

**HORACE MANN EDUCATORS CORPORATION  
CHARTER OF THE INVESTMENT & FINANCE COMMITTEE  
OF THE BOARD OF DIRECTORS**

**I AUTHORITY**

The primary responsibility for the Corporation's investment philosophy, strategy, results, and for managing the Corporation's capital structure is vested in senior management as overseen by the Board of Directors. The Investment & Finance Committee is a standing Committee of the Board formed to approve investment strategies, to monitor performance of investments made on behalf of the Corporation, to oversee all matters related to the capital structure of the Corporation, including without limitation, the issuance and repurchase of equity securities and the incurrence, refinancing and repayment of indebtedness to banks and security holders, and to perform any other duties required in fulfilling its statutory and fiduciary responsibilities.

The Investment & Finance Committee shall have unrestricted access to company personnel, outside legal counsel, any and all independent consulting firms, investment bankers, investment advisors or asset managers, and to all related documents. The Investment & Finance Committee will be given the resources necessary to discharge its responsibilities. The Investment & Finance Committee will meet on a regular basis and call special meetings as required.

**II ORGANIZATION**

A. The Committee shall be appointed by the Board and shall be comprised of the President and Chief Executive Officer of the Corporation and at least two Directors, each of whom are independent of management and the Corporation. Members of the Committee shall be considered independent if they have no material relationship with the Corporation and do not receive any consulting, advisory or other compensatory fees from the Corporation, other than for services in the member's capacity as a member of the Board or the Committee. All Committee members shall be financially literate relative to investment and/or treasury matters, or shall become financially literate within a reasonable period of time after appointment to the Committee. The Board shall designate one of the Committee members to be Chairman.

B. The Committee shall meet on a regular basis and shall report its activities to the full Board at each Board meeting.

C. The Committee shall meet regularly with and have unrestricted access to the Corporation's Chief Financial Officer, General Legal Counsel, Senior Vice President – Finance, Controller and Treasurer as well as outside legal counsel and any and all independent consulting firms, investment bankers, investment advisors or asset managers including, without limitation, the right to meet privately with such outside advisors.

D. A majority of the members shall constitute a quorum for the conduct of business. A decision of a majority of those present at any meeting where a quorum is present shall constitute a decision of the Committee.

E. The Committee shall keep minutes reflecting all actions of the Committee and such minutes shall be circulated to all members of the Board of Directors.

**III RESPONSIBILITIES**

The Investment & Finance Committee has the responsibility to establish investment guidelines, to monitor investments made on behalf of the Corporation to provide assurance that Corporate investment goals and state insurance department regulatory requirements are being met, and to manage the Corporation's capital structure to assure that the Corporation is taking advantage of available actions to maximize shareholder value. To accomplish this, the Committee will:

1. Adopt and periodically review a Statement of Investment Policy and Objectives. The Statement will define both investment restrictions and goals of the investment program.
2. Review the results of the investment portfolios of the Corporation and determine if the experience of that investment portfolio is meeting the goals established by the Committee, as specified in the Statement of Investment Policy and Objectives.
3. Verify compliance with state insurance department regulations.
4. Periodically review and evaluate investment managers' performance in relation to the Corporation's goals and in relation to the results of other investment advisors.
5. Request a periodic (at least annual) presentation by each asset manager or investment advisor who manages a portion of the Corporation's assets to review and discuss the investment manager's organization, investment philosophy, investment strategy and historical performance.
6. Approve, based on the research and recommendations of management, the termination of an investment manager.
7. Approve, based on research and the alternatives presented by management, the retention of a new manager to invest and manage a portion of the Corporation's assets or a change in allocation of investments among existing managers.
8. Review plans and budgets to determine that investment objectives, staffing plans, financial budgets and investment schedules provide for adequate support of the Corporation's investment goals and objectives.
9. Review at least annually the status and any recommended changes to the Corporation's capital structure.
10. Approve the use of cash generated by the Corporation to repay indebtedness or to repurchase equity securities.
11. Approve, when appropriate, the issuance of additional equity securities of the Corporation (other than those issued to employees of the Corporation), including the terms thereof, the choice of underwriters therefore where applicable, the pricing of such securities and, with regard to preferred stock, the terms of the applicable series thereof.
12. Approve, when appropriate, changes in credit facilities the Corporation maintains with banks, including entering into new facilities.
13. Approve, when appropriate, the issuance of additional debt securities of the Corporation, including the terms thereof, the choice of underwriters therefore where applicable and the pricing of

such securities.

14. Approve, when appropriate, any arrangements with third parties to enhance the Corporation's capital structure.

15. Meet with non-management Committee members in executive session at least annually or more frequently as required.

16. The Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board improvements to this Charter that the Committee considers necessary or valuable.

17. The Committee shall perform a review and evaluation, at least annually, of the performance of the Committee including its members, by reviewing the compliance of the Committee with this Charter. The Committee shall conduct such other evaluations and reviews in such manner as it deems appropriate.

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