

RISK MANAGEMENT COMMITTEE CHARTER

I. PURPOSE

This Risk Management Committee Charter (the “Charter”) sets out the structure, membership, powers and duties of the Risk Management Committee (the “Committee”) of PARAMOUNT LIFE AND GENERAL INSURANCE CORPORATION (the “Corporation”) for the performance of the Committee’s oversight responsibility mandated by the Code of Corporate Governance and the Corporation’s Manual on Corporate Governance.

The Committee is expected to support the corporate governance process through the provision of checks and balances provided in this Charter.

II. STRUCTURE

A. Membership

The Committee shall be composed of at least three (3) members of the board of directors, majority of whom are independent directors, including the Chairman. The Chairman should not be the Chairman of the Board or of any other committee. At least one member must have relevant thorough knowledge and experience on risk and risk management.

The Committee members appointed by the Board shall serve until the next Board organizational meeting or until their successors shall be duly elected and qualified. Any vacancy in the Committee may be filled by a majority vote of the members the Board, constituting a quorum, during a regular or special meeting.

B. Meetings

The Committee shall meet as frequently as the circumstances require. The Committee may invite to its meetings members of management, other personnel of the Company, or any third parties such as consultants, as it deems appropriate, in order to carry out its responsibilities.

The Committee shall timely refer to the Board its recommendations or decisions which require ratification or approval by the Board or, if otherwise, as it may deem necessary or proper.

III. POWERS AND DUTIES

The Committee shall support the Board in overseeing the effectiveness of the Corporation’s Risk Management Frameworks/Strategies in order to support strategic objectives, support business plans, ensure that risks are identified, assessed and monitored in

line with risk appetite and ensure that adequate capital is maintained against the risks associated with business activities.

The following are the functions of the Committee:

1. Consider and recommend to the Board, a Risk Management Strategy and risk appetite for the Corporation and monitor implementation of these and supporting risk policies;
2. Periodically review the key risks to the Corporation to ensure that all material key risks have been identified, taking into account emerging risks;
3. Monitor adherence to the framework and assess results against the Corporation's risk appetite.
4. Regularly review risk assessments of the Corporation to ensure they reflect the current risk profile are aligned with benchmarks and strategy set by the Board having regard to:
 - the risk appetite;
 - the risk environment and any new material or emerging risks;
 - action plans to improve risk treatments;

and take reasonable steps to ensure that management action plans are in place to address any key issues or breaches identified;

5. Review the effectiveness of the Company's risk management processes and controls and the integration and outcomes of those processes and controls;
6. Consider feedback from external parties (e.g. regulators, auditors, actuaries) in relation to the effectiveness of the risk management frameworks/strategies;
7. Take reasonable steps to ensure that appropriate risk information is developed and maintained to support the assessment of risk, including challenge of the accuracy and completeness of underlying information relating to areas such as control assessments, management action plans, loss event reporting;
8. Take reasonable steps to ensure that an appropriate control framework/strategy is in place to manage financial risks and review the effectiveness of the processes and controls;
9. Review the effectiveness of the Corporation's system, policies and processes for monitoring compliance with laws, regulations and other requirements other than insurance regulatory, financial reporting and tax, and take reasonable steps to ensure that actions are in place to address any identified issues or non-compliance;
10. Consider other matters from a risk management perspective as applicable, for example:
 - delegated authority for the CEO / President;
 - business plans;
 - material strategic business initiatives, including potential acquisitions or disposals;
 - major litigation;

- the resolution of significant risk exposures/events; and
- any other matter relevant to fulfilling the Committee's role.

11. Secure adequate resources to enable it to effectively discharge its functions. The Committee may retain independent legal, accounting and other advisors to assist it, and may determine the compensation of such advisors, and the Corporation shall be responsible for any costs or expenses so incurred.

The Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also perform other activities related to this Charter as requested by the Board.

IV. ANNUAL PERFORMANCE EVALUATION

The Committee shall perform a review and evaluation, at least annually, of its performance and its members, including reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board any improvements to this Charter that the Committee considers necessary or valuable.

V. AMENDMENT

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by a resolution of the Board.