

Our Governance

Legal & General America



Board Of Directors

The Boards of Legal & General America, Banner Life, and William Penn are made up of senior staff responsible for each major business function and outside directors whose experience keeps our companies pointed in the right direction.

Governance Committees

- Asset and Liability Committee
- Assumption Governance Committee
- Audit Committee
- Complaint Committee
- Change Committee
- Pricing Committee
- Risk and Compliance Committee

Commitment To Standards Of Responsible Business

Our policies and procedures underpin the commitments we make to our customers and shareholders. They set out the minimum standards and procedures to ensure effective management and control of our business. We ensure these policies are regularly updated as issues, regulations, and expectations change.

How We Run Our Business

- Business Continuation Policy
- Data Security Policy
- Internal Audit Charter
- Reinsurance Policy
- Risk Governance Framework
- Taxation Policy

How We Buy Products and Services Responsibly

- Supplier Code of Conduct
- Vendor Management Standards and Procedures
- Vendor Management Policy

How We Govern and Influence

- Anti-Fraud Policy
- Anti-Money Laundering Policy
- Business Ethics Policy
- Whistleblower Policy

Independent Financial Strength Ratings

Independent rating agencies conduct comprehensive financial strength examinations of our companies on an annual basis. Legal & General America's senior management support the independent examinations and meet with the representatives of the rating agencies as part of the review process.

A.M. Best's financial strength rating is an independent opinion of an insurer's financial strength, and ability to meet its ongoing insurance policy and contract obligations. It is based on a comprehensive quantitative and qualitative evaluation of the company's balance sheet strength, operating performance, and business profile. The rating process incorporates methodologies specific to the life insurance industry.

Standard & Poor's has been rating the financial strength of insurance companies since 1971 and is one of the largest global rating organizations in the world. A Standard & Poor's insurer financial strength rating is a forward-looking opinion about the financial security characteristics of an insurance organization with respect to its ability to pay claims under the terms of its insurance policies and contracts.

Fitch Ratings, dual-headquartered in New York and London, is the most recent rating agency to review and provide its independent opinion on Legal & General America. Fitch Ratings offers global perspectives shaped by strong local market experience and credit market expertise.

Insurance Department Approval Of Insurance Policies

While we do consider ourselves a manufacturer of life insurance, we can't just create a policy and give it to someone to sell. Every policy contract, every form that becomes part of the policy and every application for life insurance must be filed with, and approved by the Insurance Department (or its authorized representative) in the state where it will be used. We also take measures to ensure that electronic policy documents are secured to prohibit modification.

Examination By State Insurance Departments

The Maryland Insurance Administration and the New York State Department of Financial Services conduct periodic comprehensive financial and market conduct examinations of Banner Life and William Penn, respectively. If the exam results in the identification of a deficiency, steps are taken for immediate correction. Other state insurance regulators may conduct market conduct or target examinations on an ad-hoc basis.

Due Diligence On Agent Representatives

In order to sell our policies, an agent must be licensed in the state in which he or she will make sales, must be associated with one of our general agencies, and must have a legal contract to represent us. Obtaining a license requires successful completion of an exam for the specific kind of insurance that will be sold.

We understand the significance of the relationship these brokers have with our customers. Our due diligence includes selective background checks and an ongoing program designed to identify specific sales practices that do not meet our high ethical standards. Agent licenses must be renewed according to state mandates. Some states require sales representatives to pursue continuing education to protect their constituency.

Advertising Compliance

Legal & General America requires prior approval of materials, in all media forms, that promote or mention Banner Life, William Penn or Legal & General America, or that may ultimately result in the sale of one of our products. We have published advertising guidelines that protect consumers from misleading information. The agencies which represent us are reminded quarterly about the importance of adherence to our advertising compliance procedures.