General Information Regarding Tax Status for Special One-Time Cash Distribution

As previously reported, Vericity, Inc. (the "Company") paid a special one-time cash distribution of $6.25 per share to common stockholders in December 2019.

The Company currently expects that the cash distribution should not constitute a taxable dividend for U.S. federal income tax purposes because we expect the distribution to exceed the Company's earnings and profits in its entirety. Meaning, the cash distribution would generally constitute a return of capital and a reduction of each recipient's tax basis in the Company's common stock.

Under US federal income tax rules, corporate distributions are designated as either a dividend or non-dividend distribution based on the applicable "earnings and profits" of the entity making the distribution.

Non-dividend distributions are considered a return of capital and are generally not taxable; however, the recipients must adjust their cost basis to reflect the distribution. Generally for US federal income tax purposes, a non-dividend distribution is first treated as a reduction in the shareholder's tax basis in the stock held, and when the basis in the stock is reduced to zero, a non-dividend distribution is then treated as capital gain to the shareholder.

Dividends are reported annually to shareholders on IRS Form 1099-DIV. During the first quarter of 2020, Computershare Investor Services will mail registered holders an IRS Form 1099-DIV reflecting the December 2019 distributions as returns of capital (Box 3 - Non-dividend distributions). If you purchased your shares through an investment broker, that broker should issue your IRS Form 1099-DIV.

For your information, the Company has posted IRS Form 8937, Report of Organizational Actions Affecting Basis of Securities, for this distribution on its website at https://www.vericity.com/tax-information.

Information regarding tax matters in this press release is for general information purposes only and does not constitute tax advice. Stockholders should consult with their tax advisors as to the specific U.S. federal, state, and non-U.S. tax consequences to such holder related to the distribution.