



PRESS RELEASE

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Cayman National
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For more information:
Andrea Lumsden, 949-2933
andie@bbandp.com

Cayman General and Sagicor to strike major deal

George Town, Cayman Islands - Cayman National Corporation (CNC) announced today that they are proceeding with the sale of a significant portion of their Cayman General Insurance Co Ltd (CGI) shareholding to Sagicor Life of the Cayman Islands Ltd (Sagicor Cayman), a subsidiary of Life of Jamaica Limited (LOJ), a member of the Barbados-based Sagicor Financial Corporation. The transaction is subject to final contract terms and regulatory approval. The LOJ Group acquisition will result in an ownership structure, represented by the major shareholders of CGI as follows:

<u><i>Name of Shareholder</i></u>	<u><i>% holding in Cayman General (CGI)</i></u>
Sagicor Life of the Cayman Islands Ltd.	51%
Cayman National Corporation	24.2%
Cayman Islands Government	24%

“We’re delighted”, says Cayman National CEO and President Stuart Dack. “Our relationship with LOJ and Sagicor will go far beyond their acquisition of a majority stake in Cayman General.” He explains that this transaction will put CGI in a position to offer clients a broader range of high quality insurance products at competitive prices.

Cayman General Insurance President Dan Scott agrees: “LOJ and Sagicor’s involvement will enable Cayman General Insurance to be one of the strongest multi-line insurance providers in the Cayman Islands, offering clients attractive prices, more products and better services.” Sagicor currently boasts an ‘A- Excellent’ AM Best rating.

LOJ’s President & CEO, Richard Byles, is looking forward to this new venture. “We’re excited by these new business relationships with Cayman General Insurance and the Cayman National Corporation”, he said, adding: “along with the individual life products we now offer through Sagicor Cayman, it will allow us to provide property and casualty insurance as well as augment our interest in health insurance, for which we are well known in Jamaica”. His confidence in the success of this acquisition was also due to CGI significantly strengthening its reinsurance program following Hurricane Ivan. The adequacy of this program was assessed and endorsed by international consultants.

About Cayman National Corporation:

Cayman National Corporation Ltd. is the leading financial services group headquartered in the Cayman Islands. Companies in the group include Cayman National Bank, Cayman General Insurance, Cayman National Trust, Cayman National Securities, Cayman National Insurance Brokers, Cayman National Insurance Managers and Caymanx Trust Company. For more information regarding Cayman National Corporation please contact Claudia Welds on 815-5417 or visit **www.caymannational.com**.

About Sagicor:

Sagicor Financial Corporation is based in Barbados and offers diverse financial products and services including individual and group life insurance, health insurance, property and casualty insurance, annuities, pensions and fund management. Sagicor was formed in 1840 as Barbados Mutual Life Assurance Society and completed its demutualization in 2002. At the end of June 2005, total assets of the Group stood at US\$2.3 billion. Shareholders' equity was US\$359 million. Additional information can be obtained by visiting Sagicor's website at www.sagicor.com.

About Life of Jamaica Limited:

Since its inception in 1970, Life of Jamaica has become the foremost life insurance company in Jamaica with a reputation for leadership, innovation and strong customer relationships. With assets currently at over US\$1 billion and equity of US\$223 million, the Company markets an extensive range of life insurance products, group life, group health, annuities, pensions and provides retirement planning and funds management services. LOJ is also the largest property manager in Jamaica through LOJ Property Management Limited (LOJPM) which provides real estate development and management services. Earlier this year, LOJ acquired the insurance and managed pension funds business of First Life Insurance Co. Ltd. LOJ also acquired a 51% interest in the Merchant Banking group, Pan Caribbean Financial Services Ltd. in January 2005. LOJ is listed on the Jamaica Stock Exchange (JSE). Further details can be obtained by visiting LOJ's website at www.life-of-ja.com.

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