

**FRANCISCO ALVAREZ
COUNTY OF HIDALGO OFFICE OF EMPLOYMENT AND TRAINING
3101 W BUSINESS 83
MCALLEN, TX 78501**

**G92082
Traci Cline-Smith**

RETURN SIGNED DOCUMENTS BY: Friday, June 4, 2010

VALUATION DATE = Friday, June 11, 2010

February 5, 2010

Francisco Alvarez
County of Hidalgo Office of Employment and Training
3101 W Business 83
McAllen, TX 78501

RE: County/Hidalgo Office of Employment & Training Employees Ret. Plan & Trust
G92082

Dear Mr. Alvarez:

In order to terminate your AUL contract effective **May 1, 2010**, you must complete and return the following enclosed forms by **Friday, June 4, 2010**:

1. Termination Amendment to the Contract

This document changes the contract to address several situations. If your Plan will remain intact, the amendment allows the transfer of assets from the terminated contract to an alternative plan provider or to another AUL group annuity contract which we may make available. In addition, when both your Plan and your contract are terminating, the amendment gives the contractholder the option of allowing participants themselves to direct how and where assets should be paid. **Please sign this amendment to the contract and return to AUL by Friday, June 4, 2010.**

2. Contract Settlement Agreement

This multi-purpose document:

- a) Serves as your notice to AUL to terminate the contract
- b) Indicates how the Contractholder wants assets to be paid, and
- c) Releases AUL from any liability arising from payment of the assets (pursuant to Section 8.2 of the contract)

When completing this document, you will need to choose one of the following payout options:

Option 1: ***This option is available only if your plan is also being terminated. (Please review enclosed document whose heading reads: If You are Terminating your Contract AND your Plan, You should be Aware of Participant Rights and Your Plan Fiduciary Responsibilities.)***

This option allows each Participant to elect how assets are to be paid, and requires that each Participant submit a "Benefit Distribution Request Form," available from AUL's Home Office. If assets are paid directly to the Participant *or* to another financial institution, the amount disbursed will be the Participant's Withdrawal Value, adjusted by either (1) the Fixed Interest Account's Investment Liquidation Charge (ILC) or (2) the AUL general account's Market Value Adjustment (MVA) (as specified in the Contract Supplement effective July 5, 2001) (whichever adjustment (ILC or MVA) would provide the larger payout amount). However, if a Participant elects to transfer assets to an AUL multiple-fund group variable annuity, the Participant's **Account Value** will be transferred. A lump sum check will be

disbursed to the Contractholder for any Participants whose benefit request forms are not received by **Friday, June 4, 2010**.

Although we have asked that you sign and return this document, if you and your legal counsel determine you should file IRS Form 5310, please do not return *any* of this termination paperwork until you are able to include a copy of your IRS determination letter. If such action prohibits returning these items by **Friday, June 4, 2010**, you should discard these documents and return *ONLY* a copy of the IRS determination letter. AUL will then provide updated termination documents to you reflecting revised termination and payout dates.

- Option 2: This option provides for a lump-sum payment to be wired to a succeeding plan provider or to whomever the Contractholder directs. Complete wiring instructions *must* be clearly indicated. The amount of the lump-sum payment will be equal to the **aggregate Withdrawal Value** of all Participant Accounts, **adjusted by the aggregate Investment Liquidation Charge**.
- Option 3: This option also provides for a lump-sum payment, but the disbursement will be made by check to a succeeding plan provider or to whomever the Contractholder directs. The payee name and address *must* be clearly indicated. The amount of the lump-sum payment will be equal to the **aggregate Withdrawal Value** of all Participant Accounts, **adjusted by the aggregate Investment Liquidation Charge**.
- Option 4: This option provides for an initial lump-sum payment wired to a succeeding plan provider or to whomever the Contractholder directs, with six equal annual installments to follow. The installments will *also* be wired as directed by the Contractholder, and complete wiring instructions *must* be clearly indicated. The amount of the *lump-sum* payment will be equal to the **aggregate Withdrawal Value** of all *variable* Participant Accounts, and the *installment* payments will be equal to one-sixth of the **aggregate Withdrawal Value** of all *Fixed Interest* Participant Accounts (see Section 8.2(a)(2) of the Contract for details concerning the interest payable). When this option (or Option 5) is utilized, no Investment Liquidation Charge is applicable.
- Option 5: This option provides for an initial lump-sum payment paid by check to a succeeding plan provider or to whomever the Contractholder directs, with six equal annual installments to follow. The installments will *also* be paid by check as directed by the Contractholder, and the payee name and address *must* be clearly indicated. The amount of the *lump-sum* payment will be equal to the **aggregate Withdrawal Value** of all *variable* Participant Accounts, and the *installment* payments will be equal to one-sixth of the **aggregate Withdrawal Value** of all *Fixed Interest* Participant Accounts (see Section 8.2(a)(2) of the Contract for details concerning interest payable). When this option (or Option 4) is utilized, no Investment Liquidation Charge is applicable.

The signed contract amendment and the completed and signed Contract Settlement Agreement should be returned to AUL by Friday, June 4, 2010. Upon receipt of these items, your contract will be terminated.

After your contract termination has been processed, AUL will complete a final payment summary statement. AUL will also complete the Schedule A portion (and Schedule G portion if applicable) of IRS Form 5500 for the final plan year in which assets were held in your AUL contract. However, with regard to this final plan year, we will prepare IRS Form 5500 only if you choose Payout Option 1 (where Participants themselves elect how assets are paid *and* no assets are paid to the Contractholder) *or* if **all** of the following conditions are met: a) you choose to transfer your assets to another provider, b) we are able to make that transfer on the last day of your plan year, and c) we receive the applicable IRS Form 5500 preparation fee before the assets are disbursed.

In closing, please make sure you complete and return the following items to me at AUL's Home Office by **Friday, June 4, 2010**:

1. The *signed* Termination Amendment to the Contract
2. The *completed and signed* Contract Settlement Agreement
3. One copy of your IRS Determination Letter (for Plan Termination) (if applicable)

Should you have questions concerning your termination process, please contact me at (317)285-4904 or (800)261-9618 extension 4904. Thank you in advance for your cooperation.

Sincerely,

Traci Cline-Smith
Plan Services Consultant
Retirement Plan Services

Enclosures

cc: Document File

NOTE: Please note that the contract termination effective date, as defined in Section 8.1 of your contract, establishes the dates used to value and payout your contract funds, and does *not* mean that your plan's normal operations will be restricted on or immediately after such effective date. In fact, activities (such as acceptance of contributions, transfers between investment accounts, etc.) will continue until your plan's blackout period begins.

If You are Terminating your Contract AND your Plan, You should Be Aware of Participant Rights and Your Plan Fiduciary Responsibilities:

Please Note: This list is not meant to be inclusive and you must contact your legal counsel or tax advisor to ensure that all necessary actions to terminate your plan are completed.

If you decide to terminate your plan, your plan document should be amended to reflect the plan termination.
(Note: AUL does not provide this service.)

If applicable, notice of the proposed termination must be sent to affected parties (participants and beneficiaries) 60 to 90 days prior to the proposed plan termination date.
(Note: AUL does not provide this notice.)

Before assets are distributed from the plan, you may wish to file IRS Form 5310 (Application for Determination at Termination) with the Internal Revenue Service.
(Note: AUL does not provide this filing.)

At plan termination, all active participants become 100% vested in their accounts.

At plan termination, all inactive participants who were not yet 100% vested and had not taken a distribution or incurred a 5-year break in service automatically become 100% vested. Any non-vested amounts being held in suspense for such participants must be reinstated and paid out along with vested amounts.

It may be necessary for you to complete and return a census if unallocated amounts (which must be distributed to plan participants) are being held in Cash, Internal, and/or Forfeiture Suspense accounts. If a census is necessary to determine such allocations, it will be provided under separate cover.

Plan termination benefits may be subject to Withdrawal Charges and/or Investment Liquidation Charges or a Market Value Adjustment as defined by your contract.

So long as any participant monies remain undistributed (whether held by AUL or by the Plan Trustee), you must maintain your plan and update it to accommodate any changes in law. You must also file Form 5500 each year with the Internal Revenue Service until all such distributions have been made.

Any plan participant with a current account balance must be located and provided a Benefit Distribution Request form. Several services, including the Social Security Administration and the IRS Disclosure Office, will assist in locating plan participants.

Account balances for any participants whose completed Benefit Distribution Request forms are not returned to AUL within the allotted time will be disbursed in a lump-sum check to the Plan Trustee, who must:

- Establish a separate account to hold the returned plan assets until they can be distributed. (Note: These returned amounts should not be commingled with other assets of the business because doing so may result in plan disqualification.) When these amounts can be distributed, the Plan Trustee then must:
- Provide requisite notices to such participants or beneficiaries within the time prescribed by law.
- Make direct payment to such individuals or make payment for their benefit to the financial institutions they select.
- Withhold and submit taxes for those individuals who elect lump-sum distributions.
- Produce and send IRS Form 1099-R to both the payee and to the Internal Revenue Service.
- Arrange with an accountant or service provider to complete your final IRS Form 5500, which must be filed within 7 months of the final distribution.

(Note: AUL does not provide this service.)

Failure to comply with plan termination requirements could jeopardize your plan's qualified status and result in federal tax consequences.

If this Amendment is not properly executed by the Contractholder and received by AUL at its Home Office by **Friday, June 4, 2010**, it shall become null and void, unless AUL elects to execute it after **Friday, June 4, 2010**

CONTRACTHOLDER

AMERICAN UNITED LIFE

By _____

By _____

Title _____

Title _____

Date _____

Date _____

CONTRACT SETTLEMENT AGREEMENT

The names used in this document for the Plan, the Contractholder, and the Plan Sponsor shall be those names as they are referenced in your most recent plan document.

The **County/Hidalgo Office of Employment & Training Employees Ret. Plan & Trust** (the Contractholder) hereby give(s) notice to American United Life Insurance Company (AUL) that, as of **May 1, 2010**, Separate Accounts Group Retirement Annuity (VIII) (BR) **Contract G92082** (the Contract) between the Contractholder and AUL is to be terminated pursuant to Section 8.1 of the Contract.

Furthermore, upon termination of the Contract that is used as a funding vehicle for the Plan (as "Plan" is defined in the Contract), AUL will no longer provide document support for the Plan or notify the Plan Sponsor of any amendments made to the AUL prototype or other template plan document provided by AUL and adopted by the Plan Sponsor. The Plan's continued use of the AUL prototype and/or other AUL template plan document after termination of **Contract G92082** will be at the Plan Sponsor's and/or the Plan trustee's(s') own risk, and may result in the loss of the Plan's tax-qualified status.

Additionally, whenever the term "MVA" is used in this Contract Settlement Agreement for each Participant, it shall mean the Withdrawal Value of such Participant's Account, reduced by the general account Investment Liquidation Charge (ILC) or adjusted by the general account Market Value Adjustment (MVA) as specified in the Supplement to the Contract effective July 5, 2001, **whichever assessment (ILC or MVA) would provide the larger amount to the payees.**

Then, further, by signing below, the Plan Sponsor and Contractholder hereby agree that any unpaid charges due AUL by the Plan Sponsor and/or Contractholder under the "AUL RecordKeeping/Administrative Services" portion of your 401 New Business Agreement shall be paid by **Friday, June 4, 2010**. If AUL does not receive such payment by such date, this Contract Settlement Agreement shall become null and void as of that date.

NOW THEREFORE, In accordance with Sections 8.1 and 8.2 of the Contract, as amended by the accompanying Termination Amendment to the Contract, the Contractholder hereby elects the following payout option by placing an "X" beside the appropriate choice:

CONTRACT SETTLEMENT AGREEMENT

Payout Option 1
Each Participant Chooses how his or her Assets are to be Paid

This option is available only if your PLAN is also being terminated.*

For clarification purposes, whenever the term "MCO IRA" is used in this Contract Settlement Agreement, it shall mean the mandatory cash-out (MCO) IRA used in conjunction with the mandatory cash-out provisions of the Plan Sponsor's Plan for any Participant whose Account Value is \$1,000 up to \$4,999.99 and who fails to request a benefit distribution. AUL's MCO IRA is a fixed Interest Account-only contract with no Withdrawal Charge.

After the aforementioned charges have been recovered by AUL, and in accordance with Contract Sections 8.2 (b) and (c), as amended by Contract Termination Amendment A:

(1) **If No Participant Benefit Distribution Request (BDR) Form Submitted by Friday, June 4, 2010:**

The Contractholder hereby directs AUL to make a single sum payment equal to each such Participant's Withdrawal Value (adjusted by the Fixed Interest Account MVA) directly from the Contract to the Contractholder for the benefit of each such Participant, with the following exceptions:

- (a) If a Participant's Account Value is less than \$1,000, his or her Withdrawal Value (adjusted by the MVA) shall be paid to him or her in a lump-sum so long as AUL has such Participant's current address information, otherwise, it shall be paid to the Contractholder.
- (b) The Contractholder has elected an IRA group annuity contract made available by AUL as an MCO IRA, the Contractholder, on behalf of the Contractholder and such Participants under the Contract, hereby directs AUL to transfer such Participant's Account Value to:
 - (i) the AUL MCO IRA, if the Participant's Account Value is \$1,000 to \$4,999.99.
 - (ii) The AUL MCO IRA, if the Participant's Account Value is \$5,000 or greater and the Plan provides that the benefits paid only in cash (a cash-only Plan; or
 - (iii) the Contractholder (minus any Withdrawal Charge and adjusted by the MVA), if the Participant's Account Value is \$5,000 or greater and the Plan is not a cash-only Plan.

(2) **If Participant BDR Form Submitted by Friday, June 4, 2010:** The Contractholder hereby directs AUL to make a single sum payment directly from the Contract to, or for the benefit of, each Participant, as directed by each such Participant on AUL's BDR Form, on behalf of the Contractholder and its Participants under the Contract.

- (a) If the Participant directs AUL to make a single sum payment to the Participant or to the Participant's designee, such payment shall be equal to his or her Withdrawal Value (adjusted by the MVA).
- (b) If the Participant has an existing AUL IRA individual annuity contract or is participating in an existing AUL IRA group annuity contract, and that contract will accept transfer from this Contract, the Participant may direct AUL to transfer his or her Account Value to that contract.

CONTRACT SETTLEMENT AGREEMENT

- (c) The Participant may direct AUL to transfer his or her Account Value of \$5,000 or greater to any IRA group or individual annuity contract made available by AUL, and if no Withdrawal Charge is applicable to such Participant upon termination of this Contract now being terminated, his or her Account Value shall be transferred to an IRA with no Withdrawal Charge. However, if a Withdrawal Charge is indeed applicable to such Participant upon termination of this Contract, his or her Account Value shall be transferred to an IRA with a Withdrawal Charge. If the Participant directs a to any AUL IRA that requires him or her to submit an IRA enrollment form, but fails to submit such required IRA enrollment form to AUL by **Friday, June 4, 2010**, the Participant's Account Value shall be transferred to the AUL MCO IRA, where it will remain unless a transfer request is subsequently provided, at which time it will be transferred per the transfer request.
 - (d) If a Participant directs AUL to transfer his or her Account Value of \$1,000 to \$4,999.99 to an AUL IRA, such Account Value shall be transferred to the AUL MCO IRA.
 - (e) If the Participant's Account Value is less than \$1,000, the Participant may not direct a transfer to any AUL IRA annuity contract in which he or she does not already have an account established. Instead, his or her Withdrawal Value (adjusted by the MVA) shall be paid to him or her in a lump-sum so long as AUL has the Participant's current address information, otherwise it shall be paid to the Contractholder.
- (3) AUL shall be fully protected in relying on any Participant address information furnished by the Contractholder, and AUL need not inquire as to the accuracy or completeness thereof. Any individual Participant benefit payments made in conjunction with the termination of the Contract which are subsequently returned to AUL by the US Postal Service for insufficient or incomplete address shall be transferred to AUL's Unclaimed Properties Account.

The Account Value and the Withdrawal Value to be determined under Paragraphs (1) and (2) above will be calculated as of **Friday, June 11, 2010**, and amounts to be paid or transferred under those Paragraphs will be paid or transferred on **Monday, June 14, 2010**. However, if **Friday, June 11, 2010** falls on a day when either AUL or the NYSE is closed, such calculation will be performed on the next business day during which both entities are open, and payment or transfer will be made on the next AUL business day following such calculation date.

When a distribution (or multiple distributions) from individual Participant Accounts are paid out at contract termination, AUL assesses a \$40.00 per Participant (*not per disbursement*) processing fee, and the Contractholder hereby authorizes AUL to deduct this amount from each such affected Participant Account. (This \$40.00 fee is not applicable when distributions from this contract are transferred to any of the aforementioned IRA contracts made available by AUL.)

The MVA to be determined under Paragraphs (1) and (2) above also will be calculated as of **Friday, June 11, 2010**. It should also be noted that, while the MVA totaled **\$ 0.00** when calculated as of **June 2, 2010**, this MVA amount is NOT GUARANTEED as of any other date.

This means that the **estimated MVA** (as displayed in this termination document and the enclosed Estimated Cash Value Report), when compared with **the actual MVA** (as calculated on the Valuation Date) could be affected as follows:

- 1) A negative **estimate** could change to either a greater or lesser **actual** negative MVA (that would be deducted from the Withdrawal Value being paid), or
- 2) A positive **estimate** could change to either a greater or lesser **actual** positive MVA (that would be added to the Withdrawal Value being paid), or

CONTRACT SETTLEMENT AGREEMENT

- 3) A negative **estimate** could change to a positive **actual MVA** (that would be added to the Withdrawal Value being paid), or
- 4) A positive **estimate** could change to a negative **actual MVA** (that would be deducted from the Withdrawal Value being paid), or
- 5) An **estimate** of \$0.00 could change to either a negative **actual MVA** (that would be deducted from the Withdrawal Value being paid), or to a positive **actual MVA** (that would be added to the Withdrawal Value being paid).

**** Please Note:**

If you and your legal counsel determine you should file IRS Form 5310, please do not return ANY of this termination paperwork until you are able to include a copy of your IRS determination letter. If such action prohibits returning these items by Friday, June 4, 2010, you should discard these documents and return ONLY a copy of the IRS determination letter. AUL will then provide updated termination documents to you reflecting revised termination and payout dates.

Failure to comply with plan termination requirements could jeopardize your plan's qualified status and result in federal tax consequences.

CONTRACT SETTLEMENT AGREEMENT

Payout Option 2
Lump-Sum Payment Wired to Whomever the Contractholder Directs

In accordance with Section 8.2(b) of the Contract, as amended by the Termination Amendment, the Contractholder hereby elects to have AUL make a single sum payment for the benefit of the Contractholder and the Participants under the Contract directly from the Contract via wire transfer to:

NAME OF BANK TO WHICH WIRE TRANSFER IS TO BE MADE

CITY AND STATE WHERE ABOVE BANK IS LOCATED

ABA # OF ABOVE BANK

ACCOUNT # TO WHICH FUNDS ARE TO BE DEPOSITED

ACCOUNT NAME

FOR THE BENEFIT OF

In accordance with Section 8.2(b) of the Contract, as amended by the Termination Amendment to the Contract, the amount to be paid from the Contract shall be equal to the **aggregate Withdrawal Value** of all Participant Accounts, **adjusted by the aggregate Investment Liquidation Charge** applicable to the Fixed Interest Account, and shall be calculated as of **Friday, June 11, 2010** (Calculation Date), and payable on **Monday, June 14, 2010** (Payout Date), so long as those dates fall on days when *both* AUL and the NYSE are open for business. However, if the *Calculation* Date falls on a day when either AUL or the NYSE is closed, such calculation will be performed on the next business day during which both entities are open, and *payment* will be made the next business day following the Calculation Date during which both entities are open. If the *Payout* Date falls on a day when either AUL or the NYSE is closed, payment will be made on the next business day during which both entities are open.

CONTRACT SETTLEMENT AGREEMENT

Payout Option 3
Lump-Sum Payment Paid by Check to Whomever the Contractholder Directs

In accordance with Section 8.2(b) of the Contract, as amended by the Termination Amendment, the Contractholder hereby elects to have AUL make a single sum payment for the benefit of the Contractholder and the Participants under the Contract directly from the Contract payable by check to:

PAYEE NAME

PAYEE STREET ADDRESS

PAYEE CITY AND STATE

PAYEE ZIP CODE

In accordance with Section 8.2(b) of the Contract, as amended by the Termination Amendment to the Contract, the amount to be paid from the Contract shall be equal to the **aggregate Withdrawal Value** of all Participant Accounts, **adjusted by the aggregate Investment Liquidation Charge** applicable to the Fixed Interest Account, and shall be calculated as of **Friday, June 11, 2010** (Calculation Date), and payable on **Monday, June 14, 2010** (Payout Date), so long as those dates fall on days when *both* AUL and the NYSE are open for business. However, if the *Calculation* Date falls on a day when either AUL or the NYSE is closed, such calculation will be performed on the next business day during which both entities are open, and *payment* will be made the next business day following the Calculation Date during which both entities are open. If the *Payout* Date falls on a day when either AUL or the NYSE is closed, payment will be made on the next business day during which both entities are open.

CONTRACT SETTLEMENT AGREEMENT

***Payout Option 4
Initial Lump-Sum Payment Wired to Whomever the Contractholder Directs
with Six Annual Installments to Follow***

In accordance with Section 8.2(a)(1) and (2) of the Contract, as amended by the Termination Amendment, the Contractholder hereby elects to have AUL make an initial lump-sum payment and six annual installment payments for the benefit of the Contractholder and the Participants under the Contract directly from the Contract payable via wire transfer to:

NAME OF BANK TO WHICH WIRE TRANSFER IS TO BE MADE

CITY AND STATE WHERE ABOVE BANK IS LOCATED

ABA # OF ABOVE BANK

ACCOUNT # TO WHICH FUNDS ARE TO BE DEPOSITED

ACCOUNT NAME

FOR THE BENEFIT OF

In accordance with Section 8.2(a)(1) and (2) of the Contract, as amended by the Termination Amendment to the Contract, the amount of the *lump-sum* payment will be equal to the **aggregate variable Withdrawal Value** of all Participant Accounts and shall be calculated on the Monday preceding the first Contract Anniversary occurring after **May 1, 2010** (Option 4 or Option 5 Calculation Date) and payable on the first Contract Anniversary occurring after **May 1, 2010** (Option 4 or Option 5 Payout Date), so long as those dates fall on days when *both* AUL and the NYSE are open for business.* The *installment* payments shall be equal to one-sixth of the **aggregate Fixed Interest Withdrawal Value** of all Participant Accounts and shall be calculated each year on the Monday preceding the Contract Anniversary and payable each year on the Contract Anniversary. After the annual installment is made each year, AUL shall credit interest to the remaining funds as described in Section 8.2(a)(2).

*** If the Calculation Date falls on a day when either AUL or the NYSE is closed, such calculation will be performed on the next business day during which both entities are open, and payment will be made the next business day following the Calculation Date during which both entities are open. If the Payout Date falls on a day when either AUL or the NYSE is closed, payment will be made on the next business day during which both entities are open.**

CONTRACT SETTLEMENT AGREEMENT

***Payout Option 5
Initial Lump-Sum Payment Paid by Check to Whomever the Contractholder
Directs with Six Annual Installments to Follow***

In accordance with Section 8.2(a)(1) and (2) of the Contract, as amended by the Termination Amendment, the Contractholder hereby elects to have AUL make an initial lump-sum payment and six annual installment payments for the benefit of the Contractholder and the Participants under the Contract directly from the Contract payable by check to:

PAYEE NAME

PAYEE STREET ADDRESS

PAYEE CITY AND STATE

PAYEE ZIP CODE

In accordance with Section 8.2(a)(1) and (2) of the Contract, as amended by the Termination Amendment to the Contract, the amount of the *lump-sum* payment will be equal to the **aggregate variable Withdrawal Value** of all Participant Accounts and shall be calculated on the Monday preceding the first Contract Anniversary occurring after **May 1, 2010** (Option 4 or Option 5 Calculation Date) and payable on the first Contract Anniversary occurring after **May 1, 2010** (Option 4 or Option 5 Payout Date), so long as those dates fall on days when *both* AUL and the NYSE are open for business.* The *installment* payments shall be equal to one-sixth of the **aggregate Fixed Interest Withdrawal Value** of all Participant Accounts and shall be calculated each year on the Monday preceding the Contract Anniversary and payable each year on the Contract Anniversary. After the annual installment is made each year, AUL shall credit interest to the remaining funds as described in Section 8.2(a)(2).

* If the *Calculation Date* falls on a day when either AUL or the NYSE is closed, such calculation will be performed on the next business day during which both entities are open, and payment will be made the next business day following the Calculation Date during which both entities are open. If the *Payout Date* falls on a day when either AUL or the NYSE is closed, payment will be made on the next business day during which both entities are open.

CONTRACT SETTLEMENT AGREEMENT

Pursuant to Section 1.26 of the contract, the Withdrawal Charge shall be based on the Contract Year in which the withdrawal is made, and will be assessed according to the following schedule:

<u>During Contract Year</u>	<u>Percentage</u>
1-7	4
8	3
9	2
10	1
Thereafter	0

CONTRACT SETTLEMENT AGREEMENT

These payments and transfers shall be in full settlement of the amounts standing to the credit of and owing to the Contractholder and its Participants under the Contract, and shall be in lieu of any other payments under its terms.

If the Termination Amendment to the Contract is not executed by the Contractholder prior to or concurrently with the date this Contract Settlement Agreement is signed by the Contractholder and by the Plan Sponsor, this Contract Settlement Agreement shall be null and void.

If an executed copy of the Termination Amendment to the Contract is not received by AUL at its Home Office prior to or concurrently with the date a signed copy of this Contract Settlement Agreement is received by AUL, this Contract Settlement Agreement shall be null and void.

If this Contract Settlement Agreement is not properly executed by the Contractholder and received by AUL at its Home Office by **Friday, June 4, 2010**, it shall become null and void, unless AUL elects to execute it after **Friday, June 4, 2010**.

In consideration of the above-described payments and transfers and as required by Section 8.2 of the Contract, the undersigned Contractholder and Plan Sponsor hereby release, indemnify, and hold AUL, its agents, and its employees harmless from any and all liability, including, but not limited to, attorney fees, arising out of the payment and transfer by AUL of the sums described above in accordance with this Contract Settlement Agreement.

IN WITNESS WHEREOF, this Contract Settlement Agreement has been executed by duly authorized representatives of 1) the Contractholder, 2) the Plan Sponsor, and 3) American United Life Insurance Company.

Contractholder*

American United Life Insurance Company

By _____

By _____

Title _____

Title _____

Date _____

Date _____

Plan Sponsor

By _____

Title _____

Date _____

* *If you are also authorized to sign as Plan Sponsor, your signature on the Contractholder line above constitutes execution of this document by both Contractholder and Plan Sponsor.*

UNDERSTANDING YOUR **ESTIMATED** CASH VALUE REPORT

The columns on your report represent the following:

Participant Number	Participant's Social Security Number
Participant Name	Name of Participant
Fund ID	Codes Corresponding to Various Investment Options and Types (or "Sources") of Money (See last page of Report)
Market Value	Participant's Account Value as of the date of the report
Fee Amount	Amount of Withdrawal Charge to be applied
Cash Value	Participant's Account Value after deduction of any Withdrawal Charge, or: <u>Market Value</u> minus <u>Fee Amount</u> = Cash Value
MVA	Market Value Adjustment (which may be positive, negative, or not applicable, depending on your contract)
Payout Amount	Amount of money Participant will receive at termination, or: <u>Cash Value</u> plus or minus <u>MVA</u> = Payout Amount

Please Note: Your Estimated Cash Value Report reflects your contract's Account Value, Withdrawal Charge amount, Market Value Adjustment amount, and Payout Amount as of the date displayed at the top of the Report. These values and amounts are not guaranteed as of any other date. They can change significantly from one calculation date to another due to transfers between the contract's investment options, quarterly changes in the interest rate credited to new contributions to the Fixed Account, annual changes in interest rates credited to certain interest rate pockets, and your contract's Withdrawal Charge scale.

If your contract is scheduled to be valued and payment to be made outside of the current calendar quarter, please contact your Deconversion Consultant.

Additionally, **if you are terminating both your plan AND your AUL contract, please review the second-to-last page of your Estimated Cash Value Report.** If the last line has a Social Security Number of 999999999 and shows the words "Account, Forfeiture" where an individual's name normally appears, please contact your Deconversion Consultant.

Terminating your plan AND your AUL contract before dissolution of forfeiture amounts may compromise AUL's ability to prepare your final Form 5500. In such event, YOU will be fully responsible for preparing and filing the Form 5500 according to the deadlines imposed by the Department of Labor (DOL).