Offer by virtue of the Securities (Take-overs and Mergers) Regulations, 1999 and the Rules of the Jamaica Stock Exchange and to provide additional information to Key Shareholders.

- (a) The persons listed under column 1 below own directly or indirectly the number of Key Shares set opposite their names in columns 2 and 3 in the table below:

Column 1 Person	Column 2 Direct Ownership	Column 3 Indirect Ownership
(i) The Offeror	55,269,129	None
(ii) Subsidiary, parent or affiliate of the Offeror Company	None	None
(iii) Any Director of the Offeror Company	None	None
(iv) Any officer of the Offeror Company	None	None
(v) Any person or company holding directly or indirectly more than 10% of the Offeror shares	None	None

- (b) With the exception of the acquisition by the Offeror of 55,269,129 Key Shares in December 2019, none of the persons listed in the table above have directly or indirectly traded in the Key Shares during the last six (6) months preceding the date of this Offer.
- (c) The conditions attached to the Offer are set out in paragraphs 7 and 15 of this Offer document.
- (d) Particulars of the method and terms of payment of the cash consideration are stated in paragraphs 7(a), (b) and (c) and paragraphs 29-31 (inclusive) of this Offer Document.
- (e) Any Key Shares deposited pursuant to the Offer may be withdrawn by or on behalf of the Offeree at any time before the expiration of seven (7) days from the opening date of the Offer.
- (f) The financing required to complete the Offer will be provided from the internally generated resources of the GK Group. The Availability of Funds Letter is among the Documents Available for Inspection. See “**Documents Available for Inspection**” below. The Offeror is therefore satisfied that the requisite funds will be available to carry out the Offer.
- (g) The following is a summary showing the volume of trades and price ranges of Key Shares in the six (6) months preceding the opening date of the Offer:

Month	Traded Volume	Price Range (Low)	Price Range (High)
June	246,340	3.00	3.70
July	102,028	2.85	3.90
August	3,000	3.25	3.25
September	11,100	2.80	3.50
October	2,100	3.10	3.20
November	3,518	3.30	3.50
December	16,000	3.00	3.30

The foregoing information in this paragraph (g) is extracted from information available from the JSE and was not verified with, or by, Key.

- (h) The Offeror has not entered into nor has it proposed the entry into any agreement or arrangement with any of the following persons, namely: (i) any person holding 10% or more of the voting shares or voting rights of Key or (ii) any officer or director of Key or (iii) any person who, within the nine (9) month period before the Offer was made, held more than 10% of the voting shares or the Voting Rights in Key **except as follows:**

- (A) On December 3, 2019 the three Principal Shareholders (Mrs. Sandra Masterton; Mrs. Natalia Gobin-Gunter and Mrs. Kala Abrahams) entered into a Share Sale Agreement with the Offeror whereby the Offeror agreed to purchase 18,423,043 Shares from each of the Principal Shareholder (aggregate 55,269,129 or 15% of the issued share capital of the Company) at a price of J\$2.01 per Share.
- (B) The Principal Shareholders also entered into a Deed of Irrevocable Undertaking dated December 30, 2019 to accept the Offer contained herein and not to solicit or accept any other offers in respect of all their remaining Shares in Key (aggregate 50.23%) subject to a “cut back” provision that if such acceptance would cause the shareholding of the Offeror to exceed 80% in the aggregate they would cut back on their acceptances *pro rata* to ensure that the aggregate of all acceptances does not exceed 80% of the issued share capital of the Company.

Copies of the agreements referred to at (A) and (B) above are among the **Documents Available for Inspection**. (See below.)

- (i) The Offeror is not aware of any material change in the financial position or prospects of Key or its subsidiaries since September 30, 2019, being the date of Key’s last published unaudited financial statements.

The Company has not declared or paid any dividend during the current financial year.

- (j) The Offeror intends to make material changes to the business strategy and operations of the Company and will be focused on restoring the Company to profitability in the near and medium term and thereafter maximizing shareholder value. To that end as outlined in paragraph 39 above the Offeror will seek to reduce operating costs; pursue co-insurance opportunities with GK General in relation to prime property risks and adopt a more discerning motor underwriting policy which, collectively, should stem the current loss being experienced by the Company and ultimately restore profitability.

The Offeror does not intend to commence the payment of dividend unless and until the Company is able to cover the losses recorded in the last two (2) years and build up a solid buffer of retained earnings. This will likely take a minimum of two (2) to three (3) years but if the Company were to dispose of any capital asset at a respectable profit it could possibly declare a capital distribution after covering past revenue losses.

The Offeror has no immediate plans to lay-off or reduce the Key's work force in the near future. However, in order to implement its strategy, it will likely make changes to the management structure and may second management personnel to work with the Company to better implement its turnaround strategy.

- (k) Paragraph 11 above and the Procedure for Acceptance set out below sets out the documents required to be lodged with the Offeror's Receiving Agent or Sponsoring Broker for an acceptance of this Offer to be valid.

- (l) There are no special arrangements relating to the Offer, between the Offeror or any director, past directors or shareholders of Key or any party acting in concert with any of them **except as follows:**

(A) The Principal Shareholders (who are also directors of the Company) have entered into a Deed of Irrevocable Undertaking dated December 30, 2019 with the Offeror whereby they have agreed to accept this offer by the Offeror to purchase Key Shares if the offer was made at an Offer Price of not less than J\$2.01 per Key Shares. The Deed of Irrevocable Undertaking also contains a "cut back" provision whereby each of the Principal Shareholder agreed that if acceptances received from the general public which when added to Shares already held by the Offeror (being 15% of the issued share capital) together with the Shares remaining in the hands of the Principal Shareholders (50.23%) would exceed the 80% threshold then the Principal Shareholders would reduce their acceptances *pro rata* so that the total share acquired or to be held by the Offeror would not exceed 80% of the issued share capital of the Company.

(B) On December 3, 2019 the Principal Shareholder entered into a Share Sale Agreement with the Offeror whereby they agreed to sell 18,423,043 Shares each (aggregating 15% of the issued share capital of the Company) to the Offeror at a price of J\$2.01 per share. The sale and purchase of those Shares was completed, and the purchase price duly paid with the transfer to be effected in due course.

(C) The Share Sale Agreement also provided that the Principal Shareholders would, for valuable consideration, appoint a nominee of the Offeror to the Board of Directors of the Company and that they would each issue to the Offeror an irrevocable proxy to vote all their Share in the Company at general meetings of the Company. The Principal Shareholders have in fact complied with and discharged their obligations in that regard. Hence Kerry-Ann Heavens was duly appointed as an alternate director to the Board of Directors of the Company on December 2, 2019.

With the exception of the acquisition of 15% of the issued shares of Key by the Offeror pursuant to the Share Sale Agreement neither the Offeror nor any of its Affiliates have acquired any Shares in the Company in the past twelve (12) months or at all.

In this sub-paragraph, “special arrangement” includes any indemnity or option arrangement or undertaking, formal or informal, of whatever nature relating to Key Shares or any securities convertible into rights to subscribe for, or options to acquire, Key Shares which may be an inducement to deal or refrain from dealing in such shares or securities.

- (m) The Directors of the Offeror (whose names are set out in the Offer at paragraph 42 above) accept full responsibility for the information contained in this document. To the best of the knowledge and belief of such Directors (who have taken all reasonable care to ensure that such is the case) all such information is in accordance with the facts and the Directors are not aware of any fact the omission of which would make any statement in the Circular misleading. Where information in this Circular has been extracted from publicly available sources or obtained from a named source, the sole responsibility of the Directors of the Offeror has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in the proper form and context.
- (n) Both JCSD and GK Capital Management Limited, the latter being a licensed securities dealer, has given and not withdrawn their respective written consent to the issue of this document with the inclusion therein of references to them in the form and context in which they appear.
- (o) There is no agreement arrangement or understanding whereby the beneficial ownership of any of the Key Shares to be acquired by the Offeror pursuant to the Offer will be transferred to any other person, save that the Offeror reserves the right to transfer any such shares to any other member of the GK Financial Group.
- (p) There is no intention, at the present time, to vary the total emoluments receivable by any Director of the Offeror as a result of the transaction contemplated herein.

PROCEDURE FOR ACCEPTANCE

How to Tender Shares

- (a) To tender your Key Shares for acceptance you must complete Box 1 on the **Form of Acceptance & Transfer** - stating the number of Key Shares that you wish to tender for acceptance. If you do not complete Box 1 it will be assumed that you are tendering all of your Key Shares. If the number of Key Shares inserted in Box 1 is greater than the number of Key Shares registered in your name then it will be assumed that you intend to tender all of your Key Shares.
- (b) Boxes 2 and 3 state how you wish the cheque in payment for your Key Shares which are accepted to be delivered to you. Please select one by ticking the relevant Box. If you do not select Box 2 or Box 3 then your cheque will not be dispatched until valid instructions are provided.
- (c) Cheques will be paid in Jamaican currency. .
- (d) You should sign the Form in the space indicated and insert in legible block letters your name below your signature and your address. If the Shares are registered in the name of more than one person then all registered shareholders should sign the Form. There is space on the Form for only two signatures but if there are additional

shareholders then get a second Form of Acceptance and Transfer and have the additional shareholder(s) sign that Form (without completing Boxes 1, 2 or 3) and staple that additional Form to the main Form on which Boxes 1, 2 or 3 have been completed.

(e) The **Form of Acceptance and Transfer** duly completed in all respects should then be returned, along with the share certificate(s) in respect of your Key Shares, by post or by courier or by hand as soon as possible and in any event, so as to be received no later than **4.30 p.m. on February 17, 2020** to:

**JCSD
40 Harbour Street
Kingston
Re: Key Shares**

(f) If your Key Shares are held in the Jamaica Central Securities Depository then you will not need to send in a share certificate.

If you have lost your Share Certificate

(g) If your share certificate(s) and or other document(s) of title is/are not readily available or is/are lost or destroyed and you wish to tender your Key Shares then you should nevertheless complete, sign and return the **Form of Acceptance and Transfer** in the manner stated above. You may then send a separate note or make a notation on the Form of Acceptance and Transfer that your share certificate is missing or lost. Your tender will be processed in the normal way but you will not be paid for your Shares which are accepted unless and until you find and deliver the share certificate as stated in paragraph (e) above or you sign a form of Indemnity for Lost Certificate provided by JCSD. The form of Indemnity for Lost Certificate can be obtained from JCSD or GK Capital Management Limited, the Sponsoring Broker.

Risk of Post and Courier Delivery

(h) All documents sent through the post or by courier to JCSD or GK Capital Management Limited will be at your risk.

Offeror's Reservation

(i) The Offeror reserves the right to accept and to treat tenders as valid even though not complete in all respects or not accompanied by the relevant share certificate(s) and/or other documents.

Settlement

(j) Cheques drawn on a local bank for the cash amount due to you will be dispatched to tendering Key Shareholders within 3 Business Days after the accepted Shares are transferred to the Offeror on the Jamaica Stock Exchange and, in any event, within 14 days of the close of the Offer; subject to the Jamaica Stock Exchange granting approval for the Shares to be "block transferred" across the Exchange to the Offeror within such 14 day period. Tendering Key Shareholders can make special arrangements with JCSD for their payment to be sent instead by wire transfer to their bank account or their account with any securities dealers (Tendering Key Shareholders should note that wire transfer fees may be deducted from such payments).

Return of Documents if Offer not completed

(k) If the offer is not completed; that is to say, if the Offeror does not take up the Shares tendered by Key shareholders then all documents tendered shall be returned, within fourteen (14) days after the close of the Offer, through the post to the relevant shareholder tendering the Shares at the address shown in Form of Acceptance and Transfer or if no address is specified then to the latest address of the relevant shareholder shown in the Register of Members. If a shareholder instructs JCSD, in writing, to hold his document for “pick-up” then JCSD will instead hold the documents and will deliver them to the shareholder upon proof of identity and in return for a signed document receipt.

Assistance & Help Desk

(l) Your securities dealer or bank or lawyer may be willing to provide assistance in completing and delivering the **Form of Acceptance and Transfer**.

DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection during the hours of 9:00 a.m. to 5:00 p.m. on any Business Day (Saturday, Sunday and public holidays excepted) whilst the Offer remains open for acceptance at the office of:

Patterson, Mair, Hamilton
Attorneys-at-law
Temple Court
85 Hope Road
Kingston 6
Jamaica

- (i) the Articles of Incorporation of the Offeror;
- (ii) the Certificate of Incorporation of the Offeror;
- (iii) the Share Sale and Purchase Agreement between the Principal Shareholders (on the one hand) and the Offeror (on the other) dated December 3 2019;
- (iv) the Deed of Irrevocable Undertaking to Accept Offer between the Principal Shareholders (on the one hand) and the Offeror (on the other) dated December 30 2019; and
- (v) Availability of Funds Letter.

APPENDIX II

Matters Affecting Overseas Shareholders

1. The making of the Offer to persons resident in, or to citizens of, jurisdictions outside Jamaica or to persons who are custodians, nominees or trustees for residents of jurisdictions outside Jamaica may be affected by the laws of the relevant jurisdictions. Key Shareholders not resident in Jamaica should inform themselves about and observe any applicable legal requirements. It is the responsibility of any person outside Jamaica wishing to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdictions in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction. Key Shareholders other than residents of the Restricted Jurisdictions (as identified below) wishing to accept the Offer should not use the mail service of any of the Restricted Jurisdictions or the mail service of any other foreign country where such action may constitute a breach of any legal or regulatory requirement of such jurisdictions (herein called "Affected Foreign Country") or any means, instrumentality or facility for any purpose directly or indirectly relating to acceptance of the Offer. Envelopes containing Forms of Acceptance and Transfer, share certificates, other evidence of title or other documents relating to the Offer should not be postmarked in any of the Restricted Jurisdictions or any Affected Foreign Country or otherwise dispatched from any of the Restricted Jurisdictions or any Affected Foreign Country for the receipt of consideration to which they are entitled under the Offer or for the return of Forms of Acceptance and Transfer. Any acceptance which violates this provision will be deemed invalid in the absence of proof satisfactory to the Offeror that such acceptance was not in violation of the laws of any jurisdiction outside Jamaica.

2. If notwithstanding the restrictions described above, any person pursuant to a contractual or other legal obligation or otherwise, forwards this document, the Form of Acceptance and Transfer or any related document in, into or from any of the Restricted Jurisdictions or any Affected Foreign Country or uses the mail service or any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone or electronic mail) of interstate or foreign commerce of, or any facilities of a national securities exchange of any of the Restricted Jurisdictions or any Affected Foreign Country in connection with such forwarding, such person should (i) forthwith inform the recipient of such fact; (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient and (iii) draw the attention of the recipient to this **Appendix II**.

3. A Key Shareholder may be deemed NOT to have properly and validly accepted the Offer if (i) his address on the Form of Application is an address in any of the Restricted Jurisdictions or any Affected Foreign Country and in the case of an Affected Foreign Country, he fails to satisfy the Offeror that acceptance will not violate the laws and regulations of such Affected Foreign Country and he does not provide the Offeror with the name and address of a person or agent in Jamaica to whom he wishes the consideration to which he is entitled under the Offer to be sent; or (ii) the Form of Acceptance and Transfer received from him is received in an envelope postmarked in, or which otherwise appears to the Offeror or its agents to have been sent from any of the Restricted Jurisdictions or any Affected Foreign Country.

4. Each Key Shareholder by whom or on whose behalf, a Form of Acceptance and Transfer is executed irrevocably undertakes, represents, warrants and agrees with the Offeror (so as to bind him, his personal representatives, heirs, successors and assigns) that:

- (a) the Form of Acceptance and Transfer and this document have not been mailed or otherwise distributed or sent (directly or indirectly) in, into, or from any of the Restricted Jurisdictions or any Affected Foreign Country;
- (b) such Key Shareholder is not a resident of any of the Restricted Jurisdictions and is not a US Person;

- (c) in connection with the Offer, there has been no use, directly or indirectly by or on behalf of such Key Shareholder, of the mail service, or other means or instrumentality (including, without limitation, facsimile transmission, telex, telephone or electronic mail or any electronic publication or advertisement) of foreign or interstate commerce, or any facility of a national securities exchange of any of the Restricted Jurisdictions or any Affected Foreign Country;
- (d) such Key Shareholder was outside the Restricted Jurisdictions or an Affected Foreign Country when the Form of Acceptance and Transfer was sent and at the time of accepting the Offer in respect of the Key Shares to which such Form of Acceptance and Transfer relates;
- (e) in respect of the Key Shares to which the Form of Acceptance and Transfer relates, such Key Shareholder is not an agent or fiduciary acting for a principal, unless such agent or fiduciary is an authorised employee of such principal or such principal has given instructions with respect to the Offer from outside any of the Restricted Jurisdictions or an Affected Foreign Country;
- (f) if such Accepting Shareholder is a citizen, resident or national of a jurisdiction other than Jamaica and other than the Restricted Jurisdictions, he has observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities and paid any issue, transfer or other taxes or other requisite payments due from him in each case in connection with such acceptance, in any jurisdiction and that he has not taken or omitted to take any action which will or may result in the Offeror or any other person acting in breach of the legal or regulatory requirements of any such jurisdictions in connection with the Offer or his acceptance thereof.

Each Key Shareholder by whom or on whose behalf a Form of Acceptance and Transfer is executed hereby agrees to indemnify and to keep the Offeror fully indemnified in respect of the consequences of any breach of any of the representations and warranties set out above.

5. The provisions of this Appendix supersede any terms of the Offer inconsistent therewith.

APPENDIX III

Forward looking Statements, Risk Factors & Special Considerations

This document may include certain forward-looking statements. Such statements are not historical facts and may include statements about anticipated outcomes, intentions, beliefs and expectations that may never occur. You should be aware that the anticipated outcome of this Transaction is subject to a number of risk factors that may result in a materially different outcome than those contemplated in this document. The effect of risk factors will depend on whether you elect to tender your Shares in response to the Offer or whether you elect to hold your Shares and continue as a shareholder in Key.

Accepting Shareholders

If you are an Accepting Shareholder then your risks will relate primarily to the completion of the transaction. Some of those risk factors include but are not limited to the following:

- (a) The FSC and the JSE assume regulatory oversight of transactions such as that contemplated herein and their ruling and directions could delay or adversely affect the completion of the Transaction;
- (b) Legal and/or regulatory risk (the risk of changes in the law or applicable regulation that may have a negative effect on either Key and/or the Offeror) or the manner in which the Transaction is implemented. At the present time the Directors of the Offeror are not aware of any pending legal or regulatory changes which could negatively affect the process;
- (c) Interest rate and currency risk (the risk of changes in global interest rates and currency values that may have a negative effect on Key and/or the Offeror in the case of currency risk in particular, on the terms of the Offer);
- (d) Legal and/or regulatory risk (the risk of changes in the law or applicable regulation that may have a negative effect on either Key and/or the Offeror); and/or
- (e) Trading risk (the risk of adverse changes in the global economy which results in a decline in the demand for the services provided by Key).