



American United Life Insurance Company[®]
Indianapolis, Indiana 46206-0368

Certifies that it has issued and delivered a group policy to:

Mississippi Valley Intergovernmental Cooperative
(Hereinafter called the Group Policyholder)

Group Policy Number: **00609076-0005-000**

Class: **003**

Change Effective Date: **Does Not Apply**

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

American United Life Insurance Company[®] (AUL) certifies that the Employee whose enrollment form is on file with the Group Policyholder as being eligible for insurance and for whom the required premium has been paid is insured under the above numbered Group Policy for group insurance benefits as designated in the Schedule of Benefits. Benefits are subject to change as described on the Schedule of Benefits page.

This certificate describes the coverage provided in the Group Policy. The Group 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 Group Policyholder without notice to You. The Group Policy may be examined at the main office of the Group Policyholder during the regular office hours.

Thomas M. Zurek
Secretary

Dayton H. Molendorp
President and Chief Executive Officer

**CERTIFICATE OF INSURANCE
GROUP TERM LIFE INSURANCE
WITH AN ACCELERATED LIFE BENEFIT**

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

TABLE OF CONTENTS

PROVISIONS	SECTION
Schedule of Benefits	1
Definitions	2
Eligibility	3
Individual Effective Date--Non-Contributory Insurance (Basic)	4
Continuity of Coverage	5
Changes in Insurance Coverage	6
Continuation of Insurance	7
Waiver of Premium for Total Disability	8
Individual Terminations	9
Conversion Privilege	10
Individual Reinstatements	11
Accidental Death and Dismemberment	12
Accelerated Life Benefit	13
Payment of Death Benefits	15
Naming of Beneficiary	16
The Death Claim	17
Determination of Beneficiary	18
Selection of Payment Method	19

TABLE OF CONTENTS

PROVISIONS	SECTION
Dependent Insurance	20
Definitions	
Eligibility	
Individual Effective Date--Contributory Insurance (Basic)	
Changes in Insurance Coverage	
Individual Terminations	
Conversion Privilege	
Accelerated Life Benefit for Dependent Spouse	
Payment of Death Benefits	
Termination of this Benefit	
General Policy Provisions	21

**SECTION 1-SCHEDULE OF BENEFITS
BASIC INSURANCE**

CLASS 003

CLASSIFICATION

All Eligible Full-Time Classified Employees of & Edwardsville Community Not Enrolled in Medical Coverage

LIFE AMOUNT

\$50,000

AD&D PRINCIPAL SUM

\$50,000

GUARANTEED ISSUE AMOUNT: \$50,000. All amounts of Insurance in excess of the amount shown above shall require satisfactory Evidence of Insurability. Amounts for which the Employee becomes eligible which are over the Guaranteed Issue Amount in the Schedule of Benefits will be issued only on approval by AUL. Approval will be based on Evidence of Insurability satisfactory to AUL. If coverage is approved, it will take effect on the date named by AUL. See Section 4, Individual Effective Date.

REDUCTIONS: Upon attainment of age 65, the Life Insurance and 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. See Section 9.

WAITING PERIOD for Employees hired before the policy effective date: First of the Month following 0 days.

WAITING PERIOD for Employees hired on or after the policy effective date: First of the Month following 0 days. Also, see Eligibility, Section 3.

SECTION 1-SCHEDULE OF BENEFITS
BASIC INSURANCE
Continued

Class 003 (Continued)

ACCELERATED LIFE BENEFIT: You may request payment of 25% or 50% of the Life Amount shown above. This benefit is available on a Life Amount of \$10,000 or more. The maximum payment is limited to 25% or 50% of the Life Amount shown above or \$25,000, whichever is less. See Section 13.

ADDITIONAL ACCIDENTAL DEATH BENEFITS: These Benefits are included in this certificate. See Section 12.

- Accidental Death Repatriation Benefit
- Accidental Death Child Higher Education Benefit
- Accidental Death Child Care Benefit

CONTRIBUTIONS: Employee premium contributions are not required. See Section 4.

ELIGIBILITY: First of the Month. See Section 3.

FULL-TIME EMPLOYEE REQUIREMENT: 37.50 hours or more per week. See Section 3.

INDIVIDUAL EFFECTIVE DATE: First of the Month. See Section 4.

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

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

**SECTION 1-SCHEDULE OF BENEFITS
DEPENDENT BASIC INSURANCE**

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

- 1) the benefit was agreed to on the application by the Policyholder 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 Policyholder and agreed to by AUL.

CLASS 003

	LIFE AMOUNT
Spouse	The Lesser Of \$5,000 Or 50% Of The Employee's Amount
Child:	
Live Birth to under 6 months	\$500
6 months to under 19 years or under age 23 if a full-time student	The Lesser Of \$2,000 Or 50% Of The Employee's Amount

CONTRIBUTIONS: Employee premium contributions are required. See Section 20.

DEPENDENT SPOUSE ACCELERATED LIFE BENEFIT: You may request payment of 50% of the Dependent Spouse Life Amount shown above. This benefit is available on a Dependent Spouse Life Amount of \$5,000 or more. The maximum payment is limited to 50% of the Dependent Spouse Life Amount shown above or \$50,000, whichever is less. See Section 20.

GUARANTEED ISSUE AMOUNT: \$5,000 Amounts for which the Dependent becomes eligible which are over the Guaranteed Issue Amount will be issued only on approval by AUL. Approval will be based on Evidence of Insurability satisfactory to AUL. If coverage is approved, it will take effect on the date named by AUL. See Section 20, Dependent Insurance, Individual Effective Date.

INDIVIDUAL EFFECTIVE DATE: First of the Month. See Section 20.

INDIVIDUAL TERMINATIONS: End of the Month. See Section 20.

REDUCTIONS: The Amount of Dependent Life Insurance will begin reducing to a percentage of the Amount shown above when You reach age 65 according to the Reductions schedule for You.

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

TERMINATIONS: Terminations are governed by the Dependent Insurance Individual Terminations Section. See Section 20

SECTION 2-DEFINITIONS

ACCIDENTAL BODILY INJURY means an injury occurring directly as a result of an accident, either directly or indirectly, along with all other related conditions, sustained by You while insured under the policy.

ACTIVE WORK and **ACTIVELY AT WORK** mean the use of time and energy in the services of the Group Policyholder at the regular place of business by You while You are physically and mentally capable of performing each of the material and substantial duties of Your regular job at least the minimum number of hours listed in the Eligibility Section. This includes time off for vacation, jury duty and funeral leave, where You 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.

CHILD means any child born of You; or any child You legally adopted, from the time of placement in Your home with the intent to adopt; or any stepchild who lives with You; or any child for whom You have legal guardianship; or any child for whom coverage must be provided in accordance with state law or court order.

CONTRIBUTORY INSURANCE means insurance for which You pay part or all of the premium.

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

DEPENDENT see Dependent Insurance, Section 20, if included. If Dependent Insurance is not included, then references to Dependents, Child and Dependent Insurance are null and void.

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

EMPLOYER see **GROUP POLICYHOLDER**. Any references to Employer shall include Insured Units.

EVIDENCE OF INSURABILITY means a statement of proof of an Employee's or Dependent's medical history upon which acceptance for insurance will be determined by AUL.

GRANDFATHERED RETIREE, see Eligibility, Section 3A, if included.

SECTION 2-DEFINITIONS

GROUP POLICYHOLDER means the sole proprietorship, partnership, corporation, firm, school, school district, or other instrumentality of a state or political subdivision thereof that employs You and that is covered under the policy. Any references to Group Policyholder shall include Insured Units.

NON-CONTRIBUTORY INSURANCE means insurance for which You pay none of the premium.

PERSONAL INSURANCE means the insurance provided under the policy for You.

POLICY MONTH means that period of time beginning on the first day that the Group Policyholder's coverage is in force and ending on the day before that date of the next month.

RETIREE means an individual who, on his last workday prior to retirement, was an Actively at Work Person and who is receiving a benefit under the terms of the Group Policyholder's pension plan. Retiree does not include a Person who is receiving pension plan benefits solely due to being Totally Disabled and who otherwise does not meet the Group Policyholder's criteria for receipt of pension plan benefits.

SICKNESS means illness, bodily disorder or disease, pregnancy, and any condition classified as a mental disorder in *International Classification of Diseases, Clinical Modification*, published by Med-Index.

TEMPORARY LAY-OFF means a period of time shown in Continuation of Insurance, Section 7, during which the Employee is not Actively at Work and is not terminated from employment with the Group Policyholder.

TOTAL DISABILITY and TOTALLY DISABLED see Waiver of Premium for Total Disability, Section 8, if included.

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 on the Schedule of Benefits.

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

YOU and YOUR means an Employee who meets the requirements of the Eligibility and Individual Effective Date Sections. PERSON, when used, has the same meaning as YOU and YOUR.

SECTION 3-ELIGIBILITY

DEFINITIONS

EMPLOYEE means an individual:

- 1) whose employment with the Group Policyholder constitutes his principal occupation; and
- 2) who regularly works at that occupation at the Group Policyholder's regular place of business a minimum number of hours specified in Section 1 - Schedule of Benefits; and
- 3) who is not temporarily or seasonally employed by the Group Policyholder.

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 on the Schedule of Benefits.

On the effective date of the policy, an Employee becomes eligible for Personal Insurance if:

- 1) the Employee has fulfilled the Waiting Period, if any, and is Actively at Work; or
- 2) the Employee has fulfilled the Waiting Period, if any, and is not Actively at Work due to being on an Employer-approved leave of absence other than for injury or sickness; or
- 3) the Employee has fulfilled the Waiting Period, if any, and is not Actively at Work due to being on Temporary Lay-off.

After the effective date of the policy and while the policy is in force, an Actively at Work Employee becomes eligible for Personal Insurance on:

- 1) the date the Employee fulfills the Waiting Period, if any, if that date is the first day of the Policy Month; or
- 2) the first day of the Policy Month next following the date the Employee fulfills the Waiting Period, if any, if that date is not the first day of the Policy Month.

TO REMAIN ELIGIBLE FOR PERSONAL INSURANCE AND DEPENDENT INSURANCE, IF ANY, PERSONS MUST CONTINUOUSLY MEET THE ABOVE REQUIREMENTS.

**SECTION 4-INDIVIDUAL EFFECTIVE DATE
NON-CONTRIBUTORY INSURANCE**

Refer to your Schedule of Benefits to determine to which coverage this page applies. When applicable, the Schedule of Benefits will indicate employee premium CONTRIBUTIONS are not required.

For amounts of coverage that do not exceed the Guaranteed Issue Amount shown on the Schedule of Benefits: The effective date for an eligible Employee is:

- 1) the first day of the Policy Month, if the date is the first day of the Policy Month; or
- 2) the first day of the next Policy Month following the date the Employee becomes eligible, if the date is after the first day of the Policy Month; subject to the further provisions of this Section.

For amounts of coverage that exceed the Guaranteed Issue Amount shown on the Schedule of Benefits, the eligible Employee must make written request to the Group Policyholder on a form approved by AUL. The effective date of insurance for an eligible Employee, subject to the further provisions of this Section, is the date named by AUL when Evidence of Insurability is required. Evidence of Insurability, satisfactory and without expense to AUL, is required if the amount requested exceeds the Guaranteed Issue Amount shown on the Schedule of Benefits.

Any eligible Employee who converted insurance under the policy to an individual policy which remains in force is required, as a condition of becoming insured again under the policy, to submit Evidence of Insurability satisfactory and without expense to AUL. The effective date of insurance shall be a date named by AUL.

If an Employee, except an Employee on an Employer-approved leave of absence other than for injury or sickness, is not Actively at Work on the date insurance would otherwise become effective, the effective date is:

- 1) the first day of the Policy Month, if the date is the first day of the Policy Month; or
- 2) the first day of the next Policy Month following the date the eligible Employee returns to Active Work, if the date is after the first day of the Policy Month.

When an Employee has met the requirements of the Eligibility Section and this Section, that Employee has Personal Insurance and is referred to as You.

Contributions for Basic insurance are not required from You for Personal Insurance.

Also see Continuity of Coverage, Section 5, if included.

SECTION 5-CONTINUITY OF COVERAGE

This Section applies where the policy is issued as a replacement of a prior plan of group term life insurance which terminated on the day before the effective date of the policy.

References to Dependent used in this Section apply only if the policy includes Dependent Insurance.

Coverage, as limited below, will be extended under this Section to an Employee or Employee's Dependent 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 policy because, in the case of an Employee, was not Actively at Work, or in the case of a Dependent, was confined in a hospital, convalescent care facility or nursing home.

Coverage is extended if such Employee or Dependent:

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

The amount of coverage extended will be the lesser of:

- 1) the benefit for which the Employee or Dependent would have been eligible under this policy {, if the Employee had been Actively at Work or the Dependent had not been confined in a hospital, convalescent care facility or nursing home; or
- 2) the benefit for which the Employee or Dependent was insured under the prior carrier's 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 or Dependent Insurance becomes effective under the policy;
- 3) the date the coverage would have terminated as outlined in the Individual or Dependent Termination Sections of the policy if the Personal Insurance or Dependent Insurance had become effective; or
- 4) the date the Employee or Dependent becomes eligible for coverage under the prior plan's Waiver of Premium provision.

THIS BENEFIT DOES NOT INCLUDE ANY RETIREMENT BENEFITS.

SECTION 6-CHANGES IN INSURANCE COVERAGE

The amount of insurance for which You are 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; or
- 2) the policy anniversary date following AUL's approval of a request for change, if the date is the policy anniversary date; or
- 3) the policy anniversary date next following AUL's approval of a request for change, if the date is after the policy anniversary date.

In order for a change in insurance that does result in an increase in benefits to become effective, You, except if on an Employer-approved leave of absence other than for injury or sickness, must be Actively at Work.

A change in insurance that results in an increase in benefits that does not exceed Your Guaranteed Issue Amount shown on the Schedule of Benefits takes effect on:

- 1) the policy anniversary date, if the date is the policy anniversary date; or
- 2) the policy anniversary date following the date You become eligible for the change in insurance, if the date is after the policy anniversary date; subject to the further provisions of this Section.

A change in insurance that results in an increase in benefits that does exceed Your Guaranteed Issue Amount shown on the Schedule of Benefits is subject to:

- 1) Evidence of Insurability, satisfactory and without expense to AUL; and
- 2) upon AUL's approval, takes effect on:
 - a) the policy anniversary date following AUL's approval of a request for change, if the date is the policy anniversary date; or
 - b) the policy anniversary date next following AUL's approval of a request for change, if the date is after the policy anniversary date; subject to the further provisions of this Section.

If You are not Actively at Work on the policy anniversary that is the approved change date, any increase in the amount of insurance takes effect on:

- 1) the date of Your return to Active Work, if the date is the first day of the Policy Month; or
- 2) the first day of the next Policy Month following Your return to Active Work, if the date is after the first day of the Policy Month.

SECTION 7-CONTINUATION OF INSURANCE

DEFINITIONS

ACTIVE WORK and **ACTIVELY AT WORK** mean the use of time and energy in the services of the Group Policyholder at the regular place of business by You while You are physically and mentally capable of performing each of the material and substantial duties of Your regular job at least the minimum number of hours listed in the Eligibility Section. This includes time off for vacation, jury duty and funeral leave, where You otherwise could have been Actively at Work. This does not include time off as a result of an injury or sickness, strike or lock-out.

TEMPORARY LAY-OFF means a period of time shown below in this Section during which the Employee is not Actively at Work and is not terminated from employment with the Group Policyholder.

CONTINUATION OF INSURANCE

While the policy is in force, if You have ceased Active Work due to:

- 1) sickness or injury, Personal Insurance may be continued until the earlier of the following:
 - a) the day following cessation of Active Work for 9 months, or
 - b) the date premium payments are discontinued by the Group Policyholder, or
 - c) the date You return to Active Work; or
- 2) Temporary Layoff, Personal Insurance may be continued until the earlier of the following:
 - a) the 90th following cessation of Active Work, or
 - b) the date premium payments are discontinued by the Group Policyholder, or
 - c) the date You return to Active Work; or
- 3) an Employer-approved leave of absence allowed under the Family and Medical Leave Act (FMLA) or state law, Personal Insurance may then be continued until the earlier of the following:
 - a) the end of the period allowed under FMLA or state law, whichever is longer; or
 - b) the date premium payments are discontinued by the Group Policyholder, or
 - c) the date You return to Active Work; or
- 4) an Employer-approved leave of absence and/or sabbatical, Personal Insurance may be continued until the earlier of the following:
 - a) one year following cessation of Active Work, or
 - b) the date premium payments are discontinued by the Group Policyholder, or
 - c) the date You return to Active Work; or
- 5) an Employer regularly scheduled non-working summer break/vacation, if the Person is under a teacher's contract with the Employer and if the Person was Actively at Work on the last scheduled day preceding such break/vacation, Personal Insurance may be continued until the earlier of the following:
 - a) the day following cessation of the Employer regularly scheduled non-working summer break/vacation; or
 - b) the date premium payments are discontinued by the Group Policyholder; or
 - c) the date You return to Active Work.

If the Group Policyholder has approved more than one type of leave of absence during any one period, AUL will consider such leaves to be concurrent for the purpose of determining how long the Employee's coverage may continue under this policy.

If You have not returned to Active Work, Personal Insurance terminates at the end of Continuation of Insurance. At the end of Continuation of Insurance, You may qualify, if eligible, for Waiver of Premium for Total Disability, see Section 8, if available; or may convert to an individual policy in accordance with Section 10.

SECTION 8-WAIVER OF PREMIUM

This Section applies to Basic Life Insurance.

WAIVER OF PREMIUM FOR TOTAL DISABILITY

DEFINITIONS

ACCIDENTAL BODILY INJURY means an injury occurring directly as a result of an accident, either directly or indirectly, along with all other related conditions, sustained by You while insured under the policy.

ACTIVE WORK and **ACTIVELY AT WORK** mean the use of time and energy in the services of the Group Policyholder at the regular place of business by You while You are physically and mentally capable of performing each of the material and substantial duties of Your regular job at least the minimum number of hours listed in the Eligibility Section. This includes time off for vacation, jury duty and funeral leave, where You 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.

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

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

SICKNESS means illness, bodily disorder or disease, pregnancy, and any condition classified as a mental disorder in *International Classification of Diseases, Clinical Modification*, published by Med-Index.

TOTAL DISABILITY AND TOTALLY DISABLED mean that because of Accidental Bodily Injury or Sickness You cannot engage in any occupation for which You are reasonably fitted by training, education, or experience. If You accept any type of gainful employment, other than in a state-approved rehabilitation program or sheltered workshop, You will be considered fitted to that occupation.

SECTION 8-WAIVER OF PREMIUM

WAIVER OF PREMIUM FOR TOTAL DISABILITY BENEFIT

AUL will waive further premium payments for Your Life Insurance if You:

- 1) become Totally Disabled before age 60 and while insured under the policy; and
- 2) remain continuously Totally Disabled during the 9 month Elimination Period; and
- 3) submit proof of Total Disability between the sixth and ninth month following the Date of Disability; and
- 4) submit 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 You or a member of Your family.

AUL also may require that You be examined:

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

Premium payment is due until AUL approves the benefit request and the Elimination Period has been fulfilled.

As long as You meet the conditions set forth above, You will retain a Life Insurance benefit without further premium payment until the first of the following occurs:

- 1) unsatisfactory proof of Total Disability is submitted;
- 2) You accept employment, or is found able to accept employment for which he is reasonably fitted by training, education or experience;
- 3) You refuse 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; or
- 5) You attain age 65; or
- 6) You become a Retiree.

Any Accidental Death and Dismemberment Insurance will remain in force until the earliest of the following dates:

- 1) the date final action is taken on the benefit request;
- 2) 9 months after the Date of Disability; or
- 3) the date premium payments are discontinued.

When You are approved for coverage under this Waiver of Premium for Total Disability Benefit, the benefits in force under the policy:

- 1) do not include any Accidental Death and Dismemberment benefits You may have had; and
- 2) will reduce if:
 - a) the benefits for Your class are reduced; or
 - b) the Schedule of Benefits includes an automatic reduction for all Persons in Your class at a certain age.

SECTION 8-WAIVER OF PREMIUM

WAIVER OF PREMIUM FOR TOTAL DISABILITY BENEFIT (Continued)

Life and Accidental Death and Dismemberment Insurance premiums must be paid during the Waiver of Premium for Total Disability Elimination Period. If the benefit request is approved, any premium paid beyond the Elimination Period will be refunded.

If the benefit request is not approved, You may elect to convert Your coverage to an individual policy within 31 days from notice of the non-approval, as described in Section 10. If You do not pay premiums during the Elimination Period or do not convert Your coverage to an individual policy, You cannot convert Your coverage to an individual policy upon notice of non-approval.

If You die during the Elimination Period and premiums have not been paid, no death benefit will be paid.

If coverage under the Waiver of Premium for Total Disability Benefit ceases, You are entitled to convert Your insurance to an individual policy within 31 days of such cessation of coverage as set forth in Section 10.

If coverage under the Waiver of Premium for Total Disability Benefit ceases because You return to Active Work with the Group Policyholder, and the policy is still in force, You are immediately eligible for all coverage available to Your class.

If You are approved for Waiver of Premium for Total Disability and the death claim is payable under the Waiver of Premium for Total Disability Section, any conversion policy issued to You 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, NOR WILL ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS, IF ANY, BE PAYABLE BEYOND THE WAIVER OF PREMIUM FOR TOTAL DISABILITY BENEFIT ELIMINATION PERIOD.**

SECTION 9-INDIVIDUAL TERMINATIONS

Personal Insurance terminates on the earliest of the following dates:

- 1) the date the policy is terminated;
- 2) the last day of the Policy Month in which You request termination but not prior to the date of the request;
- 3) the last day of the Policy Month for which any required contribution was not made;
- 4) the last day of the Policy Month during which You cease to be eligible, see Eligibility, Section 3 and Section 3A, if any;
- 5) the last day of the Policy Month during which You become a Retiree, unless the Schedule of Benefits includes a specific classification for Retirees;
- 6) the last day of the Policy Month during which You enter active military service for any country except for temporary duty of 30 days or less; or
- 7) the last day of the Policy Month during which You cease Active Work, except for an event listed in Continuation of Insurance, Section 7.

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

Accidental Death and Dismemberment Personal Insurance also terminates on the earliest of the following dates:

- 1) the date final action is taken on the Waiver of Premium for Total Disability Benefit request; or
- 2) the last day of the Policy Month during which You become a Retiree, unless the Schedule of Benefits includes a specific classification for Retirees that includes AD&D Principal Sum Amounts; or
- 3) the date Your Life Insurance amounts reduce to zero.

SECTION 10-CONVERSION PRIVILEGE

If Your Life Insurance or a portion of it ceases due to:

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

You are entitled to a conversion policy without submission of Evidence of Insurability. The amount of such conversion policy shall be equal to or less than the amount of Personal Life Insurance which has ceased.

If Your Life Insurance or a portion of it ceases due to:

- 1) termination of the policy; or
- 2) termination of the class of insurance under which You are covered,

You are entitled to a conversion policy without submission of Evidence of Insurability if Your Personal Insurance has been in force with AUL for five (5) continuous years. The amount of the conversion policy shall not exceed the smaller of:

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

In the event that Your employment and the policy terminate at the same time, You will be entitled to convert Your coverage no matter how long Your coverage has been in force.

The 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; or
 - b) conversion notification by the Group Policyholder. If You are not notified by the Group Policyholder of Your conversion rights within 15 days after the date of termination of insurance, an additional conversion 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.
- 2) Any plan of insurance other than term insurance currently offered by AUL may be selected. Your Basic Life and Supplemental Life Insurance, if any, are available for conversion. Your Accidental Death and Dismemberment Insurance and Waiver of Premium for Total Disability Benefit, if any, are not available for conversion.
- 3) The premium will be based on Your age on the effective date of the conversion policy, the class of risk to which You belong and the premium rate in effect on the date of conversion.
- 4) The conversion policy takes effect at the end of the application period and is in lieu of all benefits under the group policy, unless You remain insured under the group policy as a member of a different class.

SECTION 10-CONVERSION PRIVILEGE

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 You prove that it was not possible for You 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, IF ANY, OF THE POLICY. ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS, IF ANY, 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) Where return to employment occurs within 30 days of the termination date, insurance becomes effective upon the first day of the next Policy Month following the date of return to Active Work. Evidence of Insurability is not required.
- 2) Where return to employment occurs after the period specified in 1 above, You will be considered a new employee and the Eligibility and Individual Effective Date Sections will apply.
- 3) Where insurance has been changed to a conversion policy, according to the terms of the Conversion Privilege Section, the conversion policy must be terminated or Evidence of Insurability, satisfactory and without expense to AUL, will be required prior to reinstatement. The effective date of reinstatement will be as specified by AUL.
- 4) Reinstatement is subject to the payment of any required premium.
- 5) The maximum benefits reinstated will not exceed the maximum benefits which would have been available had You been continuously insured.

If reinstatement is requested for any reason other than a return to employment as an Actively at Work Employee, Evidence of Insurability, satisfactory and without expense to AUL, will be required. The terms and effective date of any reinstatement will be as specified by AUL. Dependent Insurance cannot be reinstated without reinstatement of Personal Insurance.

SECTION 12-ACCIDENTAL DEATH AND DISMEMBERMENT

This Section applies to Basic Accidental Death and Dismemberment Insurance.

DEFINITIONS

ACCIDENTAL DEATH means death directly due to an accident.

ADDITIONAL ACCIDENTAL DEATH BENEFITS mean the Repatriation Benefit, the Child Higher Education Benefit and the Child Care Benefit. The total of the Additional Accidental Death Benefits payable will not exceed 100% of Your Principal Sum of Accidental Death and Dismemberment Insurance shown on the Schedule of Benefits.

ACCIDENTAL DISMEMBERMENT means loss of sight, speech or hearing, severance of a body member or Loss of Use of a limb of the body due to an accident, directly and independently 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 metacarpophalangeal joints on the same hand.

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

LOSS OF USE OF UPPER AND LOWER LIMBS OF THE BODY means a total, permanent and irrecoverable loss of voluntary movement of the upper and lower limbs of the body which has continued for 12 continuous months.

LOSS OF USE OF BOTH LOWER LIMBS OF THE BODY means a total, permanent and irrecoverable loss of voluntary movement of both lower limbs of the body which has continued for 12 continuous months.

LOSS OF USE OF UPPER AND LOWER LIMBS ON ONE SIDE OF THE BODY means a total, permanent and irrecoverable loss of voluntary movement of the upper and lower limbs on one side of the body which has continued for 12 continuous months.

LOSS OF USE OF ONE LIMB OF THE BODY means a total, permanent and irrecoverable loss of voluntary movement of one limb of the body which has continued for 12 continuous months.

HEMIPLEGIA means the total, permanent and irrecoverable paralysis of the upper and lower limbs on the same side of the body.

PARAPLEGIA means the total, permanent and irrecoverable paralysis of both lower limbs of the body.

QUADRIPLEGIA means the total, permanent and irrecoverable paralysis of both upper and lower limbs of the body.

UNIPLEGIA means the total, permanent and irrecoverable paralysis of one limb of the body.

SECTION 12-ACCIDENTAL DEATH AND DISMEMBERMENT

ACCIDENTAL DEATH AND DISMEMBERMENT BENEFIT

If You have 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 365 days of 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
FOR CONDITIONS OF	
Quadriplegia or Loss of Use of Upper and Lower Limbs of the Body	Principal Sum
Paraplegia or Loss of Use of Both Lower Limbs of the Body	One-half of the Principal Sum
Hemiplegia or Loss of Use of Upper and Lower Limbs on the Same Side of the Body	One-half of the Principal Sum
Uniplegia or Loss of Use of One Limb of the Body.	One-quarter of the Principal Sum

The Principal Sum is shown in the Schedule of Benefits.

AUL will only pay a benefit amount for either paralysis or loss of a limb, but not a benefit amount for both.

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

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) caused or contributed to by Your commission of or attempt to commit a criminal act under relevant state law;
- 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-regulated 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;
- 8) voluntary use of alcohol resulting in intoxication above the legal limit;
- 9) voluntary use of a hallucinogen or substance causing intoxication;
- 10) violation of traffic laws, racing, stunt-driving, or engaging in other similar activity during the accident; or
- 11) participation in hang-gliding, bungee jumping, skydiving, rock climbing or mountain climbing.

Notice and Proof of Injury/Accidental Death: AUL's Home Office must receive written notice of the injury/Accidental Death on which the 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. Acceptable proof of loss must be furnished as follows:

- 1) A certified death certificate;
- 2) A complete and accurate AUL death claim form and if available, a copy of the police, autopsy, and medical reports related to the death;
- 3) A statement by the Group Policyholder certifying the amount of coverage existing on the date of loss; and
- 4) At AUL's option, other documents or information as needed to investigate the loss and determine whether or not benefits are payable under the policy.

AUL has the right to examine You:

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

SECTION 12-ACCIDENTAL DEATH AND DISMEMBERMENT

TERMINATION OF ACCIDENTAL DEATH & DISMEMBERMENT BENEFIT

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

The Group Policyholder may terminate the insurance under this Section at the end of any Policy Month by giving AUL 31 days prior written notice.

AUL may terminate the insurance under this Section at the end of any Policy Month by giving at least 31 days prior notice to the Group Policyholder.

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

THIS COVERAGE AND ANY BENEFITS UNDER THIS SECTION ARE NOT AVAILABLE DURING CONVERSION OR WHILE ELIGIBLE FOR ANY WAIVER OF PREMIUM BENEFIT.

SECTION 12-ACCIDENTAL DEATH AND DISMEMBERMENT

This Section applies to Basic Accidental Death Insurance.

DEFINITIONS

REASONABLE EXPENSES means usual and customary fees or charges assessed in the marketplace for the services performed.

REPATRIATION BENEFIT

AUL will pay an Additional Accidental Death Benefit if You die either 200 miles away from Your principal place of residence or are outside of the country at the time of Accidental Death. The following rules apply:

- 1) The Repatriation Benefit equals the lesser of:
 - a) Reasonable Expenses for transportation of Your body to a funeral home or mortuary near Your principal place of residence;
 - b) \$5,000; or
 - c) 10% of Your Principal Sum of Accidental Death and Dismemberment Insurance shown on the Schedule of Benefits.
- 2) AUL must receive satisfactory written proof documenting the location of Your Accidental Death. Any Repatriation Benefit will be paid following receipt that reasonable transportation expenses were incurred.
- 3) Only one Repatriation Benefit will be paid to the beneficiary who has incurred the cost for any covered expenses, regardless of any additional coverages for which You may be insured with AUL.
- 4) Acceptable written proof and documentation of the reasonable transportation expenses incurred must be received by AUL within 12 months of Accidental Death.

In no event will the total of the Additional Accidental Death Benefits payable exceed 100% of Your Principal Sum of Accidental Death and Dismemberment Insurance shown on the Schedule of Benefits.

In addition to the above limitations, this benefit is subject to the further limitations and provisions of this Section 12.

SECTION 12-ACCIDENTAL DEATH AND DISMEMBERMENT

This Section applies to Basic Accidental Death Insurance.

DEFINITIONS

ACADEMIC YEAR means the annual period of educational sessions of an accredited post-secondary educational institution.

CHILD means any minor related by blood, marriage or court order that can be claimed as a dependent for federal income tax purposes, and may include:

- 1) Your natural born child(ren);
- 2) Your legally adopted child(ren);
- 3) stepchild(ren) who live with You; and
- 4) child(ren) for whom You have legal guardianship.

ELIGIBLE CHILD means Your unmarried Child under age 25, who on the date of Your Accidental Death:

- 1) is enrolled in and is attending an accredited post-secondary educational institution on a full-time basis; or
- 2) is at the 12th grade level and enrolls and attends an accredited post-secondary educational institution within 16 months from the date of Your death; and
- 3) is dependent upon You for principal support and is claimed as a dependent on Your federal income tax return.

EDUCATION EXPENSES means tuition that is assessed by the accredited post secondary educational institution and is required to be paid in order for the Child to be classified as a full time student.

CHILD HIGHER EDUCATION BENEFIT

AUL will pay an Additional Accidental Death Benefit subject to the following rules:

- 1) The Child Higher Education Benefit payment will be no more than \$4,000 for each Eligible Child per Academic Year for Education Expenses. The cumulative benefit payments for all eligible children will not exceed the lesser of:
 - a) \$20,000; or
 - b) 10% of Your Principal Sum of Accidental Death and Dismemberment Insurance shown on the Schedule of Benefits.
- 2) The Child Higher Education Benefit will be paid:
 - a) once per year at the conclusion of the Academic Year;
 - b) not more than 5 consecutive years after the date of Your death; and
 - c) until such date that the Child no longer satisfies eligibility requirements under the policy or the accredited post-secondary educational institution.
- 3) If there is no Eligible Child, no Child Higher Education Benefit will be paid.
- 4) Child Higher Education Benefits will only be paid based on enrollment in one accredited post-secondary educational institution.
- 5) No annual Child Higher Education Benefits will be paid beyond the date the policy terminates. If the policy terminates within 60 days of the end of the current Academic Year, a final Child Education Benefit will be paid when eligible.

In no event will the total of the Additional Accidental Death Benefits payable exceed 100% of Your Principal Sum of Accidental Death and Dismemberment Insurance shown on the Schedule of Benefits.

In addition to the above limitations, this benefit is subject to the further limitations and provisions of this Section.

SECTION 12-ACCIDENTAL DEATH AND DISMEMBERMENT

This Section applies to Basic Accidental Death Insurance.

DEFINITIONS

CHILD means any minor related by blood, marriage or court order that can be claimed as a dependent for federal income tax purposes, and may include:

- 1) Your natural born child(ren);
- 2) Your legally adopted child(ren);
- 3) stepchild(ren) who live with You; and
- 4) child(ren) for whom You have legal guardianship.

ELIGIBLE CHILD means Your Child under the age of 13.

CHILD CARE EXPENSES mean any reasonable and customary weekly or monthly child-care fees assessed by a Child Care Facility.

CHILD CARE FACILITY means a properly state-licensed child-care center not owned or operated by a member of the Child's Family.

FAMILY means any parent, step-parent, grandparent, brother, sister, uncle or aunt.

CHILD CARE BENEFIT

AUL will pay an Additional Accidental Death Benefit subject to the following rules:

- 1) The Child Care Benefit applies to each Eligible Child enrolled in a Child Care Facility on the date of Your Accidental Death or subsequently enrolls in a Child Care Facility within 12 months of Your Accidental Death.
- 2) No more than \$4,000 will be paid for each Eligible Child per calendar year for Child Care expenses. The cumulative benefit payments for all eligible children will not exceed the lesser of:
 - a) \$20,000, or
 - b) 10% of Your Principal Sum of Accidental Death and Dismemberment Insurance shown on the Schedule of Benefits.
- 3) The Child Care Benefit will be paid once per year at the completion of the calendar year to the earlier of:
 - a) the date the Child no longer satisfies eligibility requirements;
 - b) the date the Child attains age 13; or
 - c) 5 consecutive years after the date of Your Accidental Death.
- 4) If there is no Eligible Child, no Child Care Benefit will be paid.
- 5) No Child Care Benefit will be paid beyond the date the policy terminates. If the policy terminates within 60 days of the end of the calendar year, a final Child Care Benefit will be paid when eligible.

In no event will the total of all Additional Accidental Death Benefits payable exceed 100% of Your Principal Sum of Accidental Death and Dismemberment Insurance shown on the Schedule of Benefits.

In addition to the above limitations, this benefit is subject to the further limitations and provisions of this Section 12.

SECTION 13-ACCELERATED LIFE BENEFIT

This Section applies to Basic Life Insurance.

DEFINITION

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

BENEFIT

If You are Totally Disabled as defined in the Waiver of Premium for Total Disability provision and are diagnosed with a Terminal Condition while covered under this provision, You may request payment of the Accelerated Life Benefit. The available amount of Accelerated Life Benefit is shown in the Schedule of Benefits. Benefits will be paid in one lump sum to You.

CONDITIONS

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

- 1) You must have Personal Insurance;
- 2) You must be determined by AUL to be Totally Disabled under the Waiver of Premium for Total Disability provision;
- 3) You must be diagnosed with a Terminal Condition while covered under this provision;
- 4) AUL will require, in a community property state, Your spouse's written consent before the Accelerated Life Benefit is paid; and
- 5) You can receive an Accelerated Life Benefit only once.

PROOF REQUIRED FOR THE ACCELERATED BENEFIT

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

SECTION 13-ACCELERATED LIFE BENEFIT

EFFECT OF PAYMENT OF ACCELERATED LIFE BENEFIT

After payment of an Accelerated Life Benefit, Your Life Insurance payable at death to Your Beneficiary equals:

- 1) the amount of Your 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 Your 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.

NOTE: Your Accidental Death and Dismemberment Insurance, if any, terminated upon approval of the Waiver of Premium for Total Disability Benefit according to Section 8.

The following information is used for illustrative purposes only:

Example: Life insurance in force = \$100,000*
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 = $.50 \times \$100,000 = \$50,000$
2. Interest Charge = $\$50,000 \times (106 \text{ days} / 365 \text{ days}) \times .035 = \508.22
3. Death Benefit Payable = $\$100,000 - \$50,000 - \$508.22 = \$49,491.78$

*Your Life Insurance amount is shown on the Schedule of Benefits in Your 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) You have named an irrevocable Beneficiary or made an assignment of Your Life Insurance benefits;
- 2) all or a portion of Your 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) Your Life Insurance terminates; or
- 4) the policy terminates.

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

SECTION 15-PAYMENT OF DEATH BENEFITS

If You die 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 Your instructions.

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

SECTION 16-NAMING OF BENEFICIARY

BENEFICIARY means the individual, individuals or entity named by You to receive Your death benefit.

AUL will pay the death benefit according to Your designation of Beneficiary.

When You apply for coverage You may designate on an AUL-approved form:

- 1) one or more Beneficiaries;
- 2) indicate the order of payment to the Beneficiaries; and
- 3) indicate distribution of the proceeds among Beneficiaries.

If more than one Beneficiary is listed and no order of payment is given, then all Beneficiaries will share equally. If more than one Beneficiary is listed within the same order of payment and no distribution share is indicated, then all Beneficiaries will share equally.

If the policy replaces insurance coverage of another carrier, AUL may, upon request of the Group Policyholder, recognize Beneficiary designations in effect under the prior coverage as effective until a new designation is made with AUL.

CHANGING A BENEFICIARY

You may change a Beneficiary at any time by written request. The request must be signed, dated and filed through the Group Policyholder.

AUL will make the change effective as of the date the form was signed even if You are 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 You apply for an individual policy under the Conversion Section and name 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 You die 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 the Waiver of Premium Section, 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 Your insurance certificate; or
- 2) submission of pertinent medical records, including an autopsy report; or
- 3) police reports.

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

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

If 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 BENEFICIARY

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

- 1) Beneficiaries who outlive You. If more than one Beneficiary is designated and no order of preference is given, then all Beneficiaries will share equally. If more than one Beneficiary is listed within the same order of payment and no distributive share is indicated, then all Beneficiaries will share equally;
- 2) If no named Beneficiaries outlive You or none were named, then, at AUL's option, a surviving relative if Your 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
- 3) Your estate.

AUL may, at its option, pay the proceeds in an amount up to Two Thousand Dollars (\$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 Your last illness or death.

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

If any Beneficiary dies within fifteen (15) days after Your date of death, the amount that would have been paid to the Beneficiary will be treated as though that Beneficiary had died before You. This does not apply to any payment that is made to such Beneficiary during the fifteen (15) days following Your 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 Your death. If no payment method is in effect at death, the payee may select a payment method. For information concerning payment method options, You or the 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 20-DEPENDENT INSURANCE

DEFINITIONS

CHILD means:

- 1) any child born of You; or
- 2) any child You legally adopted, from the time of placement in Your home with the intent to adopt; or
- 3) any stepchild who lives with You; or
- 4) any child for whom You have legal guardianship; or
- 5) any child for whom coverage must be provided in accordance with state law or court order.

DEPENDENT means:

- 1) Your legal spouse;
- 2) Your unmarried Child from live birth and under the age of 19 years, if the Child:
 - a) is not eligible under the policy for Personal Insurance,
 - b) is not in the armed forces of any country, and
 - c) is dependent upon You for principal support or is claimed as a dependent on Your federal income tax return;
- 3) Your unmarried Child under the age of 23, if the Child:
 - a) is registered in and attending an accredited educational institution on a full-time basis as defined in the regulations of the institution, and
 - b) is dependent upon You for principal support or is claimed as a dependent on Your federal income tax return. School vacation periods are considered a part of school attendance on a full-time basis;
- 4) Your unmarried Child who is incapable of self-sustaining employment as a result of mental retardation or physical handicap. The Child must have been incapacitated prior to age 19. If the Child is at least 19 on Your effective date, coverage is subject to AUL's receiving written proof of the incapacity on that date. If the Child is not at least age 19, extension of coverage is subject to AUL's receiving written proof of the incapacity not later than 120 days after the Child attains age 19. Proof of continued incapacity shall be required not more than once each year thereafter.

DEPENDENT INSURANCE means the insurance provided under the policy covering Your Dependents.

SECTION 20-DEPENDENT INSURANCE

ELIGIBILITY

An individual who is Your Dependent on the effective date of the policy becomes eligible for Dependent Insurance on the later of the following dates:

- 1) the effective date of the policy;
- 2) the date You become eligible for Personal Insurance; or
- 3) the effective date of this Section.

An individual who becomes Your Dependent after the effective date of this Section becomes eligible for Dependent Insurance on the later of the following dates:

- 1) the date You become eligible for Personal Insurance; or
- 2) the date the individual becomes Your Dependent.

SECTION 20-DEPENDENT INSURANCE

Refer to your Dependent Schedule of Benefits to determine to which coverage this page applies. When applicable, the Dependent Schedule of Benefits will indicate employee premium CONTRIBUTIONS are required.

INDIVIDUAL EFFECTIVE DATE--CONTRIBUTORY INSURANCE

You, as a condition of insuring Your Dependents must make written request to the Group Policyholder on a form approved by AUL and must agree to contribute the required amount. The effective date of Dependent Insurance for each Dependent, subject to the further provisions of this Section, is the first day of the Policy Month following:

- 1) the date Your Dependent becomes eligible, if the request for Dependent Insurance is made on or before that date and the amount requested does not exceed the Guaranteed Issue Amount shown on the Dependent Insurance Schedule of Benefits;
- 2) the date of the request, if request is made within 31 days after the date Your Dependent becomes eligible and the amount requested does not exceed the Guaranteed Issue Amount shown on the Dependent Insurance Schedule of Benefits; or
- 3) the date named by AUL when Evidence of Insurability is required. Evidence of Insurability, satisfactory and without expense to AUL, is required if:
 - a) request is made more than 31 days after the date Your Dependent becomes eligible; or
 - b) the amount requested exceeds the Guaranteed Issue Amount shown on the Dependent Insurance Schedule of Benefits; or
 - c) request is made after a termination of insurance due to failure to make contributions.

If You have at least one Dependent insured under the policy, insurance amounts for any newly acquired Dependent that do not exceed the Guaranteed Issue Amount shown on the Dependent Insurance Schedule of Benefits become effective on the date that Dependent is acquired.

Contributions for Dependent Insurance are required from You.

Any Dependent who converted insurance under the policy to an individual policy which remains in force, as a condition of becoming insured again under the policy, is required to submit Evidence of Insurability, satisfactory and without expense to AUL. The effective date of insurance will be a date named by AUL.

If Your Dependent is confined in a hospital, convalescent care facility or nursing home on the date Dependent Insurance would otherwise become effective for that Dependent, the effective date for that Dependent is the date following Your Dependent's final discharge from the hospital, convalescent care facility or nursing home and the resumption of the usual and customary duties or activities of an individual in good health and of the same age and sex. For the purposes of the policy, a Dependent will not cease to be confined if one confinement is followed by another confinement, within 72 hours, for the same or a related injury or sickness.

Also see Continuity of Coverage, Section 5, if included.

Dependent Insurance will not become effective for Your Dependent unless You are insured for Personal Insurance.

SECTION 20-DEPENDENT INSURANCE

CHANGES IN INSURANCE COVERAGE

The amount of insurance for which Your Dependent 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; or
- 2) the policy anniversary date following AUL's approval of a request for change, if the date is the policy anniversary date; or
- 3) the policy anniversary date next following AUL's approval of a request for change, if the date is after the policy anniversary date.

In order for a change in insurance that does result in an increase in benefits to become effective, Your Dependent must not be confined in a hospital, convalescent care facility or nursing home and You, except if on an Employer-approved leave of absence other than for injury or sickness, must be Actively at Work.

A change in insurance that results in an increase in benefits that does not exceed Your Dependent's Guaranteed Issue Amount shown on the Schedule of Benefits takes effect on:

- 1) the policy anniversary date, if the date is the policy anniversary date; or
- 2) the policy anniversary date next following the date Your Dependent becomes eligible for the change in insurance, if the date is after the policy anniversary date; subject to the further provisions of this Section.

A change in insurance that results in an increase in benefits that does exceed Your Dependent's Guaranteed Issue Amount shown on the Schedule of Benefits is subject to:

- 1) Evidence of Insurability, satisfactory and without expense to AUL; and
- 2) upon AUL's approval, takes effect on:
 - a) the policy anniversary date following AUL's approval of the request for change, if the date is the policy anniversary date; or
 - b) the policy anniversary date next following AUL's approval of a request for change, if the date is after the policy anniversary date; subject to the further provisions of this Section.

If Your Dependent is confined in a hospital, convalescent care facility or nursing home on the policy anniversary that is the approved change date, any increase in the amount of insurance for that Dependent takes effect on:

- 1) the date of Your Dependent's final discharge from the hospital, convalescent care facility or nursing home and the resumption of the usual and customary duties or activities of an individual in good health and of the same age and sex, if the date is the first day of the Policy Month; or
- 2) the first day of the next Policy Month following Your Dependent's final discharge from the hospital, convalescent care facility or nursing home and the resumption of the usual and customary duties or activities of an individual in good health and of the same age and sex, if the date is after the first day of the Policy Month.

For the purposes of the policy, a Dependent will not cease to be confined if one confinement is followed by another confinement, within 72 hours, for the same or a related injury or sickness.

SECTION 20-DEPENDENT INSURANCE

INDIVIDUAL TERMINATIONS

Your Dependent's insurance terminates on the earliest of the following dates:

- 1) the date the policy or this Section is terminated;
- 2) the last day of the Policy Month in which You request termination, but not prior to the date of the request;
- 3) the last day of the Policy Month for which any required contribution was not made;
- 4) the last day of the Policy Month during which Your Dependent ceases to be eligible;
- 5) the date Personal Insurance terminates;
- 6) the last day of the Policy Month after You have not been Actively at Work for 9 months due to sickness or injury;
or
- 7) the last day of the Policy Month during which You become a Retiree; or
- 8) the date final action is taken on the Waiver of Premium for Total Disability request for You.

SECTION 20-DEPENDENT INSURANCE

CONVERSION PRIVILEGE

If Your Dependent's Life Insurance terminates due to:

- 1) termination of Your employment;
- 2) termination of membership in a class eligible for insurance;
- 3) Your death or disability;
- 4) Your Dependent Child attaining the limiting age;
- 5) divorce; or
- 6) Your coverage and Your Dependent's coverage under the Waiver of Premium for Total Disability ceasing,

Your Dependent is entitled to a conversion policy without submission of Evidence of Insurability. The amount of such conversion policy shall be equal to or less than the amount of Dependent Life Insurance which has ceased.

If Your Dependent's Life Insurance ceases due to:

- 1) termination of the policy; or
- 2) termination of the class of insurance under which You or Your Dependent is covered,

Your Dependent is entitled to a conversion policy without submission of Evidence of Insurability if Your Dependent's Insurance has been in force with AUL for five (5) continuous years. The amount of the conversion policy shall not exceed the smaller of:

- 1) the amount in force minus any new group coverage for which Your Dependent is or becomes eligible within 31 days, or
- 2) \$10,000.

The 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; or
 - b) conversion notification by the Group Policyholder. If You or Your Dependent is not notified by the Group Policyholder of Your conversion rights within 15 days after the date of termination of insurance, an additional conversion 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.
- 2) Any plan of insurance other than term insurance currently offered by AUL may be selected. Your Dependent's Basic Life and Supplemental Life Insurance, if any, are available for conversion. Your Dependent's Accidental Death and Dismemberment Insurance and Waiver of Premium benefit, if any, are not available for conversion.
- 3) The premium will be based on Your Dependent'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 conversion policy takes effect at the end of the application period and is in lieu of all benefits under the group policy, unless Your Dependent remains insured under the group policy as a member of a different class.

SECTION 20-DEPENDENT INSURANCE

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 You or Your Dependent proves that it was not possible 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 SECTION, IF ANY, OF THE POLICY. DEPENDENT ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS, IF ANY, ARE NOT PAYABLE BEYOND THE DATE SET FORTH IN THE INDIVIDUAL TERMINATIONS PROVISION OF THIS SECTION.

See INDIVIDUAL REINSTATEMENTS, Section 11, if included.

SECTION 20-DEPENDENT INSURANCE

This section applies to Basic Dependent Life Insurance.

ACCELERATED LIFE BENEFIT FOR DEPENDENT SPOUSE

DEFINITION

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

BENEFIT

If Your Dependent spouse, under age 60, is diagnosed with a Terminal Condition while covered under this provision, You may request payment of the Accelerated Life Benefit. The available amount of Accelerated Life Benefit is shown in the Schedule of Benefits. Benefits will be paid in one lump sum to You.

CONDITIONS

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

- 1) You must have Dependent Insurance that includes this Accelerated Life Benefit provision;
- 2) Your Dependent spouse must be diagnosed with a Terminal Condition while covered under this provision and must be less than age 60;
- 3) AUL will require, in a community property state, Your Dependent spouse's written consent before the Accelerated Life Benefit is paid; and
- 4) You can receive an Accelerated Life Benefit for Dependent Spouse only once.

PROOF REQUIRED FOR THE ACCELERATED BENEFIT

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

SECTION 20-DEPENDENT INSURANCE

ACCELERATED LIFE BENEFIT FOR DEPENDENT SPOUSE (continued)

EFFECT OF PAYMENT OF ACCELERATED LIFE BENEFIT

After payment of an Accelerated Life Benefit for Dependent Spouse, Your Dependent spouse's Life Insurance payable at death to You equals:

- 1) the amount of Your Dependent spouse'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 Your Dependent spouse'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.

Dependent Insurance premiums continue to be due and payable on the original Dependent Insurance amount, unless premiums have ceased due to Your Dependent spouse's coverage under the Dependent Life Insurance Waiver of Premium provision, if any.

Your Dependent spouse's Accidental Death and Dismemberment Insurance, if any, will not reduce due to payment of the Accelerated Life Benefit for Dependent Spouse.

The following information is used for illustrative purposes only:

Example: Life insurance in force = \$100,000*
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 = $.50 \times \$100,000 = \$50,000$
2. Interest Charge = $\$50,000 \times (106 \text{ days} / 365 \text{ days}) \times .035 = \508.22
3. Death Benefit Payable = $\$100,000 - \$50,000 - \$508.22 = \$49,491.78$

*The Person's Life Insurance amount is shown on 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) Your Dependent spouse's Life Insurance terminates; or
- 2) the policy or provision terminates.

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

SECTION 20-DEPENDENT INSURANCE

PAYMENT OF DEATH BENEFITS

Upon the death of Your insured Dependent, benefits will be paid in the same manner as in Section 15. Benefits will be paid in a lump sum:

- 1) to You; or
- 2) to Your Beneficiary, if You are not living; or
- 3) as provided in Section 18.

SECTION 21-GENERAL POLICY PROVISIONS

AMENDMENT and CHANGES: The policy may be amended by mutual agreement between the Group Policyholder and AUL but without prejudice to any valid claim incurred prior to the effective date of the amendment. No change in the policy is valid until approved by the Chief Executive Officer, President or Secretary of AUL. No agent has the authority to change 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 You or Your Dependents are deemed representations and not warranties. No statement made by You or Your Dependent may be used in any contest unless a copy of the instrument containing the statement is or has been furnished to You or Your Dependent or, in the event of Your or Your Dependent's death or incapacity, to Your or Your Dependent's Beneficiary or personal representative.

ASSIGNMENT: You may make an absolute assignment of all benefits and rights of Your Life Insurance. Your 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.

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

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

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.

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

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

INCONTESTABILITY: The validity of the policy shall not be contested after two (2) years from the effective date of the policy except for non-payment of premiums. No statement made by You or Your Dependent on Your signed enrollment form will be used to contest a claim or the validity of insurance after Your or Your Dependent's coverage has been in force for two (2) years prior to Your or Your Dependent's death.

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 (3) years from the time written proof of loss is required to have been furnished to AUL.

MISSTATEMENT OF AGE: If Your or Your Dependent's age 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.

**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.