

**Application/Subscription Agreement for Group Insurance**

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)**

1. Legal Name of Employer: City of Plano, Texas
2. Street Address (location of primary office): 1520 Avenue K Suite 130  
 City: Plano State: TX Zip: 75074 County/Parish: \_\_\_\_\_
3. Mailing Address (if different from above): Human Resources, Attn: Shante Akafia, PO Box 860358  
 City: Plano State: TX Zip: 75086-0358 County/Parish: \_\_\_\_\_
4. Administrative Contact: Andrea Cockrell Phone: 972-941-5116
5. Email Address: andreaac@plano.gov Fax: 972-941-5116 (secure)

**Business Information (Please Print)**

1. Nature of Business Operations: City Government 2. SIC: 9111
3. Date Business Operations Began: \_\_\_\_\_ 4. Years at Location: 20+ 5. Federal Tax ID#: 75-6000640
6. Business is Organized as (Select One):  Corporation  Partnership  LLC  Union  Other: Municipality
7. Financial Risk (If Yes to any question please explain below.)
- a. Has Applicant ever filed for bankruptcy, or does it anticipate filing for bankruptcy within the next year?  Yes  No
- b. Does Applicant anticipate ceasing or materially reducing active business operations within the next two (2) years?  Yes  No
- c. Has Applicant opted out (or does it anticipate opting out within the next two (2) years) of Workers' Compensation?  Yes  No
- d. Is Applicant's revenue dependent upon government contracts or private grants?  Yes  No

Explanation:

property tax and sales supported

**Affiliate and/or Subsidiary Information (Please Print)**

1. 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 for group life and/or disability insurance coverage 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(s) Information (Please Print)**

1. Requested Effective Date (mm/dd/yy): 1/1/2020

(NOTE: Group life and/or disability insurance coverage is not effective until written approval is received from AUL.)

2. Requested Employer Anniversary Date (mm/dd): 1/01

If Yes to 4 or 5, please provide additional information in the space provided and **enclose a copy of each existing contract** that could or will be replaced by or supplement AUL's coverage.

- 3. Does Applicant have any other AUL group insurance policies in force?  Yes  No
- 4. Will any portion of AUL's coverage **supplement** similar coverage that is currently or will be in force?  Yes  No
- 5. Will any portion of AUL's coverage **replace** similar coverage?  Yes  No

Coverage(s)	Carrier	Effective Date	Termination Date
Life, VTL	CIGNA-Life Insurance Company of America		12/31/2019
LTD	Standard		12/31/2019

6. Requested Group Insurance Coverage(s):

	Proposal #
<input checked="" type="checkbox"/> Term Life and AD&D <input type="checkbox"/> Dependent Term Life and AD&D	<u>343984</u>
<input type="checkbox"/> Supplemental Term Life and AD&D	_____
<input checked="" type="checkbox"/> Voluntary Term Life and AD&D <input type="checkbox"/> Voluntary Dependent Term Life and AD&D	<u>343984</u>
<input type="checkbox"/> Short-Term Disability	_____
<input type="checkbox"/> Long-Term Disability	_____
<input type="checkbox"/> Voluntary Disability	_____
<input type="checkbox"/> CorePlus STD	_____
<input checked="" type="checkbox"/> CorePlus LTD	<u>343984</u>
<input type="checkbox"/> Lump Sum Disability	_____
<input type="checkbox"/> Worksite Disability	_____

**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. **Alternative Worksite(s):** Are there any eligible Employees working at worksites other than the primary offices?  Yes  No

If Yes, indicate number of employees: \_\_\_\_\_ (Note: Alternative worksites must be approved by AUL.)

3. **Exclusions:** Are there any class of employees that will not be offered coverage under AUL's contract?  Yes  No

If Yes, please explain: \_\_\_\_\_

**Eligibility and Effective Date Information (Please Print)**

**For AUL's Term Life Insurance Coverage(s) only:**

4. **Retirees:** Will retirees be offered coverage under the AUL contract?  Yes  No

**For AUL's Disability Insurance Coverage(s) only:**

5. **State Mandated Plans:** Are there any eligible Employees working and/or residing in CA, HI, NJ, NY, or RI?  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.

6. **Waiting Period** (Begins the first day an employee is a member of an eligible class):

**For AUL's Term Life Insurance Coverages:**

Present Employees (Eligible employees hired before the Policy's effective date):

0 calendar days  30 calendar days  60 calendar days  90 calendar days  Other\_\_\_\_\_

New Employees (Eligible employees hired on or after the Policy's effective date):

0 calendar days  30 calendar days  60 calendar days  90 calendar days  Other\_\_\_\_\_

**For AUL's Disability Insurance Coverages:**

Present/Initial Employees (Eligible employees hired and have completed the Waiting period before the Policy's effective date):

0 calendar days  30 calendar days  60 calendar days  90 calendar days  Other\_\_\_\_\_

New Employees (Eligible employees hired on or after the Policy's effective date OR eligible employees hired before and have not completed the Waiting period for a Present/Initial employee before the Policy's effective date):

0 calendar days  30 calendar days  60 calendar days  90 calendar days  Other\_\_\_\_\_

7. **Effective Date of coverage(s):**  Immediate after Waiting Period  1st of Coverage Month after Waiting Period

8. **Initial Enrollment Period:**

**For AUL's Term Life Insurance Coverages:**

Present Employees (Eligible employees hired before the Policy's effective date):

from: \_\_\_\_\_ to: \_\_\_\_\_ (must occur on or prior to Policy's effective date)

New Employees (Eligible employees hired on or after the Policy's effective date):

31 days after completing waiting period

**For AUL's Disability Insurance Coverages:**

Present/Initial Employees (Eligible employees hired and have completed the Waiting period before the Policy's effective date):

from: \_\_\_\_\_ to: \_\_\_\_\_ (must occur on or prior to Policy's effective date)

New Employees (Eligible employees hired on or after the Policy's effective date OR eligible employees hired before and have not completed the Waiting period for a Present/Initial employee before the Policy's effective date):

31 days after completing waiting period

9. **Effective Date for changes in the amount of insurance resulting from a salary change:**

Policy Anniversary  1st of Coverage Month on or after change

10. **Effective Date for changes in the amount of premium resulting from an age change:**

Policy Anniversary  1st of Coverage Month on or after change

11. **For Employee Paid Coverage(s) only:**

Scheduled Enrollment Period prior to Policy's Anniversary Date:  30 calendar days  60 calendar days

## 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 the amount approved by AUL, amount shown in the Employer's payroll records, or for which premium has been paid.

### 1. 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 AUL Disability insurance coverage, the termination date will be immediate.
- b. For AUL Term Life insurance coverage, the termination date will be:
  - Immediate
  - End of Coverage Month of employee termination

### 2. For 100% employer paid AUL 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 coverages?  
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 coverages?  
Short-Term Disability:  Yes  No Long-Term Disability:  Yes  No Lump Sum Disability:  Yes  No



## Fraud Notice

- Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.
- Alabama: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.
- Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.
- District of Columbia: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.
- Florida: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.
- Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.
- Louisiana and Pennsylvania: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.
- Maine: Any person who knowingly provides false, incomplete or misleading information to an insurance company for the purpose of defrauding the company commits a crime. Penalties may include imprisonment, fines or denial of insurance benefits.
- Maryland: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
- New Jersey: Any person who includes any false or misleading information on any application for an insurance policy is subject to criminal and civil penalties.
- New Mexico: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.
- Ohio: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.
- Rhode Island: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
- Tennessee, Virginia and Washington: It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

### Arbitration Disclosure for AUL's Contracts

*(NOTE: Arbitration of any type is NOT allowed in KS, LA, MO, MT, NE, OK, and SD. Binding arbitration is not allowed in AR, CA, CT, FL, ME, NJ, NM, VA, WA, WV, and WY. KY and NH do not allow any type of arbitration in Life Insurance contracts. Contracts in TX do not include an arbitration provision.)*

- Coverage under the group insurance contract for which you have applied may include a binding or 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 can be final and binding on you and AUL.
- In an arbitration, an arbitrator, who is an independent, neutral party, gives a decision after hearing the positions of the parties.
- When you accept coverage under AUL's insurance contract you agree to first resolve any disagreement related to the contract by arbitration instead of a trial in court including a trial by jury (note that some states may not allow mandatory arbitration).
- 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

### The undersigned Employer understands and agrees:

- 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) ("contract"), all in accordance with the terms and conditions of the contract and outlined in AUL's written guidelines, Administrative Guide 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, billing, administration, and underwriting requests;
- to endorse and sponsor the group insurance product(s) established pursuant to this Application/Subscription Agreement. AUL and its representative(s) shall be the claims administrator for the group life and disability insurance product(s) and is not a fiduciary of the employee welfare benefit plan;
- the basis for approval or disapproval of coverage by AUL is the information provided by the Employer, the participant, within application forms, and 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;
- if and to the extent permitted by law, to hold harmless AUL, their 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 AUL's errors or omissions. The 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 AUL's written authorization, AUL shall have no legal obligation or responsibility for payment of any increased or reduced benefits inconsistent with the contract.
- **DISCLOSURE:** The Employer understands that if the Mandatory Rehabilitation Program is elected under AUL's group disability contract, a disabled Employee will be bound to the terms of the Program and will not receive benefits if he does not adhere to the Program AUL determines is appropriate for his Disability and that has been approved by the Employee's Physician.

**Employer Signature**

**The undersigned Employer acknowledges:**

- that the producer has informed the Employer he is compensated for the sale of group life and disability insurance products by AUL, and he may receive, or his 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);  
\*In Kansas fees are factored into the premium.
- that the attached proposal outlining the terms and conditions of the coverage being offered by AUL is incorporated by reference. Except as outlined in this document, all other terms, conditions, and provisions of the underlying proposal shall remain unchanged. 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 group life and disability insurance 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 for AUL's Life and Disability) that it will adopt, subscribe to, and be bound by the American United Life Group Insurance Trust ("Trust"), agrees the Trustee shall function as the policy owner, and upon AUL's approval will become a Participating Unit in the Trust;
- that the Employer represents and warrants to AUL that, as of the Date of this Application, (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 Application Date and the facts and other matters contained in the foregoing are true and accurate to the best of Employer's knowledge and belief.

Authorized Signature: Shante Akafia Title: Director of Human Resources  
 Printed Name: Shante Akafia Date: 12/18/19

**Producer Statement & Signature**

I have complied with all applicable laws, AUL's 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 products 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 products 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).

\*In Kansas fees are factored into the premium.

**Agent of Record**

Signature: \_\_\_\_\_ Title: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_  
 Producer License issued in: \_\_\_\_\_ Producer 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 January 1, 2020.

By: [Signature] Date: February 12, 2020