
The Role of Life Insurance Counsel as the Business Paradigm Shifts

How Counsel Helps Keep Us Competitive

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Panelists

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Role of Life Insurance Counsel

- Given the highly regulated nature of life insurance against the backdrop of an industry on in the midst of disruption, life insurance lawyers have the opportunity more than ever to play the role of business enablers, within legal and ethical parameters
 - Acting as a trusted business adviser
 - Adding commercial and economic value by playing a role in contributing to business growth (organic and inorganic)
 - Looking around corners to offer strategic and proactive advice

Disruption of the Life Insurance Sector

- Key trends disrupting the life insurance industry
 - Direct and indirect competition
 - » Traditional carriers as well as InsurTech
 - Changing distribution models
 - Changing customer behavior
 - Changes in core technologies (e.g. AI, blockchain, etc.)
 - Changes in industry regulation

Competitive Environment

- The life insurance sector is becoming increasingly competitive, including due to new digitally savvy competition
- Role of life insurance counsel in supporting M&A, strategic alliances and joint ventures with InsurTech companies and other partnerships aimed at driving growth and profitability

Trends in Life Insurance Distribution

- According to the 2018 Insurance Barometer Survey by the Life and Health Insurance Foundation for Education and LIMRA, almost half of consumers of all ages (45%) would go online to find more information on life insurance, with growing numbers likely to complete the purchase of life insurance entirely online
- Role of counsel as life insurance business shifts to a customer best interest standard

Changing Customer Demands

- Life insurers must be able to anticipate regulatory issues and design programs that comply with law as sales, service and support processes are revamped with technology to meet customer demands for interfacing online and on mobile devices
- Life insurance counsel also plays a role in contributing to and facilitating innovative product design, as well as advising on value added services programs

Challenges and Opportunities from Technology

- New technology can lead to risks that lawyers must help manage (e.g. cybersecurity, privacy, digital insurance)
- Opportunities to utilize artificial intelligence and predictive analytics to detect and anticipate regulatory issues (e.g. early warning signs of fraud or sales practices violations), but life insurance lawyers must also navigate regulatory reluctance to embrace big data

Regulatory Landscape

- Counsel can play a significant role in evaluating capital management plans in the face of evolving solvency and capital regulation
- Integral role as the industry continues to be faced with increasing market conduct regulation