

**For Additional Information:**

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*The frameworks and best practices provided herein are for general informational purposes and intended solely as guidelines to assist users in enhancing their AI strategies. These materials should not be construed as legal or financial advice or interpreted as setting a standard of care.  Users are encouraged to exercise their own discretion and judgment when applying these frameworks and best practices to their specific circumstances. While LL Global, Inc. (LIMRA and LOMA) strives to ensure the accuracy and completeness of the guidelines, LLG makes no guarantees regarding their effectiveness. Any reliance that users place on such materials is strictly at their own risk. Users are encouraged to consult with relevant professionals or experts before making any decisions based on these guidelines.*

**Policy:** Corporate Artificial Intelligence (AI) Governance Policy

**Associated:** See also “GenAI Policy”

**Policy Number:** <Insert Policy Number>

**Effective date:** <ENTER EFFECTIVE DATE OF POLICY>

**Last Reviewed:** <ENTER LAST REVIEWED DATE OF POLICY>

**Issued By:** <ENTER ROLES THAT ISSUED POLICY, *for ex: CIO, CISO, Head of Legal*>

This policy establishes enforceable standards for the adoption, use, and management of Artificial Intelligence (AI) technologies within <YOUR COMPANY NAME>. This policy is designed to ensure that all AI-related activities are conducted ethically, securely, and in compliance with applicable laws; is consistent with <YOUR COMPANY NAME>'s mission and values; and protects the privacy and security of <YOUR COMPANY NAME>; while mitigating risks to our employees, customers, and stakeholders.

This Corporate AI Governance Policy shall apply to all Users accessing and/or using AI on behalf of <YOUR COMPANY NAME> and its work, whether through company-owned or personal devices and/or on an <YOUR COMPANY NAME> network. The Corporate AI Governance Policy is subject to review and modification, at any time, in <YOUR COMPANY NAME>’s sole discretion.

All employees, contractors, and third parties engaging with AI systems must adhere to this policy.

**Scope:**

This policy applies to designated “Users” that include:

* All employees, contractors, vendors, and third-party partners of <YOUR COMPANY NAME>.
* All AI systems developed, acquired, implemented, or used in any capacity, across all functions and business areas within <YOUR COMPANY NAME>.

This policy applies to AI systems that are developed in-house by <YOUR COMPANY NAME> and/or procured by a third-party vendor and/or a Software As A Service (SaaS) provider:

* AI systems must be designed, implemented, and operated to uphold fairness, transparency, and accountability.
* It is strongly recommended that all AI decisions must be explainable and traceable to the maximum extent possible, to ensure accountability and compliance.
* All AI systems must be monitored continuously to ensure compliance with legal, ethical, and operational standards.
* All AI systems are subject to regular updates and audits that must be conducted to identify and address risks, hallucinations, model drift, errors, bias, and security vulnerabilities.
* Any bias, discrimination, proxy discrimination, or unethical behavior in AI systems is strictly prohibited.
* Users must ensure AI systems comply with applicable regulations, including Data Privacy and Protection regulations such as CCPA, CPRA, GDPR, CASL, <INSERT DATA PRIVACY REGULATIONS THAT YOUR FIRM CONFORMS TO HERE>, National Association of Insurance Commissioners (NAIC) Model Regulatory Guidelines, and local, state, and federal laws governing data privacy, discrimination, and fairness, including but not limited to Colorado Senate Bill 169 (SB-169), NY Circular 24, <INSERT AI MODEL AND DATA REGULATORY FRAMEWORKS THAT YOUR FIRM CONFORMS TO HERE>.
* Production data <MAY/MAY NOT> be used for training AI models <REFERENCE YOUR COMPANY’S POLICY ON WHETHER PRODUCTION DATA CAN BE USED FOR TRAINING AI MODELS, OR WHETHER ONLY SYNTHETIC DATA CAN BE USED, OR A HYBRID APPROACH IS NEEDED DEPENDING ON USE CASE, THE APPROPRIATE WAY PERMISSION CAN BE OBTAINED, ETC. ALSO LINK TO YOUR ORGANIZATION’S DATA RETENTION POLICY HERE IF PRODUCTION DATA IS ALLOWED>.
* AI systems must be reviewed for compliance before deployment and periodically thereafter.
* All data used in AI systems must be handled in accordance with the Data and Information Security Policy <LINK TO YOUR COMPANY’S INFORMATION SECURITY POLICY HERE>.
* Employees are prohibited from inputting sensitive or customer-identifiable data into AI systems unless explicitly authorized by the Chief Information Security Officer (CISO) and/or Chief Privacy Officer, and/or <INSERT YOUR COMPANY’S AI AND DATA OVERSIGHT ROLE/S HERE>.
* Unauthorized use or storage of sensitive data in AI systems will result in disciplinary action.
* AI systems must support and augment human decision-making, not replace critical human judgment in areas such as underwriting, claims adjudication, and policy design.
* Employees must retain the ability to override AI recommendations where necessary.

## Authorized Use:

The use of AI is authorized at <YOUR COMPANY NAME> for tasks such as:

**<ILLUSTRATIVE EXAMPLES BELOW – UPDATE THESE FOR YOUR COMPANY>**

* Generative AI for generating new and original content <SEE GENAI USE POLICY>.
* Automation of repeatable processes such as document verification, claims processing.
* Enhancing risk assessment, within automated and accelerated underwriting.
* Improving customer engagement through chatbots
* Personalization of products.
* Fraud detection.
* <ADD YOUR COMPANY’S LIST OF AUTHORIZED USES HERE>

## Prohibited Use:

The use of AI is strictly prohibited at <YOUR COMPANY NAME> for tasks such as:

**<ILLUSTRATIVE EXAMPLES BELOW – UPDATE THESE FOR YOUR COMPANY>**

* Deploying AI systems that lack appropriate security, compliance, or ethical oversight.
* Engaging with AI service providers without appropriate and requisite oversight and approvals.
* Using AI without human review in areas including, but not limited to underwriting policies, making policy pricing decisions, making claims decisions without human review, <ADD YOUR COMPANY’S LIST OF HIGH-RISK SYSTEMS HERE>.
* <ADD YOUR COMPANY’S LIST OF PROHIBITED USES HERE>.
* Employing Generative AI (GenAI) tools, for example: DALL-E, ChatGPT, etc. for external communications without prior approval. All Users are expected to review, understand, and comply with <YOUR COMPANY>’s GenAI Policy available here: <LINK TO YOUR COMPANY’S GENAI POLICY>.

## Oversight and Escalation:

The oversight and enforcement of this Corporate AI Governance Policy rests with <INSERT ROLES WITHIN YOUR COMPANY RESPONSIBLE FOR ENFORCEMENT AND OVERSIGHT>.

<USE THE FOLLOWING SECTION IF YOUR FIRM HAS AN INTERNAL CROSS-FUNCTIONAL TEAM THAT IS RESPONSIBLE FOR SAFE AND EFFECTIVE AI USE ACROSS THE ENTERPRISE. IN SOME FIRMS GROUP IS KNOWN AS THE AI GOVERNANCE GROUP OR THE AI GOVERNANCE COMMITTEE>

<YOUR COMPANY NAME>’s AI GOVERNANCE GROUP is responsible for approving all AI-related projects and monitoring User’s adherence to this Corporate AI Governance Policy. The <YOUR COMPANY NAME>’s AI GOVERNANCE GROUP is authorized to conduct regular audits of AI systems to ensure adherence to our highest standards of AI safety, compliance, security, and ethical usage. If you have any questions and concerns, please contact this Group at <INSERT EMAIL ADDRESS FOR THIS GROUP’S MAILBOX HERE>. Managers are expected to ensure their teams understand and comply with the AI policy, and are required to work with the <YOUR COMPANY NAME>’s AI GOVERNANCE GROUP to assess AI risks within their departments.

## Policy Adherence:

Any violations of this Corporate AI Governance Policy must be reported to the Legal Department. Failure to comply with this policy may result in disciplinary action, up to and including termination of employment or any services agreement that the User has with <YOUR COMPANY NAME>.

As stated earlier, this Corporate AI Governance Policy will be reviewed periodically and updated as necessary to ensure continued compliance with all applicable laws, regulations and other company policies. All Users should confirm that they understand and can comply with the current Corporate AI Governance Policy.

**Acknowledgement:**

Users acknowledge that they have read and understood this Corporate AI Governance Policy, and agree to comply in all respects with the terms hereof. I understand that failure to comply with this policy may result in disciplinary action as outlined above.

**Employee Name:**

**Department:**

**Date:**

**Signature:**

