

**CHARTER OF THE  
AUDIT COMMITTEE OF THE BOARD OF DIRECTORS  
OF FGL HOLDINGS**

As adopted by the Board of Directors on August 7, 2019

**1. Purpose.**

The primary purposes of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of FGL Holdings (the "Company"), comprising FGL Holdings and its wholly-owned subsidiaries, it being understood that with respect to Fidelity & Guaranty Life Insurance Company of New York there shall be certain additional distinct committee requirements as set forth in the by-laws and in accordance with New York regulation) are to:

- a. assist the Board in overseeing (i) the quality and integrity of the Company's financial statements, (ii) the qualifications and independence of the Company's independent auditor, (iii) the performance of the Company's internal audit function, (iv) the performance of the Company's enterprise risk management function, and (v) the Company's compliance with legal and regulatory requirements;
- b. prepare the report of the Committee required to be included in the Company's annual proxy statement under the rules of the Securities and Exchange Commission (the "SEC"); and
- c. provide oversight to the audit committees of the Company's wholly-owned insurance subsidiaries (each an "Insurance Subsidiary") whose primary purpose is oversight of the statutory financial reporting as contemplated by the Implementation Guide of the National Association of Insurance Commissioners or NAIC for the Annual Financial Reporting Model Regulation recognizing that the Committee may be designated as the audit committee for an Insurance Subsidiary pursuant to NAIC procedures.

The function of the Committee is oversight. While the Committee has the duties and responsibilities set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with U.S. generally accepted accounting principles ("GAAP") and applicable rules and regulations. These are the responsibilities of management and the independent auditor.

**2. Membership.**

- a. *Number.* The Committee shall consist of not less than three (3) directors.
- b. *Appointment and term.* The Committee members shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee of the Board, which shall recommend for Committee membership such directors as it believes are qualified. Committee members shall serve for such term or terms as

the Board may determine. The Board may remove any member of the Committee at any time, with or without cause.

- c. *Chairperson.* Unless a chairperson of the Committee is elected by the Board, the Committee may designate its chairperson by majority vote of the full Committee membership.
- d. *Financial literacy.* Each member of the Committee shall be financially literate, as such qualification is interpreted by the Board in its business judgment, and at least one member of the Committee shall be an "audit committee financial expert" as defined in Item 407(d) of SEC Regulation S-K, as such qualification is interpreted by the Board in its business judgment. A member of the Committee who qualifies as an "audit committee financial expert" under the rules and regulations of the SEC is presumed to satisfy the New York Stock Exchange requirement to have one audit committee member with "accounting or related financial management expertise."
- e. *Independence of members.* Each member of the Committee shall, in the judgment of the Board, satisfy the independence requirements relating to directors and audit committee members (i) of the New York Stock Exchange and (ii) under Section 10A(m) of the Securities Exchange Act of 1934 (the "Exchange Act") and any rules and regulations promulgated thereunder by the SEC.
- f. *Service on multiple audit committees.* No director may serve on the Committee if such director simultaneously serves on the audit committee of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Committee.
- g. *Subcommittees.* The Committee shall have the authority to establish subcommittees and to delegate any of its responsibilities to such subcommittees as the Committee may deem appropriate, provided that any such subcommittee is composed entirely of directors that meet the independence standards provided herein.
- h. *Invitees.* The Chair may invite non-member attendees particularly individuals who may be financially literate such as chief financial officers of affiliates.

### **3. Meetings and Procedures.**

- a. *Meetings.* The Committee will hold meetings at least quarterly and as frequently as necessary to carry out its duties and responsibilities under this Charter. The meetings and other actions of the Committee shall be governed by the provisions of the Company's By-laws applicable to meetings and actions of the Committees of the Board. Meetings of the Committee may be called at such times and places as shall be determined by the Committee chairperson, any member of the Committee or the Secretary of the Board upon the request of a Committee member. The chairperson of the Committee, in consultation with the other Committee members, shall determine the frequency and length of the Committee meetings and shall set meeting agendas consistent with this Charter.

- b. *Notice.* Committee members shall be given notice of a meeting at least 48 hours in advance by telephone, facsimile, electronic transmission or in accordance with any other instructions given by a Committee member to the Company for this purpose. Any such notice need not be given to any Committee member who attends such meeting without protesting the lack of notice to him or her, prior to or at the commencement of such meeting, or to any member who submits a signed waiver of notice, whether before or after such meeting.
- c. *Meetings with management, internal auditors and independent auditor.* The Committee shall meet periodically, or more frequently as requested, with the independent auditor, the head of internal audit and management in separate sessions to discuss any matters that the Committee or these groups believe should be discussed privately with the Committee, and have such other direct and independent interaction with such persons from time to time as the members of the Committee deem appropriate.
- d. *Approval of proposals by the Board.* In the event the number of Committee members voting in favor of a proposal and the number of Committee members voting against such proposal are equal, the proposal shall be submitted to a vote of the Board, subject to applicable law.
- e. *Recordkeeping.* The Secretary will keep and circulate the minutes of meetings of the Committee to all members of the Board, and the Chairman of the Committee will report on the Committee's proceedings and findings to the next meeting of the Board.
- f. *Other rules of governance.* In addition, the Committee may adopt rules of governance not inconsistent with this Charter.

#### **4. Education of Committee.**

The Company shall be responsible for providing the Committee with educational opportunities and necessary resources related to evolving accounting principles, practices and disclosures pertinent to the Company as well as relevant modifications to the New York Stock Exchange and SEC financial reporting requirements.

#### **5. Duties and Responsibilities.**

The duties and responsibilities of the Committee shall include the matters enumerated below, as well as such other matters as may be delegated to the Committee by the Board from time to time.

##### ***Accounting and Financial Reporting.***

- a. *Review of financial statements and disclosures.* The Committee shall meet to review and discuss the integrity of Company's annual audited financial statements

and quarterly financial statements with management and the independent auditor before submission to the Board, focusing particularly on:

- (i) significant financial reporting judgments and estimates contained therein;
- (ii) clarity and completeness of disclosures, including accounting standards and policies;
- (iii) disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations";
- (iv) results of the independent auditor's annual audit and reviews of the quarterly financial results;
- (v) if the Company publishes one, the "Report of Management" in the Annual Report to shareholders;
- (vi) quality and acceptability of, and any changes in accounting policies and practices;
- (vii) compliance with accounting standards, applicable stock exchange and legal requirements;
- (viii) significant adjustments or unadjusted differences resulting from the audit or quarterly reviews;
- (ix) reflection on unusual circumstances, transactions or events and management's explanation for the accounting treatment adopted;
- (x) explanations for major year-on-year account balance fluctuations;
- (xi) asset valuations and revaluations;
- (xii) provision for liabilities or reserves for contract holder funds and future policy benefits and other obligations;
- (xiii) write-offs and reserve transfers;
- (xiv) material differences between statutory and GAAP financial position results and capital;
- (xv) concentrations and contingencies; and
- (xvi) any other potentially material issues.

The Committee shall also (1) consider whether such financial statements are complete, consistent with information known to Committee members, and reflect appropriate accounting principles and disclosures and (2) recommend to the Board whether the annual audited financial statements and

quarterly reviewed financial statements should be included in the Company's Form 10-K or Form 10-Q, respectively. The Committee shall prepare, review and approve the "Report of Audit Committee" and its inclusion in any other document, including in the annual report to shareholders and in the annual proxy statement.

- b. *Review of financial press releases.* The Committee shall review and discuss the Company's earnings and other financial press releases (including any use of "pro forma" or "adjusted" non-GAAP information), as well as the Committee generally shall discuss any financial information and earnings guidance provided to any third parties including analysts, lenders and rating agencies. Such review may include a review of the types or substance of information to be disclosed and the form of presentation to be made.

***Selection, Evaluation and Oversight of the Auditors.***

- c. *Appointment.* The Committee shall have the sole authority to appoint, re-appoint and remove the independent auditor (subject, if applicable, to shareholder ratification) for the purpose of issuing an audit report on the Company's financial statements or performing other audit, review or attest services for the Company (including resolving any disagreements between management and the auditor regarding financial reporting). The independent auditor shall report directly to the Committee.
- d. *Compensation.* The Committee shall have the sole authority to review and approve the compensation payable by the Company for any approved audit or non-audit services to any such independent auditor, including the fees, terms and conditions for the performance of such services.
- e. *Pre-approval of audit and non-audit services.* The Committee shall pre-approve all auditing services and, subject to the de minimis exception of Section 10A(i) of the Exchange Act and the SEC rules promulgated thereunder, all permitted non-audit services, including the fees and terms thereof, to be performed for the Company by its independent auditor. When pre-approving non-audit services by the independent auditor, the Committee shall consider whether the provision of such services is consistent with maintaining the independent auditor's independence. The Committee may delegate its pre-approval authority to the chairman of the Committee or any of its independent members, with the requirement that any decisions of the delegate to grant pre-approvals will be presented to the full Committee at its next scheduled meeting.
- f. *Oversight of relationship.* The Committee shall review and monitor the independent auditor's work throughout the year and evaluate the independent auditor's qualifications, performance, independence, objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements, including a review and evaluation of the lead partner on the independent auditor's engagement with the Company, and present its conclusions to the Board and, if so determined by the Committee, recommend that

the Board take additional action to satisfy itself of the qualifications, performance and independence of the independent auditor.

- g. *Independence of the independent auditor.* In connection with the retention of the Company's independent auditor, the Committee shall:
- (i) review and confirm the independence of the independent auditor by obtaining statements on relationships between the independent auditor and the Company (including the auditor's fees billed for audit services, audit-related fees, tax fees, and all other non-audit services, respectively, for each fiscal year);
  - (ii) establish, and periodically review, policies for the Company's hiring of employees or former employees of the independent auditor who participated in any capacity in the audit of the Company's financial statements;
  - (iii) engage in a dialogue with the independent auditor with respect to any disclosed relationship or service that may impact the auditor's independence and objectivity; and
  - (iv) present its conclusions and recommendations with respect to the independent auditor to the Board at least annually.
- h. *Review of independent auditor's quality control.* The Committee should assess annually the qualification, performance and independence of the independent auditor and obtain a written report from the independent auditor detailing:
- (i) the audit firm's own internal quality control procedures;
  - (ii) any material issues raised by the most recent quality-control review, or peer review, of the independent auditor;
  - (iii) any publicly available reports issued within the past five years by the Public Company Accounting Oversight Board (the "PCAOB") or other governmental or professional authorities concerning the independent auditor;
  - (iv) any PCAOB review of the independent auditor, or any inquiry or investigation by governmental or professional authorities within the past five years of the independent auditor, and any steps taken to deal with such issues; and
  - (v) all relationships between the independent auditor and the Company consistent with the applicable requirements of the PCAOB.

- i. *Review of audit plan.* The Committee shall review the proposed audit scope, approach and staffing, including ensuring coordination and cooperation between the independent auditor and internal auditors. The Committee shall review the auditor's engagement letter for, and approve the nature and amount of services to be rendered to the Company.
- j. *Review of conduct of the audit.* The Committee shall obtain annually assurance from the independent auditor that the audit was conducted in a manner consistent with Section 10A of the Exchange Act. The Committee shall also, at least annually, discuss with the independent auditor (out of the presence of management if deemed appropriate)
  - (i) the matters required to be communicated to audit members in accordance with the auditing standards of the PCAOB as they may be modified or supplemented, relating to the conduct of the audit and (ii) the audit process, including, without limitation, problems or difficulties and management's response, including (1) any restriction on audit scope or on access to requested information, (2) any audit problems, difficulties or significant disagreements with management and management's response thereto and (3) significant issues (including matters of audit quality and consistency) discussed with the independent auditor's national office.
- k. *Review of audit results.* The Committee shall review and discuss with the independent auditor:
  - (i) the report of their annual audit, or proposed report to their annual audit;
  - (ii) material written communications between the independent auditor and management, such as any management letter or internal control letter issued or proposed to be issued, or schedule of unadjusted differences;
  - (iii) with management and the independent auditor the Company's quarterly financial statements prior to the filing of Form 10-Q, including the results of the independent auditor's review of the quarterly financial information; and
  - (iv) the reports of the results of such other examinations outside of the course of the independent auditor's normal audit procedures that the independent auditor may from time to time undertake.

The Committee shall review and discuss with management, the internal auditors and the independent auditor, as appropriate:

- 1. all matters required to be discussed by Statement of Auditing Standards No. 61 relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of the activities or access to requested

information and any significant disagreements with management and any other matters required to be communicated to the Committee under Generally Accepted Auditing Standards or GAAS;

2. significant issues regarding accounting and auditing principles and practices and financial statement presentations, including all critical accounting policies and estimates, any significant changes in the Company's selection or application of accounting or auditing principles and any significant issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies;
3. analyses prepared by management or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements and the treatment preferred by the independent auditor;
4. the effect of regulatory and accounting initiatives, as well as any off-balance sheet structures;
5. all significant valuation allowances and liabilities, restructuring and other reserves; and
6. the reports required by Section 204 of the Sarbanes-Oxley Act and all rules promulgated thereunder by the SEC. On a regular basis, the Committee shall meet separately with the independent auditor and/or internal auditors to discuss any matters that the Committee, independent auditor and/or internal audit director believe should be discussed privately.

***Internal Audit.***

1. *Oversight of internal audit function.* In overseeing the Company's internal audit function, the Committee shall:
  - (i) monitor and review the effectiveness of the Company's internal audit function, including review with management and senior internal audit personnel the charter, plans, activities, staffing, budget, compensation and organizational structure of the internal audit function;
  - (ii) review and approve the annual internal audit plan, ensuring that material risk areas are included and that the coverage of business processes is acceptable;

- (iii) ensure that the internal audit function is adequately and appropriately resourced and has the appropriate authority and status within the Company, including a review of any restrictions on the scope of the internal audit function's activities or access to information, and is equipped to perform in accordance with appropriate professional standards for internal auditors;
  - (iv) review and discuss with the head of the Company's internal audit function the scope of work of the internal audit function and their independence, the issues identified as a result of its work and management's responsiveness to internal audit's findings and recommendations; and
  - (v) consider the appointment, resignation or dismissal of the senior internal audit personnel, and review all significant reports to management prepared by internal audit personnel and management's responses thereto.
- m. *Review and discussion of internal accounting controls.* The Committee shall review with management, the internal auditors and the independent auditor, as appropriate, significant findings and recommendations with respect to:
  - (i) the adequacy of the Company's internal accounting controls;
  - (ii) the Company's financial, auditing, and accounting organizations and personnel; and
  - (iii) internal control related reports and procedures, including (1) management's internal control report prepared in accordance with rules promulgated by the SEC pursuant to Sections 302 and 404 of the Sarbanes-Oxley Act and (2) the procedures undertaken by the Chief Executive Officer and Chief Financial Officer in connection with their certifications contained in the Company's periodic reports, including their evaluation of the Company's disclosure controls and procedures and internal control over financial reporting.
- n. *Establishment of procedures for complaints regarding financial statements and accounting policies.* The Committee shall establish and maintain procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. The Committee shall receive reports from management on disposition of such concerns and complaints. The Committee shall also review with management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports that raise material issues regarding the Company's financial statements or accounting policies.
- o. *Review and discussion of conformity with legal and business conduct requirements.* The Committee shall review, at least annually, the implementation and

effectiveness of the Company's compliance and ethics program. The Committee shall periodically review with the Company's general counsel (i) any legal matters that could have a significant impact on the Company's financial statements or the compliance policies of the Company and its subsidiaries and (ii) any material reports, notices or inquiries received by the Company from regulators or governmental agencies. The Committee shall receive regular updates from management and the Company's legal counsel regarding compliance matters. On an annual basis the Committee shall review the Company's Code of Business Conduct and Ethics to ensure that it is adequate and up- to-date.

- p. *Review of affiliate transactions.* The Committee shall review reports of the Company's Conflicts Committee for inclusion in the Company's filings with the SEC.
- q. Review and discussion of financial and enterprise risk management practices. The Committee shall review:
  - (i) the effectiveness of risk assessment and risk management through reports by management's chief risk officer and enterprise risk management committee;
  - (ii) the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the risk of financial statement fraud;
  - (iii) the Company's economic capital and risk appetite;
  - (iv) results of the Company's Own Risk Solvency Assessment ("ORSA") and/or other regulatory risk requirements that might become applicable;
  - (v) any unusual material transactions; and
  - (vi) management, internal auditor and independent auditor reviews of the Company's policies, procedures, controls, and monitoring.

If the Company has in place mechanisms to manage and assess risk other than through the Committee, these processes shall be reviewed in a general manner by the Committee, but they need not be replaced by the Committee.

### ***Statutory Financial Reporting Oversight***

- r. The Committee shall advise each of the Insurance Subsidiary audit committees designated for statutory financial reporting, that they are expected to report to the Committee any material weaknesses, significant deficiencies or significant solvency concerns that are identified at the legal entity level of the Insurance Subsidiary.

- s. The Committee shall review and discuss any reports obtained from the Insurance Subsidiary audit committees regarding any such material weaknesses, significant deficiencies or significant solvency concerns identified at the legal entity level of the Insurance Subsidiary and shall be involved in addressing these issues, regardless of their materiality to the Company on a consolidated basis.
- t. The Committee shall review and discuss the reports obtained from the Insurance Subsidiary audit committees regarding the auditor's report on the annual audited statutory financial statements of the Insurance Subsidiaries and the amount of year end statutory capital relative to regulatory requirements.
- u. The Committee shall review and discuss any other matters brought forth by the Insurance Subsidiary audit committees regarding the quality and integrity of the statutory financial statements; performance and independence of the independent auditor; performance of the Company's internal audit function and the subsidiaries compliance with legal and regulatory requirements.

***Reports to Board, Review of Committee Performance and Charter***

- v. *Reports to the Board.* The Committee shall report regularly to the Board on all matters charged to the responsibility of the Committee, including, without limitation, any issues that arise with respect to: (i) the quality or integrity of the Company's financial statements; (ii) the performance and independence of the Company's independent auditor; (iii) the performance of the Company's internal audit function; and (iv) the Company's compliance with legal and regulatory requirements.
- w. *Self-evaluation.* The Committee shall conduct an annual self-evaluation of its performance, comparing the performance of the Committee with the requirements of this Charter, and set forth the goals and objectives of the Committee for the upcoming year. The Committee shall conduct such performance evaluation, and report the results to the Board, in such manner as the Committee deems appropriate.
- x. *Charter review.* At least annually, review and assess the adequacy of this Charter and recommend to the Board for approval any changes that the Committee believes are appropriate.
- y. *Other duties and responsibilities.* The Committee shall exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein or as may from time to time be delegated to the Committee.

**6. Authority and Resources.**

- a. *General.* The Committee shall have appropriate authority and resources to discharge its duties and responsibilities, including (i) conducting and/or authorizing investigations into any activity within the scope of the Committee's responsibilities,

subject to the authority of the Board and (ii) seeking any information it requires from any employee of the Company or its subsidiaries, all of whom are directed to co-operate with any request made by the Committee, or external parties, and obtaining access to all books, records and facilities of the Company. In addition, the Committee may request that any of the Company's personnel, counsel, accountants (including the Company's independent auditor) or any other consultant or advisor to the Company attend any meeting of the Committee or meet with any member of the Committee or any of its special, outside legal, accounting or other advisors or consultants.

- b. *Independent advisors and other advisors.* The Committee may obtain, without further Board approval and at the Company's expense, independent outside legal, accounting or other advisors as the Committee considers necessary in discharging its oversight role and responsibilities hereunder, and may secure the attendance at Committee meetings of professionals with relevant experience and expertise if it considers this necessary. Any accounting, legal or other advisor retained by the Committee may, but need not be, in the case of an outside auditor, the same accounting firm employed by the Company for the purpose of rendering or issuing an audit report on the Company's annual financial statements or, in the case of an outside legal or other advisor, otherwise engaged by the Company for any other purpose.
- c. *Funding.* The Board authorizes funding for the Committee as appropriate, in the Committee's discretion, for the discharge of the Committee's duties and responsibilities, including for payment of:
  - (i) compensation to any independent auditor engaged for the purpose of preparing an audit report or performing other audit, review or attest services for the Company;
  - (ii) compensation to any counsel, advisor, expert or consultant retained by the Committee, including, without limitation, usual and customary expenses and charges, as shall be determined by the Committee; and
  - (iii) ordinary administrative expenses of the Committee that are necessary and appropriate in carrying out its duties and responsibilities, as shall be determined by the Committee.

## 7. **Miscellaneous.**

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the directors of the Company or members of the Committee. This Charter is, and any amendments hereto will be, displayed on the Company's website and a printed copy will be made available to any shareholder of the Company who requests such.