

Application/Subscription Agreement for Group Insurance ("Application")

Products and financial services provided by
American United Life Insurance Company®
a OneAmerica® company
One American Square, P.O. Box 6123
Indianapolis, IN 46206-6123
1-800-553-5318
www.employeebenefits.aul.com



General Information (please print)

Legal Name of Employer

Street Address (location of primary office)

City

State

ZIP Code

Mailing Address (if different from above)

City

State

ZIP Code

State of Employer's Principal Place of Business (unless otherwise governed by ERISA, this state's laws shall govern the policy)
MI

Business Information (please print)

Nature of Business Operations

SIC

8999

Date Business Operations Began

Tax ID Number

Business is Organized as (select one)

☐ Corporation ☐ Partnership ☐ LLC ☐ Union ☐ Other _____

Financial Risk (if YES to any question below, please explain)

- a. Has Applicant ever filed for bankruptcy, or will bankruptcy be filed within the next year? ☐ Yes ☒ No
- b. Will Applicant cease or materially reduce active business operations within the next two (2) years? ☐ Yes ☒ No
- c. Is Applicant's revenue dependent upon government contracts or private grants? ☐ Yes ☒ No

Explanation

Affiliate and/or Subsidiary Information (please print)

Identify any **affiliates and/or subsidiaries to be included**. Employees will be insured under the policy **only** if the affiliate or subsidiary is identified below and approved by American United Life Insurance Company® (AUL).

(If more space is needed, please attach a separate page.)

Name	Address (if different)	Nature of Business Operations	% Owned by Applicant

Requested Coverage Information (please print)

***NOTE: Group life/disability insurance coverage is not effective until AUL has received payment of the required premium and has provided written approval of the application to Employer.**

Requested Policy Effective Date* (mm/dd/yyyy)

Employer Anniversary Date (mm/dd)

1. Does Applicant have any other AUL group insurance policies in force? ☐ Yes ☐ No
2. Will any portion of AUL coverage **supplement** similar coverage that is currently or will be in force? ☐ Yes ☐ No
3. Will any portion of AUL coverage **replace** similar coverage? ☐ Yes ☐ No

If YES to 2 or 3, please provide additional information in the space below and **provide a copy of each existing contract** that could or will be replaced by or supplement AUL coverage.

Coverage(s)

Carrier

Termination Date

Requested Group Insurance Coverage**Eligible Classes****Proposal Number**☐ Term Life and AD&D☐ Dependent Term Life and AD&D☐ Voluntary Term Life and AD&D☐ Voluntary Dependent Term Life and AD&D☐ Short-Term Disability☐ Long-Term Disability☐ Worksite/Voluntary Disability (Short-Term)☐ Worksite/Voluntary Disability (Long-Term)

Eligibility and Effective Date Information (please print)

*NOTE: If requirements will vary by coverage or class, please explain in **Special Considerations** section on page 5.*

1. **International Employees:** Will ALL eligible Employees be working or residing inside the United States?..... ☒ Yes ☐ No
If NO, please indicate in **Special Considerations** the country, number of eligible Employees there, their citizenship and expected return date.
2. **Exclusions:** Are there any class(es) of employees that will not be offered coverage under the AUL Contract?..... ☒ Yes ☐ No
If YES, please explain:
Part-Time _____

3. **Term Life Insurance Coverage Only:** Will retirees be offered coverage under the AUL Contract? ☐ Yes ☒ No
4. **Disability Insurance Coverage Only:**
- a. **State Mandated Plans:** Are there any Eligible Employees working and/or residing in CA, HI, NJ, NY, RI, or PR?.... ☐ Yes ☐ No
If YES, please indicate below the state, number of Eligible Employees in that state, and number currently insured under the state mandated disability plan.

- b. **NOT ACTIVELY AT WORK:** Are any Employees currently not Actively at Work due to Disability? ☐ Yes ☐ No
(NOTE: Employees not Actively at Work on the Coverage Effective Date may not be eligible for coverage with AUL. Please have any such employees contact your prior carrier to determine their right to continue coverage.)
5. **New Hire Waiting Period:**
Life:
☐ 0 calendar days ☐ 30 calendar days ☐ 60 calendar days ☐ 90 calendar days ☐ Other _____
Disability:
☐ 0 calendar days ☐ 30 calendar days ☐ 60 calendar days ☐ 90 calendar days ☐ Other _____
6. **Effective Date of Coverage:**
☐ Immediate after Waiting Period ☐ 1st of Coverage Month after Waiting Period
7. **Initial Enrollment Period:**
Term Life Insurance Coverage:
Present Employees (*Eligible Employees hired before the Policy Effective Date*):
from _____ to _____ (*enrollment period must occur on or prior to Policy Effective Date*)
New Employees (*Eligible Employees hired on or after the Policy Effective Date*):
31 days after completing Waiting Period
Disability Insurance Coverage:
Present/Initial Employees: (*Eligible Employees that have completed the Waiting Period before the Policy Effective Date*)
from _____ to _____ (*enrollment period must occur on or prior to Policy Effective Date*)
New Employees (*Eligible Employees hired on or after the Policy Effective Date OR Eligible Employees that have not completed the Waiting Period for a Present/Initial Employee before the Policy Effective Date*):
31 days after completing Waiting Period
8. **Effective Date for changes in the amount of insurance resulting from a salary change:**
☒ 1st of Coverage Month on or after change ☐ Other _____
9. **Effective Date for changes in the amount of premium resulting from an age change:**
☒ Policy Anniversary ☐ 1st of Coverage Month on or after change

Earnings Definition

*NOTE: If requirements will vary by coverage or class, please explain in **Special Considerations** section on page 5.*

Earnings Determination Date: Amount of group life and/or disability insurance coverage will be based upon earnings **as last reported** in writing to and approved by AUL. In no event will the amount of earnings used to calculate benefits under the AUL Contract exceed the lesser of: (a) the amount approved by AUL; (b) the amount shown in the Employer's payroll records; or (c) the amount for which premium has been paid.

Base Salary will be based on:

Base Salary (ABS) only

- ☐ Base Salary, plus Commissions averaged for last 36 months
- ☐ Base Salary, plus Bonuses averaged for last 36 months
- ☐ Base Salary, plus Commissions and Bonuses averaged for last 36 months
- ☐ Base Salary, plus Plan Contributions & Overtime averaged for 12 months/52 weeks
- ☐ Base Salary, plus Overtime averaged for 12 months/52 weeks
- ☐ Partnership, Schedule K-1 Earnings
- ☐ S-Corp Owners, W-2 with Plan Contributions & K-1 Earnings
- ☐ S-Corp Owners, W-2 without Plan Contributions & K-1 Earnings
- ☐ S-Corp Owners, K-1 Earnings Only
- ☐ Sole Proprietor
- ☐ Teacher's Base Salary
- ☐ W-2 Earnings with Plan Contributions
- ☐ W-2 Earnings without Plan Contributions
- ☐ 1099 Employee

Administrative Information

1. Individual Terminations:

- a. For Disability insurance coverage, the termination date will be immediate.
- b. For Term Life insurance coverage, the termination date will be:
 - ☐ Immediate ☒ End of Coverage Month of Employee termination

2. For 100% employer paid disability coverage:

- a. **IRS Revenue Ruling 2004-55 information:** Do Employees have the option of irrevocably electing premiums to be paid by and reported by the Employer to the IRS as paid pre- or post-tax for the following coverage?
 - Short-Term Disability ☐ Yes ☒ No
 - Long-Term Disability ☐ Yes ☒ No
 - Lump Sum Disability ☐ Yes ☒ No
- b. **Employer Gross-up:** Are premiums paid by the Employer included in Employee's gross income and reported to the IRS for the following coverage?
 - Short-Term Disability ☐ Yes ☒ No
 - Long-Term Disability ☐ Yes ☒ No
 - Lump Sum Disability ☐ Yes ☒ No

3. Premium:

Amount of premium paid with Application (if any) _____

Special Considerations

Earnings Definitions- Base salary/S-Corp Owners, K-1 Earnings Only

Fraud Warning

Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and may be subject to penalties under state law.

Disclosure

Arbitration Disclosure for AUL Contracts

Arbitration is allowed only if permitted by the laws of the state governing the Contract.

- Coverage under the policy may include a non-binding arbitration agreement.
- The arbitration agreement requires that any disagreement related to the Contract must first be resolved by arbitration and not in a court of law.
- The results of the arbitration may be final and binding on all parties.
- In an arbitration, an arbitrator, who is an independent neutral party, gives a decision after hearing the positions of the parties.
- Arbitration takes the place of resolving disputes by a judge and jury and the decision of the arbitrator normally is not reviewable in court by a judge and jury.

Employer Acknowledgements and Signature

The undersigned Employer understands and agrees:

- that the policy, the enrollment forms of the individuals, this Application, and any amendments made from time to time constitute the entire contract ("Contract");
- to engage AUL to offer group insurance coverage(s) to eligible participants as set forth in the policy and also to provide standard administrative services to participants in connection with the group insurance product(s), all in accordance with the terms and conditions of the Contract and as outlined in AUL's written guidelines, Administrative Guide Administrative Options Election Form and any applicable Administrative Agreement, and applicable laws;
- that no descriptive brochures, advertising materials and other promotional materials relating to AUL and the Contract will be disseminated without the prior written approval of AUL;
- to distribute notices to eligible participants indicating the date coverage begins and terminates; to instruct eligible participants to refer to their certificates or evidence of coverage to determine their rights, if any are available to them while covered and upon termination; and to distribute any forms and information needed to file claims or respond to billing, administration, and underwriting requests;
- to endorse and sponsor the group insurance product(s) established pursuant to this Application. AUL and its representative(s) shall be the claims administrator for the group life and disability insurance product(s) and are not fiduciaries of the employee welfare benefit plan;
- that only the AUL Home Office and AUL authorized Claim Administrators have the authority to determine insurability, eligibility for benefits, the effective date of insurance coverage, the amount of benefits owed, the amount of insurance coverage, to interpret and administer any of the requirements set forth in the Contract and to amend the Contract by signature of the duly authorized President or Secretary of AUL. To the extent permitted by applicable state law, benefits under the Contract will be paid only if AUL decides in its discretion the applicant is entitled to them;
- the basis for approval or disapproval of coverage by AUL is the information provided by the Employer, the participant, within application forms/enrollment forms, and within any requested medical information, if necessary. Coverage will be considered null and void as of the effective date if the Employer or participants fail to furnish information which AUL may reasonably require;
- that AUL will not be liable for claims or losses incurred after failure to pay the correct amount of premium and/or the termination of coverage. Collecting and paying premium for coverage not approved by AUL and/or beyond the termination date will result in the Employer's sole liability for the benefits for which the premiums have been collected and/or paid;
- that, to the extent permitted by state law, any controversy or claim arising out of or relating to this Application, the sale, solicitation, or receipt of any coverage, or its breach thereof whether in tort, contract, breach of duty (including but not limited to) any alleged fiduciary, good faith, and fair dealing duties, shall be first decided by non-binding arbitration in accordance with the Federal Arbitration Act, the procedures of the commercial arbitration rules of the American Arbitration Association, and this Contract. The Court of Arbitrators, which is to be held where the employer's home office is domiciled, shall consist of three (3) qualified arbitrators familiar with group insurance products;
- that, to the extent permitted by state law, Employer does hereby indemnify, hold harmless, and agrees to defend AUL, its officers, directors, employees, and agents, from and against any and all claims, liabilities, payments, demands, causes of action, damages, suits or costs of any kind that may be brought against AUL, whether at law or in equity arising from or caused by any acts or omissions of Employer and/or its representatives that may arise in connection with the Contract excepting those claims, damages or liabilities that arise as a result of the breach by AUL of its obligations under this Application and Contract. The indemnity obligation contained in this paragraph shall survive and be fully enforceable after the termination of the Contract;
- that AUL does hereby indemnify, hold harmless, and agrees to defend Employer, its officers, directors, employees, and agents, from and against any and all claims, liabilities, payments, demands, causes of action, damages, suits or costs of any kind that may be brought against Employer, whether at law or in equity arising from or caused by any acts or omissions of AUL and/or its representatives that may arise in connection with the Contract excepting those claims, damages or liabilities that arise as a result of the Employer's breach of its obligations under this Application and the Contract. The indemnity obligation contained in this paragraph shall survive and be fully enforceable after the termination of the Contract;
- that the Employer and AUL are, and will remain, independent contractors. Nothing shall be construed as making the parties joint venturers or as creating a relationship of employer and employee, master and servant, or principal and agent. Neither party has any power, right or authority to bind the other or to assume or create any obligation or responsibility on behalf of the other. In the event the Employer amends the Contract and/or offers increased or reduced benefits inconsistent with the Contract without first obtaining written authorization from AUL, AUL shall have no legal obligation or responsibility for payment of any increased or reduced benefits inconsistent with the Contract.

Employer Acknowledgements and Signature (continued)**The undersigned Employer acknowledges:**

- that the producer has informed the Employer that he/she is compensated for the sale of group life and disability insurance products by AUL, and that he/she may receive, or his/her organization/agency may receive, compensation based, in part, on the persistency or profitability or premium volume or total volume of assets or deposits of the business sold by the producer for AUL, including the product(s) being applied for by the Employer. The producer has also informed the Employer that his/her compensation may be included, directly or indirectly, in the premiums or fees for the product(s) being purchased by the Employer. These disclosures were made at the time of application and, therefore, prior to the purchase of the product(s);
- that unless otherwise governed by ERISA, the state laws of the Employer's principal place of business shall govern the policy;
- that the proposal outlining the terms and conditions of the coverage being offered by AUL is incorporated by reference. If there is any conflict between the provisions expressly contained in this document, the proposal, the underlying Contract, and/or any other document, then the provisions expressly stated in the Contract shall govern. The terms and conditions of the proposal, this document, and the Contract may be modified, supplemented, amended or revised only in writing by AUL. All previous agreements and understandings, written or oral, between the parties as to the subject matter hereof are superseded;
- *(if applicable)* that it will adopt, subscribe to, and be bound by the American United Life Group Insurance Trust ("Trust"), agrees that the Trustee shall function as the policyowner, and that upon AUL approval, the Employer will become a Participating Unit in the Trust;
- that the Employer represents and warrants to AUL that, as of the Signature Date, (a) it has all power and authority to execute and deliver this Application and to perform its obligations hereunder, (b) no consent, approval or authorization from any agent is required in connection with Employer's execution, delivery, and performance of this Application, except such as have been obtained and are in full force and effect, (c) the execution, delivery and performance of this Application by Employer will not violate any relevant law, regulation, contract, court order, or ruling applicable to Employer to the best of its knowledge, (d) any information or documents provided to AUL by Employer prior to and after the Signature Date and the facts and other matters contained in the foregoing are true and accurate to the best of Employer's knowledge and belief;
- and accepts the terms and provision of the Contract, including its exhibits, riders, endorsements or amendments, if any.

Authorized Signature

Title

Printed Name

Signature Date

Producer Statement & Signature

I have complied with all applicable laws, AUL underwriting guidelines, and have accurately and fully explained to the Employer, the coverage and terms/conditions of the group insurance coverage. I have informed the Employer that I am compensated for the sale of the group life and disability insurance product(s) by AUL. Further, I have informed the Employer that I may receive, or my organization/agency may receive, compensation based, in part, on the persistency or profitability or premium volume or total volume of assets or deposits of the business sold by me for AUL, including the product(s) being applied for by the Employer. I have also informed the Employer that this compensation may be included, directly or indirectly, in the premiums or fees for the product(s) being issued to the Employer. These disclosures are being made at the time of application, and therefore, prior to the issuance of the product(s).

Agent of Record

Signature

Title

Printed Name

Date

Producer/Agent License issued in

Producer/Agent License Number

For Home Office Use ONLY**Acceptance of Application (complete for direct coverages only)**

This Application has been reviewed by AUL's Group Underwriting Department and has been approved for group life and/or disability coverage effective _____.

By

Date