Dallas IIA

Torchmark Corporation

September 6, 2012
Who is Torchmark?

- Torchmark is an 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.
Torchmark Corporation is a public company traded on the New York Stock Exchange under the symbol TMK.
Our purpose is to help working class families achieve financial protection from adverse circumstances.
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
Net Income:

2011: $518 million
2010: $517 million

Total Premium:

2011: $2.7 billion
2010: $2.7 billion
Internal Audit Organization Chart

- TMK CFO
- IT Auditors (5)
- FinOps Auditors (8)
- Chairman
  *TMK Audit Committee
- Saumil Patel
  VP/Director – Internal Audit
- Fraud Investigations Auditor (1)

* 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