



The Guardian Life Insurance Company of America
Corporate Governance Guidelines

The Board of Directors (the “Board”) of the Guardian Life Insurance Company of America (the “Company”) recognizes its responsibility to provide effective corporate governance oversight of the Company’s affairs. Accordingly, the Board has adopted these Corporate Governance Guidelines (these “Guidelines”) to assist it in the discharge of its duties and responsibilities.

These Guidelines are in addition to and are not intended to change any applicable law or regulation, or the Charter or By-Laws of the Company. These Guidelines are subject to modification from time to time by the Board.

I. FUNCTIONING OF THE BOARD

(a) Mission

The Board exercises general oversight of the management of the business and affairs of the Company consistent with its primary responsibility to maintain and operate the Company for the benefit of its policyholders. The Directors are expected to exercise their business judgment, in what they reasonably believe to be in the best interests of the Company, in overseeing the management of the Company. However, the Directors are not expected to manage the Company or to guarantee the management or operations of the Company. In discharging his obligations, a Director who acts in good faith may rely on (1) information, opinions, reports or statements prepared or presented by a member of the Company’s management whom the Director reasonably believes to be reliable and competent in the matters presented and (2) counsel, public accountants or other persons as to matters which the Director reasonably believes to be within such person’s professional or expert competence.

(b) Duties and Responsibilities

In addition to the general oversight of management, the Board also is responsible for performing (or may delegate such performance to a Committee or appropriate member of management) a number of specific functions, including:

- evaluating the performance of the Company and the Chief Executive Officer and taking appropriate action based upon such evaluation, including changing corporate plans, strategies and objectives, and/or replacing the Chief Executive Officer;
- ensuring that the Chief Executive Officer is creating an operating environment that encourages open communications, both formal and informal, throughout the organization,

including open communication between members of the Board and members of the management team;

- consulting with the Chief Executive Officer regarding the hiring and removal of Senior Vice Presidents (and equivalent or higher-ranking officers), the Corporate Secretary, the Treasurer, the Chief Financial Officer, the Chief Investment Officer, the Chief Actuary, the General Counsel, the Director of Internal Audit and the Chief Compliance Officer, if any;
- determining, based upon the review and recommendation of the Human Resources and Governance Committee, the remuneration of the Executive Vice Presidents (and equivalent or higher-ranking officers);
- developing and overseeing a policy for interaction between the Board and management, including the role, authority and reporting lines of the Company's internal audit and any other Company departments principally involved in compliance;
- establishing Committees to assist the Board in overseeing the business and affairs of the Company, designating Directors to serve on such Committees and adopting, and amending (if appropriate), charters for such Committees;
- reviewing, approving and monitoring financial and business objectives and results and major corporate plans and actions, including fundamental operations, corporate strategic plans, annual budgets, formulas for incentive compensation, major financial commitments, corporate mergers, major acquisitions, business line divestitures, capital adequacy, surplus policy, dividend policy and annual dividend distributions;
- reviewing and overseeing corporate systems, internal controls, corporate policies and corporate compliance programs;
- reviewing legal, regulatory and compliance issues, including material litigation;
- approving the Charter, By-Laws, Guidelines and other corporate governance documents of the Company, as may be appropriate, and any amendments thereto, and fulfilling all duties and responsibilities set forth therein;
- ensuring processes are in place for maintaining the integrity of the Company – the integrity of the financial statements, the integrity of compliance with law and ethics, and the integrity of relationships with stakeholders and other constituents;
- monitoring, on a regular basis, potential competitive challenges and major issues facing the insurance industry;
- assessing major risks facing the Company, and reviewing options for their mitigation; and
- fulfilling such other duties and responsibilities as may be required by applicable law or regulation or Company policy or in connection with a matter over which the Board has authority.

(c) Election of Officers

In addition to those officers to be elected solely by the Board pursuant to the By-Laws of the Company, the Board may elect other officers as it determines appropriate.

(d) Chairman of the Board and Lead Director

The Board may have a Chairman of the Board (the “Chairman”), and shall have a Lead Director (the “Lead Director”) who is an Independent Director (as such term is defined in the By-Laws of the Company). The Chairman shall have such powers and duties as may be assigned to that office by the By-Laws of the Company and by the Board. The Lead Director shall have such powers and duties as may be assigned to that office by the Board and embodied in the document entitled *Lead Director Position Description and Responsibilities*. In the event that the Lead Director is absent or unavailable to perform his powers or duties, the chair of the Human Resources and Governance Committee (the “HRGC”) shall act as Lead Director in his place.

(e) Self-Evaluations

The Board and its Committees conduct self-evaluations on a periodic basis, during which each Director assesses the effectiveness of the Board and his Committees, as well as Director performance and Board dynamics, and identifies areas in which it could improve its performance. Each Committee compares its performance each year with the provisions of its respective charter and recommends to the Board any appropriate changes to be made to its charter.

(f) Succession Planning

The Board shall review and approve a succession plan for the Chief Executive Officer and other key members of senior management.

(g) Access to Advisors

The Committees of the Board have free access to, and may consult with, retain and compensate (at the Company’s expense) independent legal, financial, accounting or other consultants in order to assist in their duties to the Company and the Company’s stakeholders.

(h) Public Disclosure

The Board shall implement and oversee corporate procedures that are reasonably designed to provide accurate and appropriate public disclosure with respect to the Company.

(i) Removal of Officers

The Board may remove any officer of the Company, at any time, with or without cause.

(j) Compensation of the Board.

The HRGC has the responsibility for periodically recommending to the Board how non-employee Directors shall be compensated, which the Board shall review and approve.

II. BOARD MEETINGS

(a) Board Meetings Generally

The Board has regularly scheduled meetings each year, at which it reviews and discusses, among other things, the performance of the Company, its plans and prospects, as well as any immediate issues facing the Company. The Chairman, the Chief Executive Officer and/or the President, together with the Lead Director set the agenda for the Board meetings, with the understanding that the Board is responsible for providing suggestions for agenda items that are aligned with the advisory and monitoring functions of the Board. Any Director may request, at any time, that an item be included on an agenda. The Chairman (if any) shall preside at all meetings of the Board. If there is no Chairman or in his absence or inability to act, the President (or the Chief Executive Officer if he is not also the President and the President is absent or unable to act) shall preside.

(b) Special Meetings of the Board

A special meeting of the Board may be called as specified in the By-Laws of the Company. The date, time, and place of the meeting shall be reasonably convenient to a majority of the Directors. Written requests for special meetings of the Board may be made by electronic writings (including, but not limited to, email or facsimile).

(c) Meeting Attendance

In the event that a Board or Committee meeting is scheduled to be held in person, all Directors are expected to attend such meeting in person. The Board and/or Committees may, from time to time, schedule meetings to be held via telephone or video conference call. In such instances, Director participation in such meetings by means of a telephone or video conference call or similar communications equipment shall constitute presence by a Director at such meetings. In addition, Director participation in an in-person meeting by means of a telephone or video conference call or similar communications equipment shall also constitute presence by a Director at such meeting.

(d) Advance Distribution of Materials

All information relevant to the Board's understanding of matters to be discussed at an upcoming Board meeting should be distributed in writing or electronically to all members in advance of the meeting, whenever feasible and appropriate. Each Director is expected to review this information in advance of the meeting in order to facilitate the efficient use of meeting time. In preparing this information, management should ensure that the materials distributed are as concise as possible, yet give Directors sufficient information to make informed decisions. The

Board recognizes that certain items to be discussed at Board meetings may be of an extremely sensitive nature or may relate to recently developed facts or issues (or both), and, therefore, the distribution of materials on these matters prior to Board meetings may not be feasible or appropriate.

(e) Executive Sessions

The Independent Directors shall meet in Independent Director Executive Sessions of the Board as specified in the By-Laws of the Company, and may meet at other times as called by the Lead Director or by a majority of the Independent Directors.

III. BOARD MEMBERSHIP

(a) Director Criteria

The HRGC makes recommendations to the Board for nominations for membership on the Board of the Company and the boards of its wholly owned subsidiaries and, where it deems appropriate, the submission of the names of individuals to the boards of other affiliated companies. Directors should have the education, experience, intelligence, independence, fairness, character, reasoning and judgment necessary to provide appropriate direction for the Company and its management. The HRGC will consider, in a timely fashion, potential candidates for Director positions on the Board that have been recommended by the Company's Directors, stakeholders with the right to vote, the Chief Executive Officer and other members of senior management. The HRGC may also engage a third-party search firm, when it deems appropriate, to identify potential candidates for its consideration. Nominees for Director positions should have the following qualifications: proven integrity and a record of substantial achievement; a high degree of leadership experience in a complex organization such as a corporation, university, foundation, professional organization or governmental unit; a reputation for sound business judgment; an understanding of the role of the Board and the workings of the Company in the current business environment; the ability to objectively appraise management's plans, programs, achievements and shortcomings while working as part of a team in an environment of collegiality and trust; the financial expertise required to provide effective oversight of a large, diversified and heavily regulated financial services business; and a willingness to devote the necessary time to the work of the Board and the Committees. The HRGC will evaluate all qualified candidates, assess a nominee's independence and evaluate whether the nominee's skills are complementary to the existing Directors' skills and the Board's needs. In addition, the HRGC shall consider diversity and such other factors as they deem appropriate, given the current needs of the Board.

(b) Performance Criteria for Directors

Performance criteria for Directors shall include: attendance at Board and Committee meetings; preparedness for Board and Committee meetings; objectivity and soundness in exercising business judgment; participation at Board and Committee meetings; and candor toward the

Board, other Directors, Committees, management and professionals retained by the Company. In addition, the Board may establish such other criteria as it determines to be necessary or appropriate from time to time.

(c) Independence

Not less than two-thirds of the total membership of the Board shall be comprised of Independent Directors, and all of the members of Committees shall be Independent Directors.

(d) Conflicts of Interest

Directors must be loyal and act in the best interests of the Company and its stakeholders. Directors must avoid conflicts of interest and, to the extent possible, even the appearance of conflicts of interest. While the Board discourages any conflict of interest between Directors and the Company, it acknowledges that conflicts may arise. Accordingly, Directors are expected to disclose any material conflicts between their interests and those of the Company immediately to the Chief Executive Officer and the Lead Director and to recuse themselves from discussing or voting on any such matter that comes before the Board or a Committee.

(e) Other Commitments

Each Director is required to devote the time and attention necessary to fulfill the responsibilities and obligations of a Director and avoid board membership commitments with other entities that may create conflicts of interest. In conjunction with accepting new directorships or memberships on any profit or not-for-profit boards, Directors should advise the chair of the HRGC (with a copy to the General Counsel) of such opportunity.

(f) Submission of Director Offer of Resignation

In the event that a Director (1) experiences a change in his principal position of responsibility, including retirement (other than a retirement as a Director of the Company as described in Section III(k)); (2) is indicted by a governmental authority for a criminal offense; or (3) has been found, on the merits, to be liable of civil fraud, gross negligence or similar malfeasance, such Director shall submit to the HRGC an offer to resign as a member of the Board. The HRGC shall consider the circumstances surrounding the offer of resignation and shall make a recommendation to the Board as to whether or not it shall be accepted. No offer of resignation shall be required when the change in the Director's position results from an increase in his responsibilities within the same company or entity with which the Director was originally associated.

(g) Confidentiality

The Directors understand that they will be given, or have access to, information that is private, confidential or proprietary to the Company or third parties, including business plans, customer lists and insurance or employment records and information. The Directors shall protect and maintain the confidentiality and security of such records and information, both during and

following their association with the Company. The Directors shall protect and maintain the confidentiality of all Board and Committee discussions and deliberations, all proposed and/or approved resolutions and the content of materials discussed with or distributed to the Directors by management of the Company. In the event that a Director violates the provisions set forth in this Section III(g), such Director shall be subject to removal from the Board pursuant to the provisions set forth in Section III(l).

(h) Director Education

New Directors participate in an orientation program provided by the Company during which each new Director is briefed by senior management on the Company's strategic plans, its financial statements and its key policies and practices. In addition, Directors are provided, from time to time, with continuing education on subjects that would assist them in discharging their duties and responsibilities.

(i) Voting for Directors

The term for a Director is three years. At the end of each such term, or upon the submission of a Director's resignation as required pursuant to Section III(f), the HRGC undertakes a formal, disciplined review process of the relevant Director in order to determine whether that Director should be recommended by the HRGC for nomination for re-election to the Board. In the event that the HRGC determines that a Director should in fact be nominated for re-election to the Board, the Board then votes to determine whether to nominate the Director for re-election.

(j) Term Limits

Except as set forth in Section III(k), and considering the requirements for the review referred to in Section III(i), the Board does not believe it appropriate to limit the number of terms for which an individual may serve as a Director.

(k) Director Tenure and Retirement

The Board is divided into three classes of Directors, which should be as nearly equal in number as practicable. The members of each class are elected for a term of three years. Directors who joined the Board for the first time after 1971 may stand for re-election unless they have reached age 72 as of the date of the annual election. A Director shall retire from service on the Board at the end of the calendar year in which he attains the age of 72, even if his term has not expired. (There is no mandatory retirement or limit on tenure for Directors who joined the Board for the first time prior to 1971.) Any Director who was elected while he was an officer of the Company at the time of his election or re-election shall resign as a member of the Board simultaneously when he ceases to be an officer of the Company.

(l) Removal of Directors

A Director may be removed from the Board, with or without cause, by a majority vote of the Board; provided, however, that no member of the Board shall be removed from office by the

Directors unless he has first received reasonable notice that a vote of the Directors is to be taken on the question of removal and has been given a reasonable opportunity to be heard on the question; and provided, further, that a vote on the removal of a Director may only be taken at a meeting of the Board in person or conducted by telephone or video conference call.

(m) Outside Board Affiliations

Directors are encouraged to limit the number of other boards on which they serve, taking into account the impact that such service may have in fulfilling their duties as Directors of the Company. In addition to the requirements in these Guidelines, Directors and officers must comply with the Company's *Policy with Respect to Outside Board Affiliations by Company Directors and Officers*, which restricts the number of boards a Director or officer may join as from October 1, 2005.

The Company shall evaluate the outside board affiliations of the non-employee Directors for potential conflicts of interest or Director interlock issues when a potential candidate is initially considered for election to the Board and provide its findings to the HRGC for its consideration. The Company shall update its review and provide its findings to the HRGC for consideration when (1) a Director is under consideration for re-election to the Board; (2) a Director has provided notice that he is considering joining a new outside for-profit board; and (3) when the Company becomes aware of a significant transaction of potential relevance to the Company involving another for-profit company on whose board a Director serves.

All Directors must advise the Chairman, or, if one has not been designated, the Chief Executive Officer or President and the Lead Director of any event or activity that might trigger the provisions of clause (2) or (3) in the foregoing paragraph. The HRGC will make a recommendation to the Board for its consideration and disposition. All Directors must receive Board approval before accepting an invitation to serve on another for-profit board. A Director shall also notify the same individuals listed above if the Director ceases to serve on any outside for-profit board.

IV. COMMITTEES OF THE BOARD OF DIRECTORS

(a) Standing Committees

The Board has established the following Committees to assist it in discharging its responsibilities: the Executive Committee, the Investment Committee, the Audit and Risk Committee, the HRGC, and the Product and Distribution Committee. The Board may also establish and elect such other Committees as it may deem necessary or convenient from time to time. Each Independent Director shall be a member of at least one but no more than two Committees. The chair of the Executive Committee shall be the Lead Director. The Board shall elect a chair for each Committee other than the Executive Committee, taking into consideration any recommendations made by the HRGC in consultation with the Lead Director.

(b) Scope of Authority; Charters

Each Committee shall have authority to conduct its affairs as it may reasonably determine and may employ whatever assistance it may deem necessary or advisable from time to time. In addition, each standing Committee has developed (or shall develop), with approval by the Board, its own charter to further articulate the Committee's role and to set forth its purposes and responsibilities. These charters shall also set forth the qualifications for Committee membership and are subject to the review and approval of the HRGC and approval by the Board. The Committee charters are each published on the Company's website.

(c) Committee Meeting Conduct

The chair of each Committee shall determine the frequency, length and agenda of the meetings of each of the Committees. Each meeting shall provide sufficient time for the relevant Committee to consider the agenda items. Materials related to the agenda items are provided to each Committee sufficiently in advance of the meeting in order to allow the members to prepare for discussion of the items at the meeting. For the avoidance of doubt, participation by means of a telephone or video conference call or similar communications equipment shall constitute presence in person at meetings of the Committees. Compensation may differ between Directors who participate in a meeting by means of telephone or video conference or similar communications and Directors who are physically present at such meeting.

(d) Independence

In addition to the restrictions imposed by the By-Laws of the Company and applicable law, all members of the Audit and Risk Committee and the HRGC shall be Independent Directors, and no Director who is an officer or former officer of the Company shall be eligible to serve at any time as chair of either of these Committees or of the Investment Committee. The Lead Director shall be a member of the HRGC, and may attend other Committee meetings as appropriate.

(e) Executive Committee

To the extent permitted by law, the Executive Committee shall have any and all powers of the Board during the intervals between Board meetings.

(f) Investment Committee

The Investment Committee shall have general control and supervision over the investment affairs and accounts of the Company, including the power to invest, acquire, exchange and dispose of any of the assets of the Company in such manner, and in such amounts, as the Committee may determine and shall review the investment activities and results of the Company's subsidiaries and funds managed by the Company.

(g) Audit and Risk Committee

The Audit and Risk Committee shall: examine periodically the affairs of the Company and review accounting practices, procedures and reports, and methods employed in the internal audit programs and the internal accounting controls to satisfy itself that the policies of management and the Board have been carried out; receive and review with the Director of Internal Audit the unaudited financial reports prepared by management; recommend to the Board the engagement of outside auditors and to meet periodically with them with the Director of Internal Audit and periodically without the Director of Internal Audit; and review the reports of examination of various regulatory bodies and management's response and actions with respect to any comments and recommendations contained in such reports.

(h) Human Resources and Governance Committee

The HRGC shall make recommendations to the Board for: nominations for membership on the Board of the Company and its wholly-owned subsidiaries and, where it deems appropriate, the submission of the names of individuals to the boards of other affiliated companies; election, promotion and compensation of senior management; management development, depth, performance and succession; compensation of Directors; approval of all fringe benefit plans for employees and Directors; Director assignments to Committees; and for evaluating the effectiveness of the Board's and the Company's existing governance structure and reporting its findings and any suggestions for changes or improvements to the Board for its consideration.

(i) Product and Distribution Committee

The Product and Distribution Committee shall make recommendations to the Board with regard to the Company's products and distribution and will review the following on a regular basis: sales and premium results of the industry and the Company's key competitors; sales and financial performance of the Company's products versus its plans; competitive markets for new products, product objectives, target markets, product features and financial implications; applicability of competitive products to the Company's markets and strategy; the Company's new product plans; distribution strategy, growth, retention and components; sales results by distribution source; and the annual dividend.

V. INTERACTION BETWEEN DIRECTORS AND MANAGEMENT

(a) Board Access to Officers and Management

All Directors shall have access to all executive officers and senior officers employed in policy-making capacities (collectively, "Officers"), audit, legal and compliance officers, the chief executive officers of the Company's subsidiaries and such other employees of the Company as they may request. The Chairman, or, if one has not been designated, the Chief Executive Officer or President, the Lead Director and the chair of each Committee are entitled to request specific Officers or other employees of the Company to attend Board or Committee meetings for the purpose of participating in discussions. Generally, presentations of matters to be considered by

the Board are made by the manager responsible for that area of the Company's operations. The Board encourages management to attend and/or bring subordinate officers and managers into Board meetings (including, without limitation, meetings of any of its Committees, where appropriate) who can provide additional insight into the items being discussed because of personal, supervisory or other involvement in such areas, or who are managers with future potential that senior management believes should be given exposure to the Board.

(b) Board Access to Information

Directors are entitled to have access to accurate, relevant and timely information from management. The Board may from time to time specify the form and frequency of management reports to be presented to the Board or Committees. Directors have access to the physical properties of the Company at any reasonable time and the right to inspect and copy Company books, records and other documents.

(c) Access to Outside Advisors

The Board and Committees shall have the resources and authority to discharge their responsibilities, including the authority, to the extent deemed necessary or appropriate, to retain independent legal, accounting or other consultants or advisors. The Company shall provide for appropriate funding for payment of compensation to any consultants or advisors retained by the Board or a Committee.

(d) Delegation of Disbursement Authority

The Board, the Executive Committee or the Investment Committee shall establish and periodically review a written delegation of disbursement authority to the Chief Executive Officer and other members of executive management, as appropriate, and shall periodically review sub-delegations of authority by the Chief Executive Officer to subordinate officers.

(e) Chief Executive Officer

The Board values, and expects, complete candor from the Chief Executive Officer and other members of senior management. The Board will, from time to time, request information regarding material matters about which it expects to be fully informed.

VI. ETHICS AND COMPLIANCE

The Board expects all Directors, officers and employees of the Company to act ethically at all times and to adhere to the Company's established rules, standards and guidelines pertaining to ethics. The Company has rules applicable to certain of its Directors, officers and employees relating to standards of business conduct, personal trading, reporting of securities transactions and other related matters, as well as specific corporate compliance policies applicable to all employees. These compliance and ethics policies and codes are part of an overall Company compliance and ethics program designed to deter wrongdoing and to promote (1) honest and

ethical conduct, including the ethical handling of actual or apparent conflicts of interest; (2) full, fair, accurate, timely and understandable disclosure in public communications, including financial statements; and (3) compliance with applicable laws and regulations. The Board and/or the Audit and Risk Committee shall oversee the adoption and enforcement of the Company's compliance and ethics program.

VII. INTERPRETATION

These Guidelines shall be construed as being consistent with the By-Laws of the Company. In the event of any ambiguity or conflict with the By-Laws of the Company, the By-Laws of the Company shall control. As used throughout these Guidelines, the masculine pronoun includes the feminine. These Guidelines shall be published on the Company's website.