



American United Life Insurance Company
Indianapolis, Indiana 46206-0368

Certifies that it has issued and delivered a Policy numbered AULimate VL5E to:

Fifth Third Bank, Indiana, Trustee For
The American United Life Group Insurance Trust
For The Business And Professional Service Industry
(Hereinafter called the Group Policyholder)

Mississippi Valley Intergovernmental Cooperative

shall participate in the coverage as a Participating Unit.

Participating Unit Number: G **00609076-0005-000**

Class: **003**

Change Effective Date: **Does Not Apply**

This certificate replaces any and all certificates previously issued to You under the Policy indicated above.

American United Life Insurance Company ® (AUL) certifies that the Employee whose enrollment form is on file with the Participating Unit as being eligible for insurance and who has paid the required premium is insured under the Policy named above. Benefits are subject to change as described on the Schedule of Benefits page.

This certificate describes the coverage provided in the Policy. The Policy determines all rights and benefits in this certificate and may be amended, cancelled, or discontinued at any time by agreement between AUL and the Participating Unit without notice to You. The Policy may be examined at the main office of AUL during regular office hours.

If an Employee is not Actively At Work on the date insurance would otherwise become effective, the Individual Effective Date is the date the Employee returns to full-time Active Work.

Thomas M. Zurek
Secretary

Dayton H. Molendorp
President and Chief Executive Officer

CERTIFICATE OF INSURANCE

GROUP VOLUNTARY TERM LIFE INSURANCE CERTIFICATE WITH AN ACCELERATED LIFE BENEFIT

**NOTE: RECEIPT OF THE ACCELERATED LIFE BENEFIT MAY BE TAXABLE.
PLEASE SEEK ASSISTANCE FROM A PERSONAL TAX ADVISOR.**

GC 2525ANN(T)

(ALB)
(Dep Coverage: Not Included)

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SECTION 1 - SCHEDULE OF BENEFITS

This benefit applies to You only if premiums are paid and if:

- 1) the benefit was agreed to on the subscription agreement by the Participating Unit and AUL;*
- 2) You elected the benefit on an enrollment form approved by AUL; or*
- 3) the benefit was included in the information reported, in a format acceptable to AUL, by You or the Participating Unit and agreed to by AUL.*

CLASS: 003

CLASSIFICATION:

All Eligible Full-Time and Part-Time Certified Employees of Edwardsville Community Not Enrolled in Medical Coverage

LIFE AMOUNT:

\$50,000

ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) PRINCIPAL SUM:

\$50,000

ANNUAL BASE SALARY: Annual Base Salary Only

REDUCTIONS: Upon attainment of age 65, the Life Amount and Accidental Death and Dismemberment (AD&D) Principal Sum will reduce by 35%.

Reductions will be based upon the Life Amount prior to the payment of any Accelerated Life Benefit.

TERMINATIONS: Terminations are governed by the Individual Terminations Section of the policy. See Section 9, Individual Terminations.

SECTION 1 - SCHEDULE OF BENEFITS

Continued

CLASS: 003

ACCELERATED LIFE BENEFIT

The Person may request payment of either 25% or 50% of the Life Amount. This benefit is available on Life Amounts of \$10,000 or more. The maximum lump sum payment is limited to either 25% or 50% of the Life Amount shown; however, AUL will not issue an amount which is less than \$2,500. See Section 13, Accelerated Life Benefit.

CONTRIBUTIONS: Employee premium contributions are required.

ELIGIBILITY: First of the Month. See Section 3.

FULL-TIME EMPLOYEE REQUIREMENT: 10 hours or more per week. See Section 2.

INDIVIDUAL EFFECTIVE DATE: First of the Month. See Section 3.

INDIVIDUAL TERMINATIONS: End of the Month. See Section 9.

SUICIDE LIMITATION: This certificate contains a Suicide Limitation. See Section 14.

WAITING PERIOD:

Present Employees: First of the Month following 0 days

New Employees: First of the Month following 0 days

WAIVER OF PREMIUM FOR TOTAL DISABILITY: This benefit is included. See Section 8.

SECTION 2 - DEFINITIONS

ACCIDENTAL BODILY INJURY means an injury occurring as a direct result of an accident, along with all other related conditions, sustained by a Person while insured under the policy.

ACTIVE WORK and **ACTIVELY AT WORK** mean the use of time and energy in the services of the Participating Unit at the regular place of business by a Person who is physically and mentally capable of performing each of the material and substantial duties of his regular job at least the minimum number of hours as stated in the Subscription Agreement. This includes time off for vacation, jury duty and funeral leave, where the Person otherwise could have been Actively at Work. This does not include time off as a result of an injury, Accidental Bodily Injury, Sickness, strike or lock-out.

SECTION 2 - DEFINITIONS

Continued

ANNUAL BASE SALARY means the Person's yearly pay, before taxes, from the Participating Unit based on a maximum work week of forty (40) hours. Earnings are based on the amount as last reported to AUL in writing by the Participating Unit and approved by AUL before the date of death, or dismemberment if AD&D is included. It does not include income received from commissions, bonuses, or expense accounts.

SECTION 2 - DEFINITIONS

Continued

CONTINUATION UNIT means any Person who has elected Continuation of Insurance. See Section 7, Continuation of Insurance.

COVERAGE MONTH means that period of time beginning on the first day that the Participating Unit's coverage is in force, as shown in the Participating Unit's Subscription Agreement, and ending on the day before that date of the next month.

DATE OF DISABILITY means the first day the Person is not Actively at Work due to an Accidental Bodily Injury or Sickness that causes a Total Disability.

DEPENDENT see Section 20A, Dependent Definitions.

EMPLOYEE means an individual:

- 1) whose employment with the Participating Unit constitutes his principal occupation; and
- 2) who regularly works at that occupation at the Participating Unit's regular place of business a minimum number of hours per week, as stated in SECTION 1 - SCHEDULE OF BENEFITS; and
- 3) who is not temporarily or seasonally employed by the Participating Unit.

EMPLOYEE also means an individual designated by the Participating Unit in the Subscription Agreement.

EMPLOYER see PARTICIPATING UNIT.

EVIDENCE OF INSURABILITY means a signed statement of proof of an Employee's or Dependent's health, without expense to AUL, and acceptable to AUL; and, if required by AUL, medical history and appropriate medical tests, without expense to AUL, upon which acceptance for insurance will be determined by AUL.

GUARANTEED ISSUE AMOUNT means the amount of coverage that does not require Evidence of Insurability. This amount is elected by the Participating Unit on the Subscription Agreement and approved by AUL.

PARTICIPATING UNIT means the sole proprietorship, partnership, corporation, firm, limited liability company, limited liability partnership, individual school, school district, or other instrumentality of a state or political subdivision thereof that employs Persons and that has been approved by AUL and who has been added by amendment to the policy. Any references to Participating Unit used in the policy shall include Insured Units.

A Participating Unit is eligible for coverage under the policy as determined by AUL. In order for the Participating Unit to remain eligible for continued coverage under the policy, participation must be not less than 10 insureds in each Participating Unit.

PARTICIPATING UNIT'S ANNIVERSARY DATE means the date once a year which marks when the Participating Unit became insured under the policy.

PERSON means an Employee who meets the requirements of the Enrollment, Eligibility, and Individual Effective Date section of policy.

PERSONAL INSURANCE means the insurance provided under the policy for a Person.

SECTION 2 - DEFINITIONS

Continued

POLICY MONTH means that period of time the policy is in force beginning on the first day of a calendar month and ending on the last day of that calendar month.

SICKNESS means illness, bodily disorder or disease, pregnancy, and any condition classified as a mental disorder in *American Psychiatric Association Diagnostic and Statistical Manual of Mental Disorders*, as published from time to time, excluding mental retardation.

SUBSCRIPTION AGREEMENT means the specific subscription agreement as executed by the Participating Unit and approved by AUL.

TOTAL DISABILITY and **TOTALLY DISABLED** mean that because of Accidental Bodily Injury or Sickness the Person cannot engage in any occupation for which he is reasonably fitted by training, education, or experience. A Person who accepts any type of gainful employment, other than in a state-approved rehabilitation program or sheltered workshop, will be considered fitted to that occupation.

WAITING PERIOD means the amount of continuous, Active Work to be performed by the Employee, while in an eligible class, to become eligible for Personal Insurance. The Waiting Period is stated in the Subscription Agreement.

WE, OUR, US, and AUL mean American United Life Insurance Company ®.

YOU and YOUR, when used in the policy's certificate of insurance, has the same meaning as Person.

SECTION 2 - DEFINITIONS

Continued

ELIGIBLE UNIT means any sole proprietorship, partnership, corporation, firm, limited liability company, limited liability partnership, individual school, school district, or other instrumentality of a state or political subdivision thereof that is subsidiary to or affiliated with the Participating Unit.

INSURED UNIT means any Eligible Unit stated as a subsidiary or affiliate in the Subscription Agreement. See Section 23, Insured Units.

**SECTION 3 - ELIGIBILITY, ENROLLMENT, and
INDIVIDUAL EFFECTIVE DATE**

DEFINITIONS

NEW EMPLOYEE means an Employee who is employed by the Participating Unit before the Participating Unit's Effective Date but did not complete the Waiting Period for Present Employees prior to that date. It also means an Employee who was employed by the Participating Unit after the Participating Unit's Effective Date and has completed the Waiting Period for New Employees as elected on the Subscription Agreement.

PRESENT EMPLOYEE means an Employee who is employed by the Participating Unit and has completed the Waiting Period for Present Employees as elected on the Subscription Agreement on or before the Participating Unit's Effective Date.

INITIAL ENROLLMENT PERIOD means either of the following periods during which an Employee may first make written application for coverage under the policy:

- 1) For a Present Employee, the Initial Enrollment Period is the period of time agreed to by AUL and the Participating Unit, and stated in the Subscription Agreement.
- 2) For a New Employee, the Initial Enrollment Period is the period ending on 31 days after the date the Employee becomes eligible for coverage under the policy.

LATE ENROLLEE means a Present or New Employee who did not request coverage during his Initial Enrollment Period.

SCHEDULED ENROLLMENT PERIOD means a recurring period of days, as stated in the Subscription Agreement, after the Participating Unit's Effective Date, during which period an Employee may make written application on an AUL approved enrollment form to become covered under the policy, or during which a Person may request a change in coverage amounts. This time period must be approved by AUL.

**SECTION 3 - ELIGIBILITY, ENROLLMENT, and
INDIVIDUAL EFFECTIVE DATE
Continued**

ELIGIBILITY OF EMPLOYEE

A Present Employee becomes eligible for Personal Insurance on the Participating Unit's Effective Date of coverage under the policy if the Employee is Actively at Work and has completed the Waiting Period for Present Employees on, or prior to, that date.

A New Employee becomes eligible for Personal Insurance on the first day the Employee is Actively at Work following the date of completion of the Waiting Period for New Employees.

ENROLLMENT

An eligible Present or New Employee, as a condition to becoming insured, must make written request for coverage under the policy to the Participating Unit on a form approved by AUL and must agree to contribute the required premium amount. An eligible Present or New Employee may request coverage only during an Initial or Scheduled Enrollment Period as follows:

- 1) During a Present or New Employee's Initial Enrollment Period, a Present or New Employee may waive coverage or request coverage under any Plan offered by the Participating Unit as shown on the Subscription Agreement;
- 2) During a Present or New Employee's Scheduled Enrollment Period:
 - a) If a Present or New Employee did not request coverage during his Initial Enrollment Period, he will be considered a Late Enrollee. Enrollment at a later date can only be conducted during a Scheduled Enrollment Period. Satisfactory Evidence of Insurability will be required.
 - b) An insured Person may change his coverage with Evidence of Insurability. See Section 6, Changes in Insurance Coverage.

**SECTION 3 - ELIGIBILITY, ENROLLMENT, and
INDIVIDUAL EFFECTIVE DATE
Continued**

INDIVIDUAL EFFECTIVE DATE OF INSURANCE

Present Employee

For coverage requested during the Initial Enrollment Period, the Individual Effective Date for an eligible Present Employee is the Participating Unit's Effective Date.

New Employee

For coverage requested during the Initial Enrollment Period, the Individual Effective Date for an eligible New Employee is:

- 1) the date of the request, if that day is the first day of a Coverage Month; or
- 2) the first day of the next Coverage Month, if the request is made after the first day of a Coverage Month.

If an Employee is not Actively At Work on the date insurance would otherwise become effective, the Individual Effective Date is the date the Employee returns to full-time Active Work.

LATE ENROLLEES

FOR COVERAGE REQUESTED BY A LATE ENROLLEE DURING A SCHEDULED ENROLLMENT PERIOD, SATISFACTORY EVIDENCE OF INSURABILITY WITHOUT EXPENSE TO AUL IS REQUIRED AND THE INDIVIDUAL EFFECTIVE DATE OF INSURANCE WILL BE NAMED BY AUL.

EVIDENCE OF INSURABILITY

Evidence of Insurability is required if:

- 1) request is made by a Late Enrollee;
- 2) request is made after a termination of insurance due to failure to make contributions;
- 3) the amount requested during the Initial Enrollment Period exceeds the Guaranteed Issue Amount shown in the Schedule of Benefits; or
- 4) the Person requests an increase in coverage except as allowed under the Guaranteed Increase in Benefit.

Any portion of the requested Personal Insurance benefit that exceeds the Guaranteed Issue Amount will be effective on the date named by AUL and subject to satisfactory Evidence of Insurability. If the excess portion is not approved by AUL, the Personal Insurance benefit will be an amount equal to the Guaranteed Issue Amount and will be effective as set forth above.

SECTION 5 - CONTINUITY OF COVERAGE

Coverage, as limited below, will be extended under this section to an Employee who:

- 1) was insured under the prior plan on its termination date; but
- 2) was not eligible for full coverage on the effective date of the Participating Unit's coverage under the policy because he was not Actively at Work.

Coverage is extended if such Employee:

- 1) makes application on or before the effective date of the Participating Unit's coverage under the policy;
- 2) pays the required premium; and
- 3) is not eligible for coverage under the Waiver of Premium benefit of the Participating Unit's prior plan.

The amount of coverage extended will be the LESSER of:

- 1) the benefit for which the Employee would have been eligible under the policy, if the Employee had been Actively at Work; or
- 2) the benefit for which the Employee was insured under the Participating Unit's prior plan less the amount payable under that plan.

The coverage under this section will terminate on the earliest of the following dates:

- 1) the last date for which any required contribution has been made;
- 2) the date the Personal Insurance becomes effective under the Participating Unit's coverage under the policy;
- 3) the date the coverage would have terminated as outlined in the Individual Termination Section of the Participating Unit's coverage under the policy if the Personal Insurance had become effective; or
- 4) the date the Employee becomes eligible for coverage under the prior plan's Waiver of Premium provision.

SECTION 6 - CHANGES IN INSURANCE COVERAGE
Continued

OTHER INCREASE REQUESTS

During Scheduled Enrollment Periods the Person may request an increase to a higher multiple of his Annual Base Salary with AUL's approval. Satisfactory Evidence of Insurability will be required.

SECTION 6 - CHANGES IN INSURANCE COVERAGE
Continued

EFFECTIVE DATE OF CHANGE

The amount of insurance for which a Person is eligible is shown in the Schedule of Benefits.

A change in insurance that does not result in an increase in benefits takes effect on:

- 1) the date of any scheduled reduction;
- 2) the Participating Unit's Anniversary Date following AUL's approval of a request for change, if the date is the Participating Unit's Anniversary Date; or
- 3) the Participating Unit's Anniversary Date next following AUL's approval of a request for change, if the date is after the Participating Unit's Anniversary Date.

A change in insurance that results in an increase in benefits is subject to satisfactory Evidence of Insurability. Upon AUL's approval, the increase takes effect on the date named by AUL.

If the Person is not Actively at Work on the Participating Unit's Anniversary Date that is the approved change date, any change in the amount of insurance takes effect on the date of the Person's return to Active Work.

SECTION 7 - CONTINUATION OF INSURANCE

CONTINUATION OF INSURANCE

If a Person's coverage ceases due to:

- 1) termination of employment for any reason; or
- 2) termination of the Participating Unit's coverage under the policy and coverage is not replaced by a similar group coverage within 31 days,

the Person may continue Personal Insurance and Dependent Insurance in force under the policy without interruption as a Continuation Unit until the earlier of:

- 1) the date premium payments are discontinued; or
- 2) the attainment of age 70.

To continue coverage the Person must submit written notice and the required premium to AUL within 31 days of the date of termination of coverage under the policy. Payment of the required premium must be made directly to AUL by the Person. Failure to pay such premium will terminate the coverage under the group policy at the end of the period for which the premium has been paid. AUL reserves the right to charge an administrative fee per billing.

LIMITATIONS

- 1) If Personal Insurance is based on a multiple of the Person's Annual Base Salary, no changes in coverage due to salary increases will be allowed under the Continuation of Insurance.
- 2) Dependent Life coverage may be continued only if the Person's life coverage is continued.
- 3) The Person's AD&D coverage may be continued, subject to the provisions of the policy.
- 4) Dependent AD&D coverage may be continued only with the Person's continuation of AD&D coverage.
- 5) The Waiver of Premium benefit will not be included with Continuation of Insurance.
- 6) Continuation of Insurance is not available if the Person has established permanent residence outside the United States.

If Continuation of Insurance terminates, the Person may convert his life coverage and any Dependent life coverage to an individual policy in accordance with Section 10, Conversion Privilege.

AUL may terminate Continuation of Insurance on the last day of any Policy Month by giving the Group Policyholder and each Continuation Unit at least 31 days prior written notice.

See Section 26, Termination of a Continuation Unit.

SECTION 8 - WAIVER OF PREMIUM

DEFINITION

ELIMINATION PERIOD means a period of consecutive days beginning on a Person's Date of Disability and ending on the date that the period specified in the Waiver of Premium benefit expires. This period may include up to three (3) days of Active Work.

BENEFIT

AUL will waive further premium payments for a Person's Life Insurance, and AD&D coverage if applicable, if he:

- 1) becomes Totally Disabled before age 60, or other age as stated in the Subscription Agreement, and while insured under the Participating Unit's coverage under the policy;
- 2) remains continuously Totally Disabled during the nine (9) month Elimination Period, or as stated in the Subscription Agreement;
- 3) submits proof of Total Disability during the three (3) month period prior to the end of the Elimination Period; and
- 4) submits acceptable proof of continuous Total Disability one (1) month prior to the end of each following year of disability.

The Total Disability must be certified by a legally qualified physician other than the Person or a member of the Person's family.

AUL also may require that the Person be examined:

- 1) at AUL's expense;
- 2) by AUL's choice of physician; and
- 3) once a year after being Totally Disabled for two (2) years.

No premium payment is due during the Elimination Period. If AUL does not approve the Waiver of Premium benefit request, Continuation of Insurance or Conversion Privilege will be offered within 31 days of the disapproval date.

As long as the Person meets the conditions set forth above, he will retain a Life Insurance benefit, and AD&D coverage if applicable, without further premium payment until the first of the following occurs:

- 1) unsatisfactory proof of Total Disability is submitted;
- 2) the Person accepts employment, or is found able to accept employment for which he is reasonably fitted by training, education, or experience;
- 3) the Person refuses to submit to medical examination;
- 4) proof of continuous Total Disability is not submitted by the twelfth month of any benefit period unless it was not reasonably possible to do so;
- 5) the Person attains the Social Security Normal Retirement Age as figured by the 1983 amendment or any later amendment to the Social Security Act; or
- 6) if the Person retires from employment with the Participating Unit.

When the Person is approved for coverage under this Waiver of Premium benefit, the benefits in force under the policy for that Person will reduce based on the reduction schedule on the Schedule of Benefits page.

SECTION 8 - WAIVER OF PREMIUM

WAIVER OF PREMIUM FOR TOTAL DISABILITY

If the Waiver of Premium benefit request is not approved, or if the Waiver of Premium benefit coverage ceases and the Person does not return to Active Work, the Person may, within 31 days from notice of the non-approval or the cessation of coverage, elect to:

- 1) continue his group coverage, as described in Section 7, Continuation of Insurance; or
- 2) convert his coverage to an individual policy, as described in Section 10, Conversion Privilege.

If coverage under the Waiver of Premium benefit ceases because the Person returns to Active Work with the Participating Unit, and the Participating Unit's coverage under the policy is still in force, the Person is immediately eligible for all coverage available to his class.

If the Person dies during the Elimination Period, death benefits are payable.

If the Person is approved for the Waiver of Premium benefit and the death claim is payable under the Waiver of Premium benefit section, any conversion policy issued to the Person must be returned for cancellation and premium refund. **IN NO EVENT WILL A DEATH BENEFIT BE PAYABLE UNDER BOTH THE CONVERSION AND WAIVER OF PREMIUM SECTIONS OF THE POLICY.**

SECTION 9 - INDIVIDUAL TERMINATIONS

Personal Insurance terminates on the earliest of the following dates:

- 1) the last day of the Coverage Month in which the Person requests termination but not prior to the date of the request;
- 2) the last day of the Coverage Month for which the last premium has been paid;
- 3) the last day of the Coverage Month during which the Person ceases to be eligible. See Section 3, Eligibility;
- 4) the last day of the Coverage Month during which the Person enters active military service for any country except for temporary duty of 30 days or less;
- 5) the last day of the Coverage Month during which the Person ceases Active Work, except during the Waiver of Premium elimination period - see Section 8, Waiver of Premium; or unless Continuation of Insurance is elected - see Section 7, Continuation of Insurance; or
- 6) the date of disapproval of the Person's request for coverage under the Waiver of Premium benefit.

Accidental Death and Dismemberment Personal Insurance terminates whenever any of the above events occur.

Accidental Death and Dismemberment Personal Insurance also terminates on the date the Person's Life Insurance amount reduces to zero.

SECTION 10 - CONVERSION PRIVILEGE

If a Person's Life Insurance or Continuation Insurance or a portion of it ceases due to:

- 1) termination of employment;
- 2) termination of membership in a class eligible for insurance;
- 3) a reduction in the benefit amount; or
- 4) disapproval of a Waiver of Premium benefit request,

the Person is entitled to apply for and receive an individual conversion policy without submission of Evidence of Insurability. The amount of such individual conversion policy shall be equal to or less than the amount of the Person's Life Insurance or Continuation Insurance that has ceased.

If a Person's Life Insurance or Continuation Insurance or a portion of it ceases due to:

- 1) termination of the policy;
- 2) termination of the class of insurance under which the Person is covered; or
- 3) termination of the Participating Unit's coverage under the policy,

the Person is entitled to apply for and receive an individual conversion policy without submission of Evidence of Insurability if his Personal Insurance has been in force with AUL for five (5) continuous years. The amount of the individual conversion policy shall not exceed the lesser of:

- 1) the coverage terminated minus any new group coverage for which the Person becomes eligible within 31 days; or
- 2) \$10,000.

In the event that the Person's employment and the Participating Unit's coverage under the policy terminate at the same time, the Person will be entitled to convert his coverage no matter how long his coverage has been in force.

The individual conversion policy is subject to the following:

- 1) Written application must be made and the first premium paid within 31 days after the later of the date of:
 - a) termination of insurance;
 - b) conversion notification by the Participating Unit. If the Person is not notified by the Participating Unit of his conversion rights within 15 days after the date of termination of insurance, an additional application period will begin. This additional conversion application period will end on the earlier of:
 - i) 15 days after notice is received, or
 - ii) 60 days from the end of the original 31 day conversion period; or
 - c) notification from AUL of disapproval of the Waiver of Premium benefit request.
- 2) Any plan of insurance other than term insurance currently offered by AUL may be elected. The Person's Life Insurance is available for conversion. The Person's Accidental Death and Dismemberment Insurance and Waiver of Premium benefit are not available for conversion.
- 3) The premium will be based on the Person's age on the effective date of the conversion policy, the class of risk to which he belongs, and the premium rate in effect on the date of conversion.
- 4) The individual conversion policy takes effect at the end of the application period and is in lieu of all benefits under the Participating Unit's coverage under the policy, unless the Person remains insured under the policy as a member of a different class.

SECTION 10 - CONVERSION PRIVILEGE

Continued

If death occurs during the application period, AUL will pay the maximum amount available for conversion whether or not the application has been made or the premium paid. After the application period, no application will be accepted unless the Person proves that it was not possible for him to apply in a timely fashion.

Premium must be paid for the number of days of coverage provided during the application period.

IN NO EVENT WILL A DEATH BENEFIT BE PAYABLE UNDER BOTH THE CONVERSION SECTION AND WAIVER OF PREMIUM FOR TOTAL DISABILITY SECTION OF THE POLICY.

ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS ARE NOT PAYABLE BEYOND THE DATE SET FORTH IN SECTION 9, INDIVIDUAL TERMINATIONS.

SECTION 11 - INDIVIDUAL REINSTATEMENTS

If Personal Insurance, and Dependent Insurance if any, terminate due to termination of employment, that insurance may be reinstated upon return to employment as an Actively at Work Employee. The following conditions apply:

- 1) When an Employee's return to active employment occurs within 30 days of his termination and termination was for any reason not applicable under the Family Medical Leave Act, insurance coverage becomes effective upon the first day of the next Coverage Month following the date of return to Active Work. Evidence of Insurability is not required.
- 2) When an Employee's return to active employment occurs within 90 days of his becoming an inactive Employee for any reason applicable under the Family Medical Leave Act, insurance coverage becomes effective upon the first day of the next Coverage Month following the date of return to Active Work. Evidence of Insurability is not required.
- 3) The maximum benefits reinstated will not exceed the maximum benefits for which the Employee would have been covered had he been continuously insured.
- 4) When return to employment occurs after the period specified in 1 or 2 above, the Person will be considered a New Employee and must satisfy all New Employee Eligibility, Enrollment, and Effective Date requirements. See Section 3, Eligibility, Enrollment, and Individual Effective Date.
- 5) When insurance has been changed to a conversion policy, according to the terms of Section 10, Conversion Privilege, the conversion policy must be terminated or satisfactory Evidence of Insurability will be required prior to reinstatement. The effective date of reinstatement will be named by AUL.
- 6) Reinstatement is subject to the payment of any required premium.

If reinstatement is requested for any reason other than a return to employment as an Actively at Work Employee, satisfactory Evidence of Insurability, will be required. The terms and effective date of any reinstatement will be specified by AUL.

Accidental Death and Dismemberment coverage cannot be reinstated without reinstatement of Life Insurance.

IN NO EVENT WILL AUL ALLOW A PERSON TO HAVE A TOTAL COVERAGE AMOUNT FROM ALL IN FORCE GROUP VOLUNTARY TERM LIFE INSURANCE CONTRACTS THAT IS IN EXCESS OF THE MAXIMUM AMOUNT SHOWN IN THE SCHEDULE OF BENEFITS.

SECTION 12 - ACCIDENTAL DEATH AND DISMEMBERMENT

DEFINITIONS

ACCIDENTAL DEATH means death directly due to an accident and independent of all other causes.

ACCIDENTAL DISMEMBERMENT means loss of sight, speech or hearing, or severance of a body member directly due to an accident and independent of all other causes. The losses listed in the table are defined as follows:

LOSS OF SIGHT means total, permanent blindness.

LOSS OF SPEECH means total, permanent, and irrecoverable loss of vocal communication.

LOSS OF HEARING means total, permanent deafness in both ears which cannot be corrected by any means.

LOSS OF HAND means complete severance of the arm through or above the wrist.

LOSS OF THUMB AND INDEX FINGER means complete severance of both the thumb and index finger at or above the metacarpal phalangeal joints on the same hand.

LOSS OF FOOT means complete severance through or above the ankle.

SECTION 12 - ACCIDENTAL DEATH AND DISMEMBERMENT

ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT

If a Person has an accident while insured under the policy which results in a loss shown below, AUL will pay the amount shown opposite the loss if:

- 1) the loss occurs within 90 days from the date of the accident; and
- 2) AUL receives acceptable proof of loss.

FOR ACCIDENTAL LOSS OF	AMOUNT PAYABLE
Life	Principal Sum
Both Hands or Both Feet or Sight of Both Eyes	Principal Sum
Speech and Hearing	Principal Sum
One Hand and One Foot	Principal Sum
One Hand and Sight of One Eye	Principal Sum
One Foot and Sight of One Eye	Principal Sum
Sight of One Eye	One-half of the Principal Sum
One Hand or One Foot	One-half of the Principal Sum
Speech or Hearing	One-half of the Principal Sum
Thumb and Index Finger	One-quarter of the Principal Sum

The Principal Sum is shown in the Schedule of Benefits.

The total amount payable will never exceed the Principal Sum for all losses sustained by the Person in one accident. The amount payable for loss of life is paid according to Section 15, Payment of Death Benefits. Amounts payable for other losses are paid to the Person.

SECTION 12 - ACCIDENTAL DEATH AND DISMEMBERMENT

LIMITATIONS

Benefits are not payable for loss due directly to:

- 1) suicide or attempted suicide, whether sane or insane;
- 2) air travel as a crew member;
- 3) participation in a riot or from war or an act of war, whether declared or undeclared;
- 4) commission of an assault or felony;
- 5) the voluntary taking of:
 - a) a prescription drug in a manner other than as prescribed by a physician;
 - b) any other federally- or state-controlled substance in an unlawful manner;
 - c) non-prescription medicine, in a manner other than as indicated in the printed instructions; or
 - d) poison;
- 6) the voluntary inhaling of gas (unless due to occupational accident);
- 7) sickness other than infection occurring as a result of accidental injury; or
- 8) participation in hang-gliding, bungee jumping, automobile racing, motorcycle racing, skydiving, rock climbing, or mountain climbing.

Notice and Proof of Injury: AUL's Home Office must receive written notice of injury on which claim is based within 31 days of the date of the accident. AUL's Home Office must receive acceptable proof of loss within 90 days after the date of the loss. Receipt of both the notice and proof are necessary before AUL can consider a claim. The claim may still be considered, however, if it is proven that timely submission of the claim was not possible.

AUL has the right to examine the Person:

- 1) as often as necessary;
- 2) at AUL's expense; and
- 3) by a physician of AUL's choice.

Notice and Proof of Death requirements are described in Section 17, The Death Claim.

TERMINATION OF ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT

Accidental Death and Dismemberment coverage for the Person will terminate as outlined in Section 9, Individual Terminations.

The Participating Unit may terminate this section at the end of any Coverage Month by giving AUL 31 days prior written notice.

AUL may terminate the insurance provided under this section at the end of any Coverage Month by giving at least 31 days prior notice to the Participating Unit.

AUL WILL STILL BE LIABLE FOR PAYMENT OF VALID CLAIMS INCURRED BEFORE THE TERMINATION DATE.

SECTION 12 - ACCIDENTAL DEATH AND DISMEMBERMENT

SECTION 13 - ACCELERATED LIFE BENEFIT

The following definition applies ONLY to this section:

DEFINITION

TERMINAL CONDITION means an injury or sickness that, despite appropriate medical care, is reasonably expected to result in the Person's death within 12 months from the date of payment of the Accelerated Life Benefit, as determined by AUL. AUL may require that the Person be examined at AUL's expense by AUL's choice of physician.

BENEFIT

If a Person is diagnosed with a Terminal Condition while covered under this provision, the Person may request payment of the Accelerated Life Benefit. The available amount of Accelerated Life Benefit is shown in the Person's Schedule of Benefits. Benefits will be paid in one lump sum to the Person.

CONDITIONS

To be eligible to request payment of the Accelerated Life Benefit:

- 1) the Person must have Personal Insurance;
- 2) the Person must be diagnosed with a Terminal Condition, while covered under this provision;
- 3) AUL will require, in a community property state, the spouse's written consent before the Accelerated Life Benefit is paid; and
- 4) the Person can receive an Accelerated Life Benefit only once.

PROOF REQUIRED FOR THE ACCELERATED LIFE BENEFIT

Proof is a completed claim form and any other information AUL requires in order to determine liability. AUL may require that the Person be examined at AUL's expense by AUL's choice of physician.

SECTION 13 - ACCELERATED LIFE BENEFIT

Continued

EFFECT OF PAYMENT OF ACCELERATED LIFE BENEFIT

After payment of an Accelerated Life Benefit, the Person's Life Insurance amount payable at death to the Person's Beneficiary equals:

- 1) the amount of the Person's Life Insurance as if an Accelerated Life Benefit payment had not been made, minus
- 2) the Accelerated Life Benefit payment, minus
- 3) the interest charge.

The interest charge equals the Accelerated Life Benefit amount, times the number of days from the date of payment to the Person's date of death divided by 365, times the interest rate. The interest rate will be based on the current 90 day treasury bill rate at the time of payment of the Accelerated Life Benefit.

Premiums continue to be due and payable on the original amount, unless premiums have ceased due to coverage under the Waiver of Premium benefit of the policy.

The Accidental Death and Dismemberment Insurance, if any, will not reduce due to payment of the Accelerated Life Benefit.

The following information is used for illustrative purposes only:

Example:

Life insurance in force = \$50,000*

Date of receipt of proof of terminal condition = 10/31/94

Date of payment of Accelerated Life Benefit = 11/1/94

Date of death = 2/15/95

Interest rate** = 3.5%

1. Amount of Accelerated Life Benefit = $.50 \times \$50,000 = \$25,000$
2. Interest Charge = $\$25,000 \times (106 \text{ days} / 365 \text{ days}) \times .035 = \254.11
3. Death Benefit Payable = $\$50,000 - \$25,000 - \$254.11 = \$24,745.89$

*The Person's Life Insurance amount is shown on the Title Page or the Schedule of Benefits in the Person's insurance certificate.

**The interest rate is equal to the 90 day treasury bill rate on the date of the Accelerated Life Benefit payment.

LIMITATIONS

An Accelerated Life Benefit will not be paid if:

- 1) the Person has named an irrevocable Beneficiary or made an assignment of his Life Insurance benefits;
- 2) all or a portion of the Person's Life Insurance benefits are to be paid to a former spouse or trustee as part of a divorce decree or property settlement, or child support order;
- 3) the Person's Life Insurance terminates;
- 4) the Participating Unit's coverage under the policy terminates, unless Continuation of Insurance is elected;
- 5) the Continuation Unit terminates; or
- 6) the policy terminates.

NOTE: The payment of the Accelerated Life Benefit may be taxable. Please seek assistance from a personal tax advisor.

SECTION 14 - SUICIDE LIMITATION

LIMITATION: If the Person commits suicide, while sane or insane:

- 1) within two (2) years (when applicable, credit will be given toward this Suicide Limitation period requirement from the effective date of the Person's in force coverage under the Participating Unit's coverage with the prior carrier) from the effective date of Personal Insurance, the benefits payable will be limited to the premiums paid; or
- 2) two (2) or more years after the effective date of Personal Insurance, but within two (2) years of the effective date of an increase in the amount of coverage previously obtained, the benefits payable will be limited to the coverage obtained prior to the effective date of the increase, if any, plus the premiums paid for the increased coverage.

SECTION 15 - PAYMENT OF DEATH BENEFITS

BENEFICIARY means the individual, individuals or entity named by the Person to receive his death benefit.

If a Person dies while insured under the policy, AUL will pay the benefits due to the Beneficiary:

- 1) upon timely receipt of acceptable proof of death; and
- 2) subject to all other provisions of the policy and to the Person's instructions.

The Annual Base Salary on which the amount of premium due is based will be used to determine the amount of the death claim.

The following sections describe the manner in which death benefits are paid.

SECTION 16 - NAMING OF BENEFICIARY

AUL will pay the death benefit according to the Person's designation of Beneficiary.

When a Person applies for coverage he may, on an AUL-approved form:

- 1) designate the name of one or more Beneficiaries;
- 2) classify the Beneficiaries by order of preference, either first or second;
- 3) indicate distribution of the proceeds among members of the class of Beneficiaries.

If more than one Beneficiary is listed within the same class of Beneficiaries and no distributive share is indicated, then all Beneficiaries will share equally with all Beneficiaries within the same class.

If the Participating Unit's coverage under the policy replaces insurance coverage of another carrier, AUL may, upon request of the Participating Unit, recognize Beneficiary designations in effect under the prior coverage as effective until a new designation is made with AUL, provided that prior designations are in a form acceptable to AUL.

CHANGING A BENEFICIARY

The Person may change a Beneficiary at any time by written request. The request must be signed, dated, and filed through the Participating Unit.

AUL will make the change effective as of the date the form was signed, even if the Person is not alive when AUL receives it. However, AUL is not liable if benefits are paid to the previous Beneficiary before AUL receives the form. If the Person applies for an individual policy under Section 10, Conversion Privilege of the policy and names a new Beneficiary, AUL will treat the application as a Beneficiary change when determining payment.

AUL reserves the right to require that any Beneficiary designation be acceptable to it.

SECTION 17 - THE DEATH CLAIM

If the Person dies while insured under the policy, proof of death should be furnished as soon as possible. The claim must be submitted within three (3) years of the date of death. However, if a claim is filed under Section 8, Waiver of Premium, proof must be furnished within 12 months of death. The claim may still be considered if it can be shown that timely submission of the claim was not possible.

Proof of death must include:

- 1) a certified death certificate; and
- 2) a completed claim form.

AUL, at its option, may also require:

- 1) return of the Person's insurance certificate;
- 2) submission of pertinent medical records, including an autopsy report;
- 3) police reports; or
- 4) any other documents AUL may deem reasonably necessary.

If the cause of death cannot be clearly established by other means, AUL reserves the right to have an autopsy performed on a deceased Person. The autopsy will be performed:

- 1) at AUL's expense; and
- 2) by a physician of AUL's choice.

If the Participating Unit's coverage under the policy is no longer in force, proof furnished more than two (2) years from the date of loss must also include:

- 1) proof of employment at death; and
- 2) proof of coverage under the policy at death.

SECTION 18 - DETERMINATION OF DEATH BENEFIT PAYEE

Once acceptable proof of death is received, AUL will determine the Beneficiaries or payees in the following order:

- 1) First Beneficiaries who outlive the Person. If more than one Beneficiary is listed within the same class of Beneficiaries and no distributive share is indicated, then all Beneficiaries will share equally with all Beneficiaries within the same class.
- 2) Second Beneficiaries who outlive the Person. If more than one Beneficiary is listed within the same class of Beneficiaries and no distributive share is indicated, then all Beneficiaries will share equally with all Beneficiaries within the same class.
- 3) If no named Beneficiaries outlive the Person or none were named, then, at AUL's option, a surviving relative if the Person's estate is not substantial and there are no statutory requirements to the contrary. Relatives will be considered in descending order of preference as follows:
 - a) spouse;
 - b) child(ren);
 - c) parent(s); or
 - d) brother(s) and sister(s); or
- 4) the Person's estate.

AUL may pay the proceeds in an amount up to \$2,000 to any individual appearing to AUL to be equitably entitled to payment by reason of having incurred funeral or other expenses incident to the last illness or death of the Person.

In the event that the Person and his Dependents should die simultaneously or if there is no clear evidence as to which parties died first, it shall be presumed that the Dependents shall have predeceased the Person.

If any Beneficiary dies within 15 days after the date the Person died, the amount that would have been paid to the Beneficiary will be treated as though that Beneficiary had died before the Person. This does not apply to any payment that is made to such Beneficiary during the 15 days following the Person's death. Any payment made in good faith shall fully discharge AUL to the extent of such payment.

SECTION 19 - SELECTION OF PAYMENT METHOD

The proceeds will be paid in a lump sum unless another payment method is selected or changed by giving written notice to AUL prior to the Person's death. If no payment method is in effect at death, the payee may select a payment method. For information concerning payment method options, the Person or payee should contact AUL.

The amounts payable under a method, including any excess interest, will be as declared by AUL. The minimum interest rate used in computing payments under all methods will be 3% per year. Other than lump sum payment, AUL reserves the right to specify the minimum periodic payment when a method is to become effective.

SECTION 21 - GENERAL POLICY PROVISIONS

ENTIRE CONTRACT: The policy, the enrollment forms of the individuals, the application of the Group Policyholder, the Subscription Agreement of the Participating Unit, and any amendments made from time to time constitute the entire contract.

AMENDMENT and CHANGES: A Participating Unit's coverage under the policy may be amended by mutual agreement between the Participating Unit and AUL but without prejudice to any valid claim incurred prior to the effective date of the amendment. No change in the Participating Unit's coverage under the policy is valid until approved by the Chief Executive Officer, President, or Secretary of AUL. No agent has the authority to change the Participating Unit's coverage under the policy or waive any of its provisions.

APPLICATION: A copy of the application of the Group Policyholder will be attached to the policy when issued. All statements made by the Group Policyholder or by Persons or Dependents are deemed representations and not warranties. No statement made by a Person or a Dependent may be used in any contest unless a copy of the instrument containing the statement is or has been furnished to the Person or Dependent or, in the event of death or incapacity of the Person or Dependent, to the Person's or Dependent's Beneficiary or personal representative.

SUBSCRIPTION AGREEMENT: A copy of the Subscription Agreement of the Participating Unit will be given to the Participating Unit when coverage is issued. All statements made by the Participating Unit or by Persons or Dependents are deemed representations and not warranties. No statement made by a Person or a Dependent may be used in any contest unless a copy of the instrument containing the statement is or has been furnished to the Person or Dependent or, in the event of death or incapacity of the Person or Dependent, to the Person's or Dependent's Beneficiary or personal representative.

INCONTESTABILITY: The validity of the policy shall not be contested after two years from the issue date. The validity of the Participating Unit's coverage under the policy shall not be contested after two years from the effective date of the Participating Unit's coverage under the policy except for non-payment of premiums. No statement made by a Person or Dependent on his signed enrollment form will be used to contest a claim or the validity of insurance after his coverage has been in force for two years prior to his death.

GRACE PERIOD: If the Participating Unit or AUL does not give notice in writing that coverage under the policy is to be terminated, a grace period of 31 days will be granted for the payment of any premium falling due after the first premium. During the grace period, the Participating Unit's coverage continues in force but automatically terminates on the last day of the grace period. However, AUL is not obligated to pay claims incurred during the grace period until the premium due is received. The Participating Unit is liable to AUL for payment of premium for the days the coverage remains in force during the grace period.

LEGAL ACTION: No legal action may be brought to obtain benefits under the policy:

- 1) for at least 60 days after proof of loss has been furnished; or
- 2) after three years from the time written proof of loss is required to have been furnished to AUL

CONFORMITY WITH STATE LAWS: Any provision of the policy in conflict with the laws of the state in which it is delivered is amended to conform to the minimum requirements of those laws.

DATA AND RECORDS: The Participating Unit must furnish information that AUL reasonably requires. The Participating Unit's documents which may have a bearing on the insurance shall be open for inspection by AUL at all reasonable times.

SECTION 21 - GENERAL POLICY PROVISIONS

Continued

DIVIDENDS: The policy may receive a dividend as determined each year by AUL. If payable this dividend will be paid to the Participating Unit in cash or, upon request, used to reduce the next premium due. If Persons contribute toward the payment of premiums and if the dividend exceeds the Participating Unit's share of the aggregate cost of the insurance, any excess shall be used by the Participating Unit for the benefit of those Persons. Payment of any dividend directly to the Participating Unit discharges AUL from all liability for the payment of dividends.

GENDER PRONOUNS: Whenever the male pronoun is used, it shall also mean the female.

CERTIFICATES: AUL will issue certificates to the Participating Unit for delivery to the insured Person. The certificate will summarize the Participating Unit's coverage under the policy and will state:

- 1) the benefits provided; and
- 2) to whom the benefits are payable.

If there is any discrepancy between the provisions of any certificate and the provisions of the policy, the provisions of the policy will govern.

ASSIGNMENT: A Person may make an absolute assignment of all benefits and rights of his Life Insurance. A Person's certificate of Life Insurance is assignable to the extent permitted by law except that no collateral assignment is permitted. No assignment is binding unless filed with AUL in a form acceptable to it. AUL assumes no responsibility for the validity or effect of any assignment.

CLAIMS OF CREDITORS: The benefits paid under the policy will be exempt from the claims of creditors to the maximum extent permitted by law.

CLERICAL ERROR: Clerical error on the part of the Participating Unit or AUL will not invalidate insurance otherwise in force or continue insurance otherwise terminated. Upon discovery of an error, an equitable adjustment will be made in the premiums and/or benefits, if appropriate.

MISSTATEMENT OF AGE: If the age of a Person or Dependent has been misstated, the benefits will be payable based on the true facts. Premium adjustment will be made so that AUL will receive the actual premium required based on the true facts. Any adjustment of benefits due to the correction of age will also be made.

VALUATION: The reserve held on the policy will be computed on the 1960 Commissioner's Standard Group Table of Mortality with interest at the rate of 2 1/2% per year.

SECTION 22 - PREMIUM PAYMENT

Each premium is remitted in United States dollars by the Participating Unit or Continuation Unit to AUL on or before its due date. Upon the request of the Participating Unit and the consent of AUL, the interval of payment may be changed. Payment of any premium does not maintain the insurance in force beyond the end of the period for which the premium has been paid except as provided under the Grace Period provision. Premium shall be paid by the Person or by the Continuation Unit. The Person's premiums may be paid by payroll deduction administered by the Participating Unit. Payment of premium for Dependent Insurance is required from the Person.

AUL reserves the right to change premium rates, once a year, on:

- 1) any date after the Participating Unit's coverage has been in effect for 30 months, or the number of years stated in the Subscription Agreement, by giving written notice to the Participating Unit at least 31 days before the date the change is to become effective;
- 2) any date the benefit or eligibility provisions of the Participating Unit are changed;
- 3) any date the number of Persons insured through the Participating Unit changes by 25% or more; or
- 4) any date an Insured Unit is added to the policy.

Increases in premium due to age bracket changes will be effective on the Participating Unit's Anniversary Date following the date of change.

SECTION 23 - INSURED UNITS

PROVISIONS APPLICABLE TO ELIGIBLE UNITS

The Participating Unit is liable for all premiums due for an Insured Unit during any period of time it is an Insured Unit under the policy.

EFFECTIVE DATE

Insurance for an Eligible Unit becomes effective on:

- 1) the effective date of the Participating Unit's coverage under the policy if the Eligible Unit is listed in the Subscription Agreement; or
- 2) the effective date of an amendment which adds the Eligible Unit to the Participating Unit's coverage under the policy.

TERMINATION

Insurance for an Insured Unit ceases on the earliest of the following dates:

- 1) the date the Insured Unit no longer meets the definition of an Eligible Unit;
- 2) the date the Insured Unit ceases active business operations or is placed in bankruptcy or receivership;
- 3) the date the Insured Unit loses its entity by means of dissolution, merger, or otherwise;
- 4) the date the Insured Unit is eliminated as an Insured Unit by an amendment to or change in the policy; or
- 5) the date ending the Coverage Month for which any required premium payment is made for the Insured Unit's insurance.

Any rights of a Person whose insurance is terminated due to the termination of an Insured Unit are determined the same as if the Participating Unit's coverage under the policy had terminated on that date.

Any references to Participating Unit or Employer used in the policy shall include Insured Units.

SECTION 24 - TERMINATION OF THE POLICY

AUL may terminate the policy at the end of any Policy Month by giving at least 31 days prior notice to the Participating Unit. Termination of the policy, or termination of coverage for a Participating Unit or Continuation Unit, under any conditions will be without prejudice to any claim incurred prior to termination. AUL will still be liable for payment of valid claims incurred before the termination date.

SECTION 25 - TERMINATION OF A PARTICIPATING UNIT

Insurance for a Participating Unit ceases on the earliest of:

- 1) the date the Participating Unit no longer meets the definition of the Participating Unit;
- 2) the date the Participating Unit ceases active business operations or is placed in bankruptcy or receivership;
- 3) the date the Participating Unit loses its entity by means of dissolution, merger, or otherwise;
- 4) the date the Participating Unit is eliminated as a Participating Unit by an amendment to or change in the policy;
- 5) the date ending the Coverage Month for which the last premium payment is made for the Participating Unit's insurance;
- 6) the last day of a Coverage Month, provided that AUL has given at least 31 days prior written notice to the Participating Unit;
- 7) the last day of a Coverage Month, if the Participating Unit has given AUL at least 31 days prior written notice;
- 8) the date, as determined by AUL, that the Participating Unit fails to promptly furnish any information which AUL may reasonably require; or
- 9) the date, as determined by AUL, that the Participating Unit, without good and sufficient cause, fails to perform in good faith its duties pertaining to the policy.

If a Person's insurance is terminated due to the termination of a Participating Unit, the Person's rights under the policy are determined as if the policy had terminated on the date that the Participating Unit's coverage terminated.

If coverage for a Participating Unit terminates, the Participating Unit will be liable to AUL for all unpaid premiums for the period during which the coverage was in force.

Coverage for a Participating Unit can only be reinstated upon approval by AUL.

SECTION 26 - TERMINATION OF A CONTINUATION UNIT

Insurance for a Continuation Unit terminates on the earliest of:

- 1) the last day of the Coverage Month for which the last premium has been paid;
- 2) the last day of the Coverage Month in which the Continuation Unit requests termination, but not prior to the request;
- 3) the last day of the Coverage Month during which the Continuation Unit attains age 70;
- 4) the date the Continuation Unit becomes insured for AUL Group Voluntary Term Life Insurance through an Employer; or
- 5) the last day of a Coverage Month, provided that AUL has given at least 31 days prior written notice to the Continuation Unit.

Coverage for a Continuation Unit can only be reinstated upon approval by AUL.

Upon termination of the Continuation Unit, the Person may elect coverage under a life insurance conversion policy.

**ILLINOIS
LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION LAW**

INTRODUCTION

Residents of Illinois who purchase health insurance, life insurance, and annuities should know that the insurance companies licensed in Illinois to write these types of insurance are members of the Illinois Life and Health Insurance Guaranty Association. The purpose of this Guaranty Association is to assure that policyholders will be protected, within limits, in the unlikely event that a member insurer becomes financially unable to meet its policy obligations. If this should happen, the Guaranty Association will assess its other member insurance companies for the money to pay the covered claims of policyholders that live in Illinois (and their payees, beneficiaries, and assignees) and, in some cases, to keep coverage in force. The valuable extra protection provided by these insurers through the Guaranty Association is not unlimited, however, as noted below.

ILLINOIS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION

DISCLAIMER

The Illinois Life and Health Insurance Guaranty Association provides coverage of claims under some types of policies if the insurer becomes impaired or insolvent. **COVERAGE MAY NOT BE AVAILABLE FOR YOUR POLICY.** Even if coverage is provided, there are substantial limitations and exclusions. Coverage is generally conditioned on continued residence in Illinois. Other conditions may also preclude coverage.

You should not rely on availability of coverage under the Life and Health Insurance Guaranty Association Law when selecting an insurer. Your insurer and agent are prohibited by law from using the existence of the Association or its coverage to sell you an insurance policy.

The Illinois Life and Health Insurance Guaranty Association or the Illinois Department of Insurance will respond to any questions you may have which are not answered by this document. Policyholders with additional questions may contact:

Illinois Life and Health Insurance Guaranty Association
8420 West Bryn Mawr Avenue
Chicago, Illinois 60631
(312) 714-8050

Illinois Department of Insurance
320 West Washington Street, 4th Floor
Springfield, Illinois 62767
(217) 782-4515

SUMMARY OF GENERAL PURPOSES AND CURRENT LIMITATIONS OF COVERAGE

The Illinois law that provides for this safety-net coverage is called the Illinois Life and Health Insurance Guaranty Association Law ("Law") (215 ILCS 5/531.01, et seq.). The following contains a brief summary of the Law's coverages, exclusions, and limits. This summary does not cover all provisions, nor does it in any way change anyone's rights or obligations under the Law or the rights or obligations of the Guaranty Association. If you have obtained this document from an agent in connection with the purchase of a policy, you should be aware that its delivery to you does not guarantee that your policy is covered by the Guaranty Association.

(continued)

Coverage:

The Illinois Life and Health Insurance Guaranty Association provides coverage to policyholders that reside in Illinois for insurance issued by members of the Guaranty Association, including:

- 1) life insurance, health insurance, and annuity contracts;
- 2) life, health or annuity certificates under direct group policies or contracts;
- 3) unallocated annuity contracts; and
- 4) contracts to furnish health care services and subscription certificates for medical or health care services issued by certain licensed entities. The beneficiaries, payees, or assignees of such persons are also protected, even if they live in another state.

Exclusions From Coverage:

The Guaranty Association does not provide coverage for:

- 1) any policy or portion of a policy for which the individual has assumed the risk;
- 2) any policy of reinsurance (unless an assumption certificate was issued);
- 3) interest rate guarantees which exceed certain statutory limitations;
- 4) certain unallocated annuity contracts issued to an employee benefit plan protected under the Pension Benefit Guaranty Corporation and any portion of a contract which is not issued to or in connection with a specific employee, union, or association of natural persons benefit plan or a government lottery;
- 5) any portion of a variable life insurance or variable annuity contract not guaranteed by an insurer; or
- 6) any stop loss insurance.

In addition, persons are not protected by the Guaranty Association if:

- 1) the Illinois Director of Insurance determines that, in the case of an insurer which is not domiciled in Illinois, the insurer's home state provides substantially similar protection to Illinois residents which will be provided in a timely manner; or
- 2) their policy was issued by an organization which is not a member insurer of the Association.

Limits on Amount of Coverage:

The Law also limits the amount the Illinois Life and Health Insurance Guaranty Association is obligated to pay. The Guaranty Association's liability is limited to the lesser of either:

- 1) The contractual obligations for which the insurer is liable or for which the insurer would have been liable if it were not an impaired or insolvent insurer, or
- 2) With respect to any one life, regardless of the number of policies, contracts or certificates:
 - a) in the case of life insurance, \$300,000 in death benefits but not more than \$100,000 in net cash surrender or withdrawal values;
 - b) in the case of health insurance, \$300,000 in health insurance benefits, including net cash surrender or withdrawal values; and
 - c) with respect to annuities, \$100,000 in the present value of annuity benefits, including net cash surrender or withdrawal values; and \$100,000 in the present value of annuity benefits for individuals participating in certain government retirement plans covered by an unallocated annuity contract. The limit for coverage of unallocated annuity contracts other than those issued to certain governmental retirement plans is \$5,000,000 in benefits per contract holder, regardless of the number of contracts.
- 3) However, in no event is the Guaranty Association liable for more than \$300,000 with respect to any one individual.

ILLINOIS COMPLAINT NOTICE

To: Illinois Policyholders and Certificateholders

If you should have questions or complaints concerning your insurance, please contact:

GROUP CLAIMS
AMERICAN UNITED LIFE INSURANCE COMPANY ®
P.O. Box 368
INDIANAPOLIS, INDIANA 46206-0368

You may also contact:

ILLINOIS STATE INSURANCE DEPARTMENT
CONSUMER SERVICES SECTION
320 W. Washington
SPRINGFIELD, ILLINOIS 62767

Policyholders: Please distribute this information to all existing and new certificateholders.