

# Employee Benefits Insurance Proposal

Issued by American United Life Insurance Company®,  
a OneAmerica® company



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## City of North Royalton

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Proposal Date: 10/22/2010  
Proposed Effective Date: 01/01/2011

### *About OneAmerica® and AUL®*

OneAmerica Financial Partners, Inc., is headquartered in Indianapolis, IN. The companies of OneAmerica can trace their solid foundations back more than 125 years in the insurance and financial services marketplace.

OneAmerica's nationwide network of companies offers a variety of products to serve the financial needs of their policyholders and other clients. These products include retirement plans, products and services; individual life insurance, annuities, long-term care solutions and employee benefits. The goal of OneAmerica is to blend the strengths of each company to achieve greater collective results.

American United Life Insurance Company® (AUL) is the founding member of OneAmerica. We deliver on our promises when customers need us most. AUL is licensed and authorized to conduct insurance and retirement business in every state (except New York) and the District of Columbia. OneAmerica is a holding company and is not a licensed insurance company. Visit us at <http://www.oneamerica.com>.

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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  
 (800) 553-5318



**Proposed Effective Date: 01/01/2011**

***Group Term Life and AD&D Insurance Options Offered for Class 1<sup>1</sup>***

<b>Class Description:</b>	All Full-Time Eligible Police and Fire Employees <sup>1</sup>		
<b>Required Minimum Number of Hours Worked:</b>	30 hours weekly		
<b>Amount of Life Insurance:</b>	\$15,000		
<b>Amount of AD&amp;D Insurance:</b>	\$30,000		
<b>Guaranteed Issue Amount for Life:</b>	\$15,000		
<b>Guaranteed Issue Amount for AD&amp;D:</b>	\$30,000		
<b>Reduction Schedule:</b>			
Coverage will reduce upon reaching certain ages as follows:			
Employee's age when reduction occurs	65	70	75
Percent of Life Amount Remaining	65%	50%	35%
<b>Waiver of Premium Benefit:</b>			
Age 60 w/ 9 month waiting period, terminates at SSFRA			
<b>Employer Contribution Percentage:</b>			
100%			
<b>Participation Requirement:</b>			
100%			

**Benefit Features Offered for Group Term Life and AD&D Insurance:**

- Accelerated Life Benefit
- Individual Reinstatement - 30 Days
- Continuation of Insurance Options
- Continuity of Coverage
- Conversion Privilege
- Seat Belt Benefit
- Air Bag Benefit
- Repatriation Benefit
- Paralysis/Loss of Use Benefit
- Child Higher Education Benefit
- Child Care Benefit
- Disappearance/Exposure Benefit
- Severe Burns

Number of insured employees for life insurance coverage within this class: 82  
 Number of insured employees for AD&D coverage within this class: 82  
 Total amount of life insurance for this class: \$1,224,750.00

<sup>1</sup> Use of the term "Employee" includes employees, owners, members, partners, shareholders, or participants eligible to apply for coverage under American United Life Insurance Company® (AUL) contract.

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Total amount of AD&D insurance for this class:

\$2,449,500.00

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

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**Proposed Effective Date: 01/01/2011**

***Group Term Life and AD&D Insurance Options Offered for Class 2<sup>1</sup>***

<b>Class Description:</b>	All Other Full-Time Eligible Employees <sup>1</sup>		
<b>Required Minimum Number of Hours Worked:</b>	30 hours weekly		
<b>Amount of Life Insurance:</b>	\$15,000		
<b>Amount of AD&amp;D Insurance:</b>	Matches Life Amount		
<b>Guaranteed Issue Amount:</b>	\$15,000		
<b>Reduction Schedule:</b>			
Coverage will reduce upon reaching certain ages as follows:			
Employee's age when reduction occurs	65	70	75
Percent of Life Amount Remaining	65%	50%	35%
<b>Waiver of Premium Benefit:</b>			
Age 60 w/ 9 month waiting period, terminates at SSFRA			
<b>Employer Contribution Percentage:</b>			
100%			
<b>Participation Requirement:</b>			
100%			

**Benefit Features Offered for Group Term Life and AD&D Insurance:**

- Accelerated Life Benefit
- Individual Reinstatement - 30 Days
- Continuation of Insurance Options
- Continuity of Coverage
- Conversion Privilege
- Seat Belt Benefit
- Air Bag Benefit
- Repatriation Benefit
- Paralysis/Loss of Use Benefit
- Child Higher Education Benefit
- Child Care Benefit
- Disappearance/Exposure Benefit
- Severe Burns

Number of insured employees for life insurance coverage within this class:	97
Number of insured employees for AD&D coverage within this class:	97
Total amount of life insurance for this class:	\$1,444,500.00
Total amount of AD&D insurance for this class:	\$1,444,500.00

<sup>1</sup> Use of the term "Employee" includes employees, owners, members, partners, shareholders, or participants eligible to apply for coverage under American United Life Insurance Company® (AUL) contract.

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

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***Proposed Premium Rates for Group Term Life and AD&D Insurance***

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<b>Coverage</b>	<b>Number of Insured Employees</b>	<b>Total Amount of Insurance</b>	<b>Monthly Premium Rate per \$1,000 of Coverage</b>	<b>Total Monthly Premium</b>	<b>Rate Guarantee Offered</b>
<b>Life:</b>	179	\$2,669,250.00	\$0.195	\$520.50	3 years
<b>AD&amp;D:</b>	179	\$3,894,000.00	\$0.035	\$136.29	
<b>Total:</b>			\$0.230	\$656.79	

Any change in amounts of coverage and/or number of employees insured will invalidate the proposed premium rates and require further evaluation by American United Life Insurance Company® (AUL).

The proposed effective date of coverage under AUL's contract will be 01/01/2011. No insurance coverage shall exist or become effective until approved in writing by AUL at its Indianapolis, Indiana home office. AUL shall not be liable or responsible for any loss or benefits incurred prior to AUL's effective date of coverage for any insured.



### ***Proposal Conditions***

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**The following are assumptions and conditions upon which this proposal is offered:**

1. This invitation to inquire allows interested employers an opportunity to inquire further about group insurance coverage and is limited in its description of the losses for which benefits may be payable. The contract has exclusions, limitations, reduction of benefits, and terms under which it may be continued in force or discontinued. The contract may contain a waiting or elimination period between the effective date of the contract and the effective date of coverage, and between the date a loss occurs and the date benefits begin to be payable for the loss.
2. Estimated rates are available for 60 calendar days following the proposal date. Actual monthly premium will be calculated and quoted by AUL. Premium rates do increase according to contract terms, and are subject to change. Any deviation from the benefits selected and/or information supplied by employer will invalidate this proposal and require reevaluation of any terms/conditions offered by AUL. Employer warrants and represents, to the best of its knowledge, no participants who may apply for coverage have any illnesses that could affect premium rates, benefits or coverage approval.
3. Rates and coverage are dependent upon the employer being in business and operational at least 2 consecutive years.
4. Coverage continues while required premium is paid and employer receives coverage under the AUL group contract. Benefits payable under the contract may be based on a percentage of an employee's covered earnings subject to AUL's approval, contract maximums, contract reductions, and according to contract terms and conditions. If a choice of the amount of benefits is offered, the amount of benefits provided depends upon the coverage selected and premium can vary with the amount of benefits selected. If a range of benefit levels is present, the applicant is only entitled to the benefit level shown in the contract.
5. Rates assume an SIC code of 9111.
6. Any coverage offered by AUL prior to and after the effective date of coverage is contingent upon information and documents received by AUL being accurate and reliable. Final premium costs will be calculated by AUL based on the final enrollment data of employees insured on the effective date.
7. AUL's group insurance policies are nonparticipating contracts.
8. Proposal assumes less than 30% of employees will be in law enforcement or fire protection occupations, no urban locations or elected officials will be insured, and all employees contribute FICA taxes.
9. All products and benefits may not be available or offered in all states. Contact your AUL regional group insurance representative for availability of products and benefits

**EMPLOYER SHOULD RETAIN AND NOT TERMINATE ANY OTHER GROUP INSURANCE COVERAGE UNTIL WRITTEN APPROVAL HAS BEEN RECEIVED FROM AUL.**