

Dallas IIA

Torchmark Corporation

September 6, 2012

Who is Torchmark?

- Torchmark is a insurance holding company formed in 1979 through various acquisitions.
- Torchmark's primary subsidiaries market life insurance and supplemental health insurance for middle income Americans through multiple distribution channels including direct mail, and exclusive and independent agencies.

Who is Torchmark?

- Torchmark Corporation is a public company traded on the New York Stock Exchange under the symbol TMK.

Torchmark Mission Statement

Our purpose is to help working class families achieve financial protection from adverse circumstances

Torchmark Affiliate Companies



NATIONAL INCOME LIFE
insurance company



AMERICAN INCOME LIFE
insurance company



Torchmark Affiliate Offices

Torchmark Affiliates have home offices and satellite offices located in:

- McKinney, Texas (Headquarters)
- Omaha, Nebraska
- Birmingham, Alabama
- Oklahoma City, Oklahoma
- Waco, Texas
- Syracuse, New York
- Canada, New Zealand and Ireland

Torchmark Affiliates

Torchmark Affiliates provide insurance in the following countries:

- United States
- Canada
- New Zealand
- Ireland

Torchmark Affiliate Employees

As of June 30 2012, Torchmark Affiliate companies have:

- 2,212 home office and satellite office employees
- 1,355 producing agents for Liberty National
- 5,318 producing agents for American Income Life

Torchmark Corporation Financials

Net Income:

2011: \$518 million

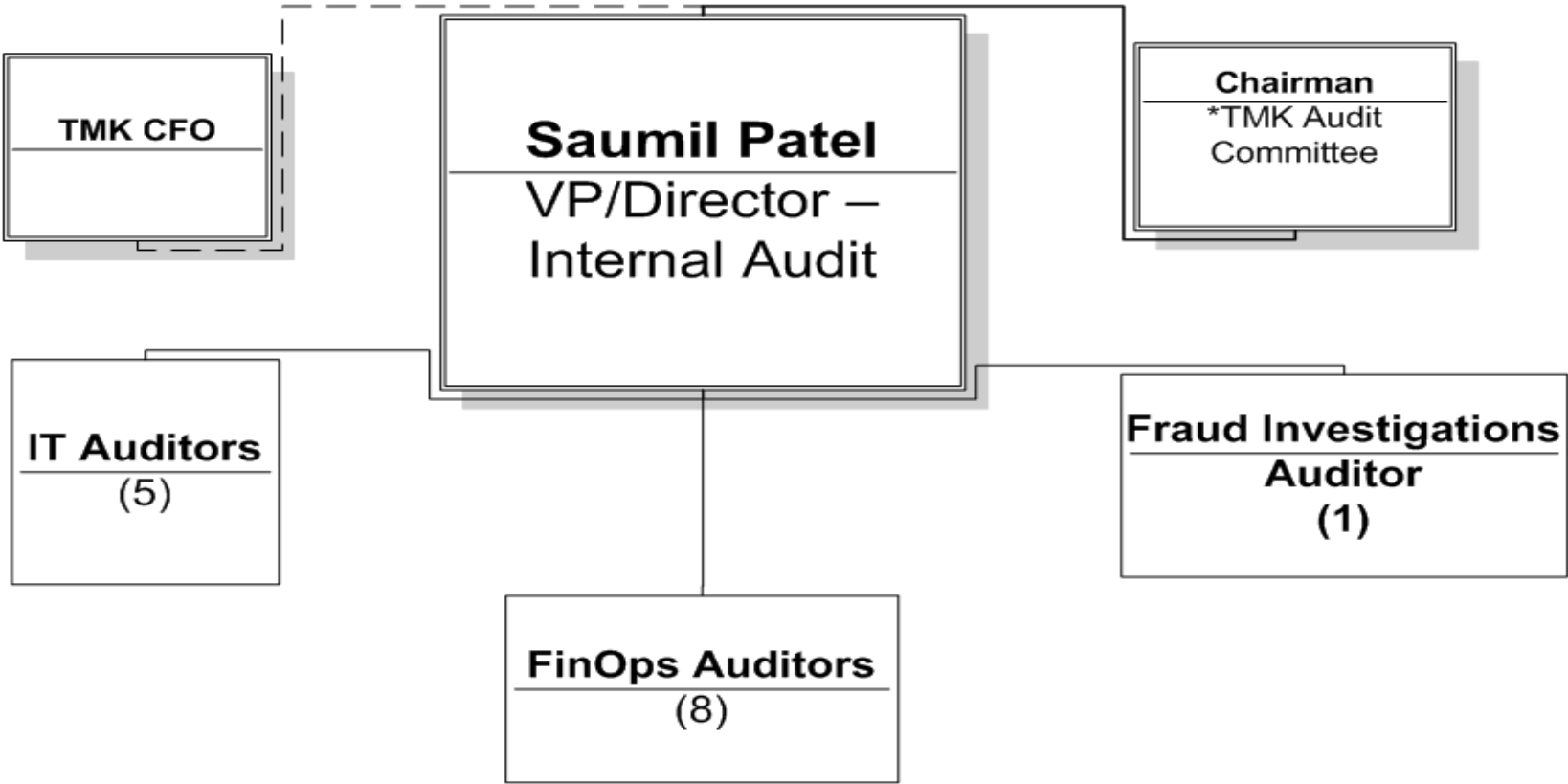
2010: \$517 million

Total Premium:

2011: \$2.7 billion

2010: \$2.7 billion

Internal Audit Organization Chart



* Audit Committee meets Quarterly

Role of Internal Audit

➤ Perform:

- IT, Financial, Operational and Integrated audits
- Sox and Model Audit Rule compliance reviews
- Assistance to external auditors
- Fraud investigation and reporting
- Quality Assurance Review process
- Key System Development Life Cycle (SDLC) reviews

Role of Internal Audit

➤ Resource:

- Develop skills of auditors and assist them in rotating into areas of their interest in the company
- Assist areas needing specific expertise
- Internship program offered continuously