

LUMP SUM DISABILITY INSURANCE PLAN

VOLUNTARY

90-day elimination period

Class Description	All eligible full-time employees			
Required Minimum Number of Hours Worked	30 hours weekly			
Elimination Period	90 Days			
Disability Criteria During Elimination Period	Regular Occupation			
Benefit Eligibility Period	24 months following the elimination period			
Disability Criteria During Benefit Eligibility Period	Any Occupation			
Lump Sum Disability Benefit Amount	Increments of \$10,000. Minimum \$10,000. Maximum \$30,000.			
Guaranteed Issue Amount	\$30,000			
Reduction Schedule: Coverage will reduce upon reaching certain ages as follows:				
<i>Employee Age when reduction occurs</i>	65	70	75	80
<i>Percent of Lump Sum Benefit Amount Remaining</i>	70%	45%	30%	25%
Pre-Existing Condition Exclusion	3/12			
Employer Contribution Percentage	0%			
Participation Requirement	Greater of 2 lives or 25% for voluntary. 100% for employer paid.			

Benefit Features

- Continuation of personal insurance under Family Medical Leave Act (FMLA)
- Continuation of personal insurance during Leave of Absence, including active military service and temporary layoff
- Accumulation of elimination period: 2 times the elimination period
- Individual Reinstatement: 30 days
- Portability
- Waiver of Premium
- Tax reporting services: pertaining to Employee FICA, W2 & Form 941

Limitations

- Drug & Alcohol Abuse: limited to 20% of Lump Sum Disability Benefit Amount
- Mental Illness: limited to 20% of Lump Sum Disability Benefit Amount
- Special Conditions: limited to 20% of Lump Sum Disability Benefit Amount

¹Use of the term "Employee" includes employees, owners, members, partners, shareholders, or participants eligible to apply for coverage under the AUL contract.

Eligibility

An eligible participant is a full-time employee authorized to work and reside in the United States. Eligible participants must work the required minimum number of hours and cannot be considered a part-time, temporary or seasonal employee. If any eligible participant is not actively at work on the contract effective date, group insurance coverage for that participant will not exist until he/she returns to full-time active work.

If a participant is eligible and enrolls timely, the participant will be able to apply for coverage without providing Evidence of Insurability. After the initial enrollment period, eligible participants may apply for coverage under another option only during an approved scheduled enrollment period. However, any change in coverage will then require medical underwriting and written approval by AUL.

Any change in the above amounts of coverage and/or number of participants insured will invalidate the proposed premium rates and require further evaluation by AUL.

No insurance coverage shall exist or become effective until approved in writing by an officer within the Employee Benefits division of AUL. AUL shall not be liable or responsible for any loss or benefit claim incurred prior to the AUL effective date of coverage for any insured.

Sick Pay Tax Reporting Services Offered

Deduct and deposit with the IRS participant, FICA, if any; prepare and issue W-2 forms; pay and deposit with IRS Employer FICA portion, if any; and prepare and file IRS Form 941 (Employer's Quarterly Federal Tax return) or 944 with the IRS, if applicable.

Additional Information

Any sick pay services will be performed pursuant to IRS publication 15-A and applicable tax publications, and AUL is not considered the employer's agent. The employer/policyholder remains responsible and liable for all withholding, depositing, and reporting obligations not agreed in writing to be provided by AUL.

The policyholder is responsible for preparing and filing all statements and reports required of a policyholder to comply with ERISA and any tax reporting requirements pursuant to applicable IRS and SSA guidelines.

STANDARD INDUSTRY RATES

Voluntary Lump Sum Disability: 90 day elimination period

Amount	Lump Sum Disability <i>Per month</i>
\$10,000	\$5.00
\$20,000	\$10.00
\$30,000	\$15.00

Voluntary Lump Sum Disability

Employees can elect benefit amounts of \$10,000, \$20,000, or \$30,000. After satisfying the elimination period, if an individual meets the definition of permanent and total disability within the benefit eligibility period, the employee would be eligible to receive a lump sum disability payment.